



***Retirement and Insurance Service
Benefits Administration Letter***

Number: 99-218

Date: October 19, 1999

Subject: Federal Employees Health Benefits (FEHB) Program: Termination of Kaiser Foundation Health Plan of North Carolina, Enrollment Code QT.

We have just learned that Kaiser Foundation Health Plan of North Carolina, code QT, will cease operations in the state of North Carolina before the end of the 1999 contract year. The plan will no longer participate in the FEHB Program.

The Kaiser plan has entered an agreement with PARTNERS National Health Plans of North Carolina ("PARTNERS"), to transfer its North Carolina HMO business to PARTNERS. Effective November 1, 1999, PARTNERS will administer Kaiser's 1999 contract with the Office of Personnel Management (OPM). PARTNERS will, throughout the remainder of this year, continue to provide enrollees with the same health care coverage and benefits that they are currently receiving.

If during the open enrollment period, enrollees do not elect a new carrier, their benefits and health care coverage will be through PARTNERS (CS 2650, Enrollment Code EQ) under its benefit and rate structure starting January 1, 2000. PARTNERS will send a copy of its brochure within the next few weeks to Kaiser enrollees. We encourage enrollees to read it carefully and compare their current benefit level with that of PARTNERS for the year 2000.

Please be advised that OPM is granting enrollees in this Kaiser plan, the option to make a non-open season enrollment change to other participating health plans, should they encounter difficulty with continuity of care through PARTNERS provider network. We recommend that employees ask their physician if he or she has made any plans to continue to provide care to persons enrolled in any other FEHB plan. Kaiser has sent out a letter on its stationery to its enrollees alerting them of this situation. **Federal employees** may take a copy of this letter to their personnel office and complete a new SF 2809. We have attached a copy of the letter for your information.

*Civil Service
Retirement
System*

*Federal Employees
Group Life
Insurance*

*Federal Employees
Health Benefits
Program*

*Federal Employees
Retirement
System*

Please be aware that Personal Care Plan and WellPath Select will not participate in the FEHB Program in 2000; consequently, if members enroll in either of these plans, they will have to make another open season enrollment change to another plan in order to receive health benefits in 2000.

Thank you for your cooperation in this matter.

A handwritten signature in black ink, reading "Abby L. Block". The signature is written in a cursive style with a long horizontal flourish at the end.

Abby L. Block, Chief
Insurance Policy
and Information Division

Attachment



Dear Federal Member:

Kaiser Foundation Health Plan of North Carolina ("Kaiser") plans to cease its health care operations in North Carolina before the end of this year. It has entered into an agreement for PARTNERS National Health Plans of North Carolina ("PARTNERS") to transfer Kaiser's North Carolina Federal group business to PARTNERS. Effective November 1, 1999, PARTNERS will administer Kaiser's 1999 contract with the Office of Personnel Management (OPM). PARTNERS will continue to provide you with the same health care coverage and benefits that you are currently receiving throughout the remainder of 1999.

We apologize for the delay in contacting you. We felt it was important to wait until we had the appropriate information about how the transition of care would be handled, to ease your concerns and provide more concrete information about your coverage. We are extremely pleased that our Federal members will be served by PARTNERS, a quality-focused organization that shares Kaiser's commitment to its members and employees.

If during open enrollment you do not elect a new carrier, starting January 1, 2000 your benefits and health care coverage will be through PARTNERS under their benefit and rate structure. PARTNERS will send you a copy of their brochure within the next few weeks. We suggest you read it carefully to compare your current benefit level with that of PARTNERS in the year 2000.

Pleased by advised that OPM is granting Federal members the option to enroll in other participating health plans should you encounter difficulty with continuity of care through PARTNERS provider network. We recommend that you ask your physician if he or she has made any plans to continue to provide care to persons enrolled in any other FEHBP plan.

If you are a Federal employee, you may take a copy of this letter to your personnel office and complete a new SF 2809. **If you are an annuitant**, please call the Retirement Information Office at 1-888-767-6738.

Federal members are welcome to call 1-800-755-1925 with specific questions you may have. Thank you for having been a loyal member of Kaiser Permanente. We hope we have served your needs during our tenure here.

Sincerely,

Herman Weil
Vice President

Kaiser Foundation Health Plan of North Carolina
909 Aviation Parkway · Suite 600 · Morrisville, NC 27560-9153 · (919) 469-7200