

be visible to the public, regardless of whether that person is in a public or private place.

“(c) This section does not prohibit any lawful law enforcement, correctional, or intelligence activity.”.

(b) AMENDMENT TO PART ANALYSIS.—The table of chapters at the beginning of part I of title 18, United States Code, is amended by inserting after the item relating to chapter 87 the following new item:

“88. Privacy 1801”.

Approved December 23, 2004.

LEGISLATIVE HISTORY—S. 1301:

HOUSE REPORTS: No. 108-504 (Comm. on the Judiciary).

CONGRESSIONAL RECORD:

Vol. 149 (2003): Sept. 25, considered and passed Senate.

Vol. 150 (2004): Sept. 21, considered and passed House, amended.
Dec. 7, Senate concurred in House amendment.

Public Law 108–496
108th Congress

An Act

To amend part III of title 5, United States Code, to provide for the establishment of programs under which supplemental dental and vision benefits are made available to Federal employees, retirees, and their dependents, to expand the contracting authority of the Office of Personnel Management, and for other purposes.

Dec. 23, 2004
[S. 2657]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Federal Employee Dental and Vision Benefits Enhancement Act of 2004”.

SEC. 2. ENHANCED DENTAL BENEFITS FOR FEDERAL EMPLOYEES.

Subpart G of part III of title 5, United States Code, is amended by inserting after chapter 89 the following:

Federal
Employee Dental
and Vision
Benefits
Enhancement
Act of 2004.
5 USC 101 note.

“CHAPTER 89A—ENHANCED DENTAL BENEFITS

- “Sec.
- “8951. Definitions.
- “8952. Availability of dental benefits.
- “8953. Contracting authority.
- “8954. Benefits.
- “8955. Information to individuals eligible to enroll.
- “8956. Election of coverage.
- “8957. Coverage of restored survivor or disability annuitants.
- “8958. Premiums.
- “8959. Preemption.
- “8960. Studies, reports, and audits.
- “8961. Jurisdiction of courts.
- “8962. Administrative functions.

“§ 8951. Definitions

“In this chapter:

“(1) The term ‘employee’ means an employee defined under section 8901(1).

“(2) The terms ‘annuitant’, ‘member of family’, and ‘dependent’ have the meanings as such terms are defined under paragraphs (3), (5), and (9), respectively, of section 8901.

“(3) The term ‘eligible individual’ refers to an individual described in paragraph (1) or (2), without regard to whether the individual is enrolled in a health benefits plan under chapter 89.

“(4) The term ‘Office’ means the Office of Personnel Management.

“(5) The term ‘qualified company’ means a company (or consortium of companies or an employee organization defined under section 8901(8)) that offers indemnity, preferred provider

organization, health maintenance organization, or discount dental programs and if required is licensed to issue applicable coverage in any number of States, taking any subsidiaries of such a company into account (and, in the case of a consortium, considering the member companies and any subsidiaries thereof, collectively).

“(6) The term ‘employee organization’ means an association or other organization of employees which is national in scope, or in which membership is open to all employees of a Government agency who are eligible to enroll in a health benefits plan under chapter 89.

“(7) The term ‘State’ includes the District of Columbia.

“§ 8952. Availability of dental benefits

“(a) The Office shall establish and administer a program through which an eligible individual may obtain dental coverage to supplement coverage available through chapter 89.

“(b) The Office shall determine, in the exercise of its reasonable discretion, the financial requirements for qualified companies to participate in the program.

“(c) Nothing in this chapter shall be construed to prohibit the availability of dental benefits provided by health benefits plans under chapter 89.

“§ 8953. Contracting authority

“(a)(1) The Office shall contract with a reasonable number of qualified companies for a policy or policies of benefits described under section 8954 without regard to section 5 of title 41 or any other statute requiring competitive bidding. An employee organization may contract with a qualified company for the purpose of participating with that qualified company in any contract between the Office and that qualified company.

“(2) The Office shall ensure that each resulting contract is awarded on the basis of contractor qualifications, price, and reasonable competition.

