

Office of Personnel Management
Retirement and Insurance Group



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1954



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1986

Benefits Administration Letter

Number: 95-406

Date: September 25, 1995

SUBJECT: FEHB Open Season: Conducting the 1995 Open Season

GENERAL

**Changes in
FEHB Guides**

Based on the responses we received to the survey in last year's FEHB Guides, we made several changes to the Guide itself: a) a definitions section was added, b) more information about enrollment was provided, and c) we made it easier to find prepaid plans in the comparison chart section by listing them by name instead of location.

In the new definition of "Plan Pays" we added an alert which directs readers to check fee-for-service plan brochures for details about benefits. Some fee-for-service plans made substantive changes in their coinsurance and copayments this year.

We included the complete results of our recent survey of members about their plans. (Last year, we published the results separately during Open Season.)

We reduced the quantity of the RI 70-8 (the Guide for certain temporary employees) agencies will receive this year. For 1996 your shipment will be reduced to 60% of eligible employees.

To make it easier for people to access the FEHB Guide, we're putting it on our electronic bulletin board, OPM Mainstreet.

**Counseling
Employees**

Agencies are responsible for counseling employees who ask for help on health benefits matters. Counseling should be limited to answering questions about the FEHB Program and the application of the FEHB law and regulations to particular circumstances.

- ! Since the amount of enrollment information in the FEHB Guides may not be sufficient for the purposes of particular employees, the personnel office should refer employees to their plan brochure if the requested information is available there.

- ! Counselors also should try to answer any specific question on benefits by referring to the applicable brochure. If the question cannot be answered from the brochure, the agency should tell the employee to contact the health plan. Employees should not, however, be referred to a plan if the question concerns any subject other than benefits or a conversion contract.

**Plan
Terminations**

In BAL 95-404, OPM notified agency headquarters Insurance Officers of the names of the plans that are dropping out of the FEHB Program or dropping an enrollment area with a separate enrollment code at the end of 1995. Agencies must notify affected employees of the termination of their health plans' FEHB participation.

- ! We strongly recommend that agencies distribute the lists of terminating plans and terminating enrollment areas to all enrollees, so they can check to see whether their plan will be participating in the FEHB Program and their enrollment code is valid in 1996.

Employees whose plan will not participate in the Program or whose plan is dropping an enrollment area that has a separate enrollment code after December 31, 1995, must enroll in a different plan to continue FEHB coverage next year. You should monitor employees who are enrolled in these terminating plans/codes and follow up with those who have not submitted a change of enrollment before the end of open season.

**Annuitant
Inquiries**

Some annuitants may contact their former employing offices asking for SF 2809 (Health Benefits Registration Form).

! CSRS and FERS - OPM does not use SF 2809 to register open season changes for Civil Service Retirement System and Federal Employees Retirement System annuitants. These annuitants must use the individualized OPM 2809-EZ1 preprinted with their name, address, and claim number. The 2809-EZ1 is included in the open season package sent to each enrolled CSRS and FERS annuitant before open season begins. If an annuitant loses or does not receive the package or form, he/she can get one from OPM by calling 202-606-0500, or by writing to:

Office of Personnel Management
Open Season Task Force
P.O. Box 809
Washington, DC 20044-0809

The hearing-impaired who have access to a TDD machine may call OPM's Retirement Information Office TDD number: 202-606-0551.

When communicating with OPM, annuitants always should provide their CSA/CSF or FERS claim number and/or their

Social Security number.

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! Other retirement systems - These annuitants should be told to contact their retirement system for the proper registration form.

! OWCP - Former employees receiving benefits from the Office of Workers' Compensation Programs should contact the OWCP office that maintains their FEHB records.

CARRIER ACCESS

Health Fairs

We strongly encourage agencies to hold health fairs or to permit representatives of FEHB carriers to address groups of employees on their plan's benefits, methods of obtaining services, and similar matters.

Carrier representatives must confine their presentations to benefit provisions and claims procedures of the FEHB plan they represent. Questions not pertaining to benefits or claims should be referred to the agency's insurance official.

- ! The purpose of the fair is to inform, not to promote. You should explicitly discourage carriers from distributing trinkets, holding raffles, or engaging in similar activities that divert attention from the primary goal.
- ! Since the plans' marketing material may not be available until the beginning of open season, you should not hold any health fairs prior to the start of open season.

Other Companies

Agencies are frequently contacted by companies wishing to sell dental insurance or other types of "supplemental" policies to Federal employees. These companies may send marketing material to agencies, asking the agencies to distribute it; they may ask to be invited to the agency's health fairs; they may even show up at health fairs uninvited.

We strongly discourage agencies from assisting in the marketing efforts of these private companies, including companies FEHB carriers may have contracted with. To ensure the integrity of the FEHB Program, agencies should limit access to their premises to those health plans actually participating in the FEHB Program, i.e., those plans listed in the FEHB Guide.

