

Office of Personnel Management
Retirement and Insurance Group



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Benefits Administration Letter

Number: 95-407

Date: September 25, 1995

SUBJECT: FEHB Open Season: Notice to Employees

GENERAL

Purpose

This Letter contains a sample announcement for notifying employees of the upcoming open season and instructions to agencies concerning the notification.

REQUIRED LANGUAGE

OMB

The Office of Management and Budget has asked that OPM advise agencies to include the following statement in the agencies' notifications to employees about open season:

Please note that information you provide by enrolling in the Federal Employees Health Benefits Program may also be used for computer matching with Federal, State or local agencies' files to determine whether you qualify for benefits, payments, or eligibility in the Federal Employees Health Benefits Program, Medicare, or other Government benefits programs.

TCC

The FEHB law requires that, before each open season, all employees eligible for FEHB, whether enrolled or not, be notified of their rights under temporary continuation of coverage.

Until last year, this requirement was met by including this information in the FEHB Guides, which were distributed to all eligible employees.

However, since the information in the FEHB Guides has been streamlined, and the FEHB Guides will not be distributed to all eligible employees, agencies must include TCC information in their notices to employees about open season.

- ! We have included language in the suggested announcement. If you prepare your own notice, rather than using our suggested announcement, be sure to include this TCC language.

NOTICE TO EMPLOYEES

**Agency
Responsibility**

Agencies and installations must inform their employees and participating former spouses and TCC enrollees, in advance, of the dates and purpose of open season.

The following is a suggested announcement which may be adapted for publication by the most efficient means:

SUGGESTED ANNOUNCEMENT

SUBJECT: 1995 Health Benefits Open Season

A Federal Employees Health Benefits (FEHB) open season will be held from November 13 through December 11, 1995.

During open season, any eligible employee who is not currently registered may enroll; and any eligible enrollee may change from one plan or option to another, from self only to self and family, or make a combination of these changes.

Enrollees who wish to continue their current enrollment do not need to take any action during this open season. However, enrollees whose plans will not be participating in the Program after December 31, 1995, or whose plans dropped an enrollment area having a separate enrollment code, **must** enroll in a different plan to continue FEHB coverage in 1996. (See attached lists of terminating plans and codes.) *[If you don't attach the list, include the names of the terminating plans within the text of your announcement.]*

There are two basic types of plans available under the FEHB Program:

1. Fee-for-service Plans - These plans reimburse you or your health care provider for covered services. If you enroll in one of these plans, you may choose your own physician, hospital, and other health care providers. Most of the fee-for-service plans have preferred provider arrangements in many parts of the country. By using preferred providers, you can reduce your out-of-pocket expenses and, in some cases, receive enhanced benefits.

Fee-for-service plans include the Service Benefit Plan sponsored by Blue Cross and Blue Shield and plans sponsored by unions and other employee organizations. Several employee organization plans are open to all eligible employees who are full or associate members of the organizations that sponsor the plans; other employee organization plans are restricted to employee organization groups and/or agencies. (See the employee organization plan brochures for information about membership and membership fees, which are in addition to your biweekly or monthly premiums.)

2. Prepaid Plans - These are also called comprehensive medical plans/health maintenance organizations. They provide or arrange for health care by designated physicians, hospitals, and other providers in particular locations. Most services under a prepaid plan must be performed by the plan's participating providers.

Each prepaid plan is open to employees within the plan's enrollment area. You cannot enroll in a prepaid plan if you are located outside its enrollment area. Refer to the plan's brochure if you have any questions about the enrollment area.

Before open season begins, your current health plan will send you a copy of its brochure and a notice of its 1996 rates. **If you are enrolled in an HMO, be sure to review the brochure carefully to see if there are any changes in the plan's service and enrollment areas which would require any action on**

your part.

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If you are considering enrolling or making an enrollment change, contact *[location]* to obtain a copy of the 1996 FEHB Guide. This Guide contains a comparison chart that gives general information about each plan and shows the biweekly and monthly premium rates. Do not rely solely on these booklets when deciding to enroll in or change enrollment to a specific plan. If, after reviewing the FEHB Guide, you decide that you are interested in making an enrollment change, consult the plan's brochure for a complete description of benefits.

Brochures for all plans will be available for your inspection at *[location]*. Due to the limited quantity available, please return the brochures after you have reviewed them. If you change health plans, however, you may keep the brochure for that plan.

How to Enroll or Make an Enrollment Change during Open Season:

Employees wishing to enroll or change their enrollment must complete a Health Benefits Registration Form (Standard Form (SF) 2809). These forms are available from the *[name and room number of appropriate office]* and must be completed and submitted to that office prior to the close of business on the last day of open season. We ask your assistance in making desired changes as early as possible in open season.

New enrollments and changes in current enrollments elected during open season generally will become effective January *[first day of the first pay period beginning on or after January 1, 1996]*. If you change plans, any 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 you are changing from.

Temporary Continuation of Coverage (TCC): You should be aware that if you leave Federal employment, you will probably be eligible for TCC (unless you are separated for gross misconduct). TCC can continue your enrollment for up to 18 months. TCC is also available for up to 36 months for dependents who lose eligibility as family members under your enrollment. This includes spouses who lose coverage because of divorce and children who lose coverage because they marry or reach age 22. TCC enrollees must pay the total plan premium (without a Government contribution) plus a 2% charge for administrative expenses. There are specific time frames in which you or your dependent must enroll for TCC. Contact your personnel office for a copy of RI 79-27 to obtain additional information.

Please note that information you provide by enrolling in the Federal Employees Health Benefits Program may also be used for computer matching with Federal, State or local agencies' files to determine whether you qualify for benefits, payments or eligibility in the Federal Employees Health Benefits Program, Medicare, or other Government benefits programs.

Abby L. Block, Chief
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and Information Division