“(b) Each contract under this section shall contain—

“(1) the requirements under section 8902(d), (f), and (i) made applicable to contracts under this section by regulations prescribed by the Office;

“(2) the terms of the enrollment period; and

“(3) such other terms and conditions as may be mutually agreed to by the Office and the qualified company involved, consistent with the requirements of this chapter and regulations prescribed by the Office.

“(c) Nothing in this chapter shall, in the case of an individual electing dental supplemental benefit coverage under this chapter after the expiration of such individual’s first opportunity to enroll, preclude the application of waiting periods more stringent than those that would have applied if that opportunity had not yet expired.

“(d)(1) Each contract under this chapter shall require the qualified company to agree—

“(A) to provide payments or benefits to an eligible individual if such individual is entitled thereto under the terms of the contract; and

“(B) with respect to disputes regarding claims for payments or benefits under the terms of the contract—

“(i) to establish internal procedures designed to expeditiously resolve such disputes; and Procedures.

“(ii) to establish, for disputes not resolved through procedures under clause (i), procedures for 1 or more alternative means of dispute resolution involving independent third-party review under appropriate circumstances by entities mutually acceptable to the Office and the qualified company.

“(2) A determination by a qualified company as to whether or not a particular individual is eligible to obtain coverage under this chapter shall be subject to review only to the extent and in the manner provided in the applicable contract.

“(3) For purposes of applying the Contract Disputes Act of 1978 to disputes arising under this chapter between a qualified company and the Office—

“(A) the agency board having jurisdiction to decide an appeal relative to such a dispute shall be such board of contract appeals as the Director of the Office of Personnel Management shall specify in writing (after appropriate arrangements, as described in section 8(c) of such Act); and

“(B) the district courts of the United States shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any action described in section 10(a)(1) of such Act relative to such a dispute.

“(e) Nothing in this section shall be considered to grant authority for the Office or third-party reviewer to change the terms of any contract under this chapter.

“(f) Contracts under this chapter shall be for a uniform term of 7 years and may not be renewed automatically.

“§ 8954. Benefits

“(a) The Office may prescribe reasonable minimum standards for enhanced dental benefits plans offered under this chapter and for qualified companies offering the plans.

“(b) Each contract may include more than 1 level of benefits that shall be made available to all eligible individuals.

“(c) The benefits to be provided under enhanced dental benefits plans under this chapter may be of the following types:

“(1) Diagnostic.

“(2) Preventive.

“(3) Emergency care.

“(4) Restorative.

“(5) Oral and maxillofacial surgery.

“(6) Endodontics.

“(7) Periodontics.

“(8) Prosthodontics.

“(9) Orthodontics.

“(d) A contract approved under this chapter shall require the qualified company to cover the geographic service delivery area specified by the Office. The Office shall require qualified companies to include dentally underserved areas in their service delivery areas.

“(e) If an individual has dental coverage under a health benefits plan under chapter 89 and also has coverage under a plan under this chapter, the health benefits plan under chapter 89 shall be the first payor of any benefit payments.

“§ 8955. Information to individuals eligible to enroll

“(a) The qualified companies at the direction and with the approval of the Office, shall make available to each individual eligible to enroll in a dental benefits plan information on services and benefits (including maximums, limitations, and exclusions), that the Office considers necessary to enable the individual to make an informed decision about electing coverage.

“(b) The Office shall make available to each individual eligible to enroll in a dental benefits plan, information on services and benefits provided by qualified companies participating under chapter 89.

“§ 8956. Election of coverage

“(a) An eligible individual may enroll in a dental benefits plan for self-only, self plus one, or for self and family. If an eligible individual has a spouse who is also eligible to enroll, either spouse, but not both, may enroll for self plus one or self and family. An individual may not be enrolled both as an employee, annuitant, or other individual eligible to enroll and as a member of the family.

Regulations.

“(b) The Office shall prescribe regulations under which—

“(1) an eligible individual may enroll in a dental benefits plan; and

“(2) an enrolled individual may change the self-only, self plus one, or self and family coverage of that individual.