OPEN SEASON CHANGES

**Permissible
Actions**

The following changes in registration may be made during open season:

1. An eligible employee who is not enrolled may register to enroll.
2. An enrollee may change from one plan or option to another, from self only to self and family, or make any combination of these changes.

New enrollments and enrollment changes for permissible reasons other than the open season can be made, as usual, between November 13 and December 11, 1995. However, these changes should not be mistakenly identified as open season changes.

Whether an employee is enrolling or changing enrollment based on open season or some other qualifying event, it is important that the correct event number be noted on the SF 2809, so that the correct effective date will be assigned.

**Timely
Registration**

The employing office must receive an open season change on SF 2809 no later than close of business on December 11, 1995, for the change to be considered filed on time.

**Belated
Registration**

An employing office has the authority to accept a late registration, if it determines that the employee was unable to submit SF 2809 on time because of circumstances beyond the employee's control. While we normally encourage agencies to make limited use of this authority, we recommend that you take a liberal view in cases where an employee's plan is terminating its FEHB participation.

If you decide to accept an employee's late registration, write "Belated Open Season Enrollment/Change" in the "Remarks" section of the SF 2809. Attach to copy 1 of the SF 2809 the employee's statement explaining why he/she could not register on time, or add your own note if the reason was an agency problem.

If you decide that the delay in filing is not due to a cause beyond the employee's control, do not accept the employee's late request. Notify the employee in writing that you are not approving the late enrollment. Give the reason for your denial and include a statement of the employee's right to request reconsideration within 30 days after the date of your notice.

Effective Dates

From not enrolled to enrolled - Effective the first day of the first pay period which begins on or after January 1, 1996, and which follows a pay period in any part of which the employee was in pay status.

- ! However, enrollment of a new employee who happens to register for the first time during open season is effective the same as for all new employees, i.e., the first day of the first pay period after the employing office receives the SF 2809.

Enrollment change - Effective the first day of the first pay period which begins on or after January 1, 1996, regardless of whether or not the employee was in pay status during the preceding pay period.

Belated open season action - Effective retroactive to the first day of the first pay period which begins on or after January 1, 1996. This effective date is the same as that of an open season change filed on time.

- ! If the belated change is from not enrolled to enrolled, the requirement of having been in pay status during the preceding pay period also must be met.

Cancellation - Effective the last day of the pay period in which the employing office receives SF 2809.

- ! Enrollees may cancel their health insurance at any time, without waiting for an "event" or an open season. The effective date is therefore different from the effective date of actions related to open season.

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Cancellation

Agencies should counsel employees about the consequences of cancelling their enrollment.

Remember that an employee must have been covered under the FEHB Program continuously for the five years of service immediately before retirement (or, if less than five years, for all periods of service during which he/she was eligible for FEHB coverage and for participation in a retirement system) in order to continue health benefits coverage after retirement.

! If an employee is cancelling his/her enrollment to be picked up by a spouse's open season enrollment, be sure to coordinate the cancellation with the effective date of the spouse's enrollment to prevent a break in coverage.

Deductibles

If an employee changes plans, covered expenses incurred between January 1, 1996, and the effective date of the open season change will count toward the 1995 deductible of the plan from which he/she is changing.

AGENCY ACTIONS

Prompt Processing

It is imperative that agencies process open season enrollments and enrollment changes promptly. Payroll offices should process enrollee and carrier copies of SF

2809 on a daily basis.

- ! *Gaining carriers* must be notified of new enrollments so the carrier can complete the paperwork necessary to provide coverage for the employee and covered family members and issue identification cards to the new enrollees.

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- ! *Losing carriers* must be notified as soon as possible of enrollment terminations, so they won't guarantee or provide benefits to employees or family members after the termination.

**Verification
of Employee
Coverage**

Employees often become concerned when they do not receive their identification card(s) from a new plan within a short time after the end of open season. If an employing office receives this type of inquiry, it should first contact the payroll office to determine when the carrier was notified of the change. If more than a month has passed since the SF 2809 was sent, the employing office should contact the carrier to determine the reason for the delay and to relay the employee's request for identification cards.

An employee may need verification of coverage under his/her plan before processing of the enrollment or enrollment change has been completed. Employing offices should verify that the employee is covered under the plan and inform the requesting party (e.g., carrier, doctor, hospital) of the effective date of the coverage.

Employing offices should also remind employees that their copy of the SF 2809 is acceptable as proof of enrollment until they receive their identification card(s) from the plan.

**Reconciliation
Requests**

After open season is completed, agencies will receive requests from carriers to reconcile enrollment records. These requests should receive the highest priority. The reconciliation process is critical to ensure that carriers receive the proper premium payments and that enrollees are properly reflected on plans' records.

Abby L. Block, Chief
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