“(c)(1) Regulations under subsection (b) shall permit an eligible individual to cancel or transfer the enrollment of that individual to another dental benefits plan—

“(A) before the start of any contract term in which there is a change in rates charged or benefits provided, in which a new plan is offered, or in which an existing plan is terminated; or

“(B) during other times and under other circumstances specified by the Office.

“(2) A transfer under paragraph (1) shall be subject to waiting periods provided under a new plan.

“§ 8957. Coverage of restored survivor or disability annuitants

“A surviving spouse, disability annuitant, or surviving child whose annuity is terminated and is later restored, may continue enrollment in a dental benefits plan subject to the terms and conditions prescribed in regulations issued by the Office.

“§ 8958. Premiums

“(a) Each eligible individual obtaining supplemental dental coverage under this chapter shall be responsible for 100 percent of the premiums for such coverage.

Regulations.

“(b) The Office shall prescribe regulations specifying the terms and conditions under which individuals are required to pay the premiums for enrollment.

“(c) The amount necessary to pay the premiums for enrollment may—

“(1) in the case of an employee, be withheld from the pay of such an employee; or

“(2) in the case of an annuitant, be withheld from the annuity of such an annuitant.

“(d) All amounts withheld under this section shall be paid directly to the qualified company.

“(e) Each participating qualified company shall maintain accounting records that contain such information and reports as the Office may require.

“(f)(1) The Employee Health Benefits Fund is available, without fiscal year limitation, for reasonable expenses incurred by the Office in administering this chapter before the first day of the first contract period, including reasonable implementation costs.

“(2)(A) There is established in the Employees Health Benefits Fund a Dental Benefits Administrative Account, which shall be available to the Office, without fiscal year limitation, to defray reasonable expenses incurred by the Office in administering this chapter after the start of the first contract year.

“(B) A contract under this chapter shall include appropriate provisions under which the qualified company involved shall, during each year, make such periodic contributions to the Dental Benefits Administrative Account as necessary to ensure that the reasonable anticipated expenses of the Office in administering this chapter during such year are defrayed.

“§ 8959. Preemption

“The terms of any contract that relate to the nature, provision, or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any State or local law, or any regulation issued thereunder, which relates to dental benefits, insurance, plans, or contracts.

“§ 8960. Studies, reports, and audits

“(a) Each contract shall contain provisions requiring the qualified company to—

“(1) furnish such reasonable reports as the Office determines to be necessary to enable it to carry out its functions under this chapter; and

“(2) permit the Office and representatives of the Government Accountability Office to examine such records of the qualified company as may be necessary to carry out the purposes of this chapter.

“(b) Each Federal agency shall keep such records, make such certifications, and furnish the Office, the qualified company, or both, with such information and reports as the Office may require.

Records.

“(c) The Office shall conduct periodic reviews of plans under this chapter, including a comparison of the dental benefits available under chapter 89, to ensure the competitiveness of plans under this chapter. The Office shall cooperate with the Government Accountability Office to provide periodic evaluations of the program.

“§ 8961. Jurisdiction of courts

“The district courts of the United States have original jurisdiction, concurrent with the United States Court of Federal Claims, of a civil action or claim against the United States under this chapter after such administrative remedies as required under section 8953(d) have been exhausted, but only to the extent judicial review is not precluded by any dispute resolution or other remedy under this chapter.

“§ 8962. Administrative functions

Regulations.

“(a) The Office shall prescribe regulations to carry out this chapter. The regulations may exclude an employee on the basis of the nature and type of employment or conditions pertaining to it.

“(b) The Office shall, as appropriate, provide for coordinated enrollment, promotion, and education efforts as appropriate in consultation with each qualified company. The information under this subsection shall include information relating to the dental benefits available under chapter 89, including the advantages and disadvantages of obtaining additional coverage under this chapter.”

SEC. 3. ENHANCED VISION BENEFITS FOR FEDERAL EMPLOYEES.

Subpart G of part III of title 5, United States Code, is amended by inserting after chapter 89A (as added by section 2 of this Act) the following:

“CHAPTER 89B—ENHANCED VISION BENEFITS

“Sec.

“8981. Definitions.

“8982. Availability of vision benefits.

“8983. Contracting authority.

“8984. Benefits.

“8985. Information to individuals eligible to enroll.

“8986. Election of coverage.

“8987. Coverage of restored survivor or disability annuitants.

“8988. Premiums.

“8989. Preemption.

“8990. Studies, reports, and audits.

“8991. Jurisdiction of courts.

“8992. Administrative functions.

“§ 8981. Definitions

“In this chapter:

“(1) The term ‘employee’ means an employee defined under section 8901(1).

“(2) The terms ‘annuitant’, ‘member of family’, and ‘dependent’ have the meanings as such terms are defined under paragraphs (3), (5), and (9), respectively, of section 8901.

“(3) The term ‘eligible individual’ refers to an individual described in paragraph (1) or (2), without regard to whether the individual is enrolled in a health benefits plan under chapter 89.

“(4) The term ‘Office’ means the Office of Personnel Management.

“(5) The term ‘qualified company’ means a company (or consortium of companies or an employee organization defined under section 8901(8)) that offers indemnity, preferred provider organization, health maintenance organization, or discount vision programs and if required is licensed to issue applicable coverage in any number of States, taking any subsidiaries of such a company into account (and, in the case of a consortium, considering the member companies and any subsidiaries thereof, collectively).

“(6) The term ‘employee organization’ means an association or other organization of employees which is national in scope, or in which membership is open to all employees of a Government agency who are eligible to enroll in a health benefits plan under chapter 89.

“(7) The term ‘State’ includes the District of Columbia.

“§ 8982. Availability of vision benefits

“(a) The Office shall establish and administer a program through which an eligible individual may obtain vision coverage to supplement coverage available through chapter 89.

“(b) The Office shall determine, in the exercise of its reasonable discretion, the financial requirements for qualified companies to participate in the program.

“(c) Nothing in this chapter shall be construed to prohibit the availability of vision benefits provided by health benefits plans under chapter 89.

“§ 8983. Contracting authority

“(a)(1) The Office shall contract with a reasonable number of qualified companies for a policy or policies of benefits described under section 8984 without regard to section 5 of title 41 or any other statute requiring competitive bidding. An employee organization may contract with a qualified company for the purpose of participating with that qualified company in any contract between the Office and that qualified company.

“(2) The Office shall ensure that each resulting contract is awarded on the basis of contractor qualifications, price, and reasonable competition.

“(b) Each contract under this section shall contain—

“(1) the requirements under section 8902 (d), (f), and (i) made applicable to contracts under this section by regulations prescribed by the Office;

“(2) the terms of the enrollment period; and

“(3) such other terms and conditions as may be mutually agreed to by the Office and the qualified company involved, consistent with the requirements of this chapter and regulations prescribed by the Office.

“(c) Nothing in this chapter shall, in the case of an individual electing vision supplemental benefit coverage under this chapter after the expiration of such individual’s first opportunity to enroll, preclude the application of waiting periods more stringent than those that would have applied if that opportunity had not yet expired.

“(d)(1) Each contract under this chapter shall require the qualified company to agree—

“(A) to provide payments or benefits to an eligible individual if such individual is entitled thereto under the terms of the contract; and

“(B) with respect to disputes regarding claims for payments or benefits under the terms of the contract—

“(i) to establish internal procedures designed to expeditiously resolve such disputes; and

“(ii) to establish, for disputes not resolved through procedures under clause (i), procedures for 1 or more alternative means of dispute resolution involving independent third-party review under appropriate circumstances by entities mutually acceptable to the Office and the qualified company.

Procedures.

“(2) A determination by a qualified company as to whether or not a particular individual is eligible to obtain coverage under

this chapter shall be subject to review only to the extent and in the manner provided in the applicable contract.

“(3) For purposes of applying the Contract Disputes Act of 1978 to disputes arising under this chapter between a qualified company and the Office—

“(A) the agency board having jurisdiction to decide an appeal relative to such a dispute shall be such board of contract appeals as the Director of the Office of Personnel Management shall specify in writing (after appropriate arrangements, as described in section 8(c) of such Act); and

“(B) the district courts of the United States shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any action described in section 10(a)(1) of such Act relative to such a dispute.

“(e) Nothing in this section shall be considered to grant authority for the Office or third-party reviewer to change the terms of any contract under this chapter.

“(f) Contracts under this chapter shall be for a uniform term of 7 years and may not be renewed automatically.

“§ 8984. Benefits

“(a) The Office may prescribe reasonable minimum standards for enhanced vision benefits plans offered under this chapter and for qualified companies offering the plans.

“(b) Each contract may include more than 1 level of benefits that shall be made available to all eligible individuals.

“(c) The benefits to be provided under enhanced vision benefits plans under this chapter may be of the following types:

“(1) Diagnostic (to include refractive services).

“(2) Preventive.

“(3) Eyewear.

“(d) A contract approved under this chapter shall require the qualified company to cover the geographic service delivery area specified by the Office. The Office shall require qualified companies to include visually underserved areas in their service delivery areas.

“(e) If an individual has vision coverage under a health benefits plan under chapter 89 and also has coverage under a plan under this chapter, the health benefits plan under chapter 89 shall be the first payor of any benefit payments.

“§ 8985. Information to individuals eligible to enroll

“(a) The qualified companies at the direction and with the approval of the Office, shall make available to each individual eligible to enroll in a vision benefits plan information on services and benefits (including maximums, limitations, and exclusions), that the Office considers necessary to enable the individual to make an informed decision about electing coverage.

“(b) The Office shall make available to each individual eligible to enroll in a vision benefits plan, information on services and benefits provided by qualified companies participating under chapter 89.

“§ 8986. Election of coverage

“(a) An eligible individual may enroll in a vision benefits plan for self-only, self plus one, or for self and family. If an eligible individual has a spouse who is also eligible to enroll, either spouse, but not both, may enroll for self plus one or self and family.

An individual may not be enrolled both as an employee, annuitant, or other individual eligible to enroll and as a member of the family.

“(b) The Office shall prescribe regulations under which—

Regulations.

“(1) an eligible individual may enroll in a vision benefits plan; and

“(2) an enrolled individual may change the self-only, self plus one, or self and family coverage of that individual.

“(c)(1) Regulations under subsection (b) shall permit an eligible individual to cancel or transfer the enrollment of that individual to another vision benefits plan—

“(A) before the start of any contract term in which there is a change in rates charged or benefits provided, in which a new plan is offered, or in which an existing plan is terminated; or

“(B) during other times and under other circumstances specified by the Office.

“(2) A transfer under paragraph (1) shall be subject to waiting periods provided under a new plan.

“§ 8987. Coverage of restored survivor or disability annuitants

“A surviving spouse, disability annuitant, or surviving child whose annuity is terminated and is later restored, may continue enrollment in a vision benefits plan subject to the terms and conditions prescribed in regulations issued by the Office.

“§ 8988. Premiums

“(a) Each eligible individual obtaining supplemental vision coverage under this chapter shall be responsible for 100 percent of the premiums for such coverage.

“(b) The Office shall prescribe regulations specifying the terms and conditions under which individuals are required to pay the premiums for enrollment.

Regulations.

“(c) The amount necessary to pay the premiums for enrollment may—

“(1) in the case of an employee, be withheld from the pay of such an employee; or

“(2) in the case of an annuitant, be withheld from the annuity of such an annuitant.

“(d) All amounts withheld under this section shall be paid directly to the qualified company.

“(e) Each participating qualified company shall maintain accounting records that contain such information and reports as the Office may require.

“(f)(1) The Employee Health Benefits Fund is available, without fiscal year limitation, for reasonable expenses incurred by the Office in administering this chapter before the first day of the first contract period, including reasonable implementation costs.

“(2)(A) There is established in the Employees Health Benefits Fund a Vision Benefits Administrative Account, which shall be available to the Office, without fiscal year limitation, to defray reasonable expenses incurred by the Office in administering this chapter after the start of the first contract year.

“(B) A contract under this chapter shall include appropriate provisions under which the qualified company involved shall, during each year, make such periodic contributions to the Vision Benefits Administrative Account as necessary to ensure that the reasonable

anticipated expenses of the Office in administering this chapter during such year are defrayed.

“§ 8989. Preemption

“The terms of any contract that relate to the nature, provision, or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any State or local law, or any regulation issued thereunder, which relates to vision benefits, insurance, plans, or contracts.

“§ 8990. Studies, reports, and audits

“(a) Each contract shall contain provisions requiring the qualified company to—

“(1) furnish such reasonable reports as the Office determines to be necessary to enable it to carry out its functions under this chapter; and

“(2) permit the Office and representatives of the Government Accountability Office to examine such records of the qualified company as may be necessary to carry out the purposes of this chapter.

Records.

“(b) Each Federal agency shall keep such records, make such certifications, and furnish the Office, the qualified company, or both, with such information and reports as the Office may require.

“(c) The Office shall conduct periodic reviews of plans under this chapter, including a comparison of the vision benefits available under chapter 89, to ensure the competitiveness of plans under this chapter. The Office shall cooperate with the Government Accountability Office to provide periodic evaluations of the program.

“§ 8991. Jurisdiction of courts

“The district courts of the United States have original jurisdiction, concurrent with the United States Court of Federal Claims, of a civil action or claim against the United States under this chapter after such administrative remedies as required under section 8983(d) have been exhausted, but only to the extent judicial review is not precluded by any dispute resolution or other remedy under this chapter.

“§ 8992. Administrative functions

Regulations.

“(a) The Office shall prescribe regulations to carry out this chapter. The regulations may exclude an employee on the basis of the nature and type of employment or conditions pertaining to it.

“(b) The Office shall, as appropriate, provide for coordinated enrollment, promotion, and education efforts as appropriate in consultation with each qualified company. The information under this subsection shall include information relating to the vision benefits available under chapter 89, including the advantages and disadvantages of obtaining additional coverage under this chapter.”.

SEC. 4. TECHNICAL AND CONFORMING AMENDMENT.

The table of chapters for part III of title 5, United States Code, is amended by inserting after the item relating to chapter 89 the following:

“89A. Enhanced Dental Benefits 8951
“89B. Enhanced Vision Benefits 8981”.

SEC. 5. APPLICATION TO POSTAL SERVICE EMPLOYEES.

Section 1005(f) of title 39, United States Code, is amended in the second sentence by striking “chapters 87 and 89” and inserting “chapters 87, 89, 89A, and 89B”.

SEC. 6. REQUIREMENT TO STUDY HEALTH BENEFITS COVERAGE FOR DEPENDENT CHILDREN WHO ARE FULL-TIME STUDENTS.

Deadline.
Reports.

Not later than 6 months after the date of enactment of this Act, the Office of Personnel Management shall submit to Congress a report describing and evaluating options whereby benefits under chapter 89 of title 5, United States Code, could be made available to an unmarried dependent child under 25 years of age who is enrolled as a full-time student at an institution of higher education as defined under section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

SEC. 7. EFFECTIVE DATE.

5 USC 8951 note.

The amendments made by this Act shall take effect on the date of enactment of this Act and shall apply to contracts that take effect with respect to the calendar year 2006.

Approved December 23, 2004.

LEGISLATIVE HISTORY—S. 2657 (H.R. 5295):

SENATE REPORTS: No. 108–393 (Comm. on Governmental Affairs).

CONGRESSIONAL RECORD, Vol. 150 (2004):

Nov. 20, considered and passed Senate.

Dec. 6, considered and passed House.