

Tribal Consultation Minutes
Access to Federal Employee Health Benefits and Federal Employee Group Life Insurance
June 14, 2011, 6:00 – 7:30pm
National Congress of American Indians meeting
Milwaukee, WI

OPM Presenters

John O'Brien
Jay Fritz
Kathleen Healy
Ian Hunter
Louise Dyer
Thomas Richards

Attendees

Approximately 25

Meeting Agenda

Introductions and Opening of the Consultation Process (O'Brien)
Overview of the Federal Employees Health Benefits Program (Fritz)
Overview of the Federal Employees' Group Life Insurance Program (Healy)
Introduction of the Policy Papers and Soliciting Feedback (Hunter)
Explanation of Policy Papers (Dyer)
Questions and Answers (OPM Team)

Audience Questions and Answers

FEHB

Q: Will tribal employees be able to use OPM's disputed claims appeal process?

A: Yes, after seeking carrier reconsideration first.

Q: For tribes coming into the system, are you scheduling for November?

A: For the initial enrollment period, it will be whatever time of year corresponds with the tribe's current coverage calendar, in order to avoid gaps in coverage. After that, the tribe will be on the FEHB calendar year cycle.

Q: There will be two elections made to participate in the FEHB, an election by the tribe or tribal organization to access the insurance for its employees and an election by the employee to enroll in a plan. When do we expect the timing of those elections to occur?

A: OPM is working hard to provide a timeline to tribes.

Q: For tribal health directors looking at plans for their employees, a critical question is whether the providers serving in tribal clinics will be considered primary care providers for purposes of referrals and other requirements of a Health Maintenance Organization (HMO) plan. Will FEHBP plans allow for tribal clinic providers to be considered primary care physicians (i.e., an enrollee can go to without a referral) under the program for HMOs?

A: We will need to look into this further and get back to the participants with an answer.

FEGLI

Q: Is there an annual open season for the life insurance program?

A: No, there are no annual open seasons for the life insurance program. Employees enroll at the time of their initial employment. Occasionally, the program will hold an open season. The last open season was in 2004.

Q: Please describe the employee and employer shares on basic and options.

A: Please refer to the website calculator to get an accurate picture of the cost of enrolling in various life insurance options. Basic is the same cost for all employees.

Basic employee cost is \$0.15 cents per \$1,000 of insurance.

Government share of Basic is \$0.075 cents per \$1,000 of insurance.

Q: Does the employer pay a share of option A, B, or C?

A: No, options A, B, or C are employee-pay-all.

Optional insurance is in 5-year age bands. Option B insurance is based on the employee's salary.

Q: Is this cheaper than options provided by other large employers?

A: The biggest difference between the Federal plan and other large employers is the abbreviated underwriting that requires no medical questions for coverage at the time of initial enrollment.

Consultation Process

Q: The consultations are planned through August, what happens after August?

A: By the end of August, we expect to have feedback to implement program and lay the groundwork for writing the regulations.

Q: When will the papers be posted on the website? When will we see the second set?

A: The first set will be up as soon as we our website administrators can put it up. The second set should be up in a few weeks.

Q: Have you all begun putting together the working group? What do you expect they will handle?

A: We plan to establish the working group with practitioners from the tribes and tribal organizations.

We want about a dozen people to work on the granular details of implementing this program across the tribal communities. We hope to have the working group established soon.

Policy Papers

Q: What is OPM's authority to limit Tribes from having FEHB and their own health insurance coverage?

A: Individual Tribes must be either completely in or completely out of FEHB Program in order to maintain the risk pools and a potential for adverse impact on the program.

Q: In the benefits paper, it appears a policy decision has been made to require an employer contribution equal to or higher than the FEHB program (72 percent). Shouldn't this be up for discussion as part of the consultation?

A: Details on Tribal participation in the FEHB Program are lacking in the ACA. Tribal employee contribution will match that for Federal employees. According to our actuaries, we need to keep the employer contribution equal to or greater than the current requirements to maintain the risk pools and avoid potential adverse impact on the program.

Q: Will a tribally administered clinic with federal funding be part of the network of providers available in an FEHB plan? How do the clinics physicians become preferred providers?

A: We will get back to you on this issue.

Q: As a point of clarification, there will be two elections made – the election of the employer to access insurance through FEHB and the election of an employee to participate in a plan offered through the FEHB?

A: Yes, and a tribe cannot make a selection of a single plan – if the tribe chooses to offer coverage under FEHB, the employees are eligible to participate in any FEHB plan offered in their geographic area.

Q: Can the tribes require their employees to enroll only in a plan that has a Tribal Clinic in-network?

A: No. Tribal employees can choose any plan they are eligible for.

Q: Can employees choose whatever plan is made available by the tribe?

A: No. Tribal employees can choose any plan offered in their geographic area. The Tribal employer may not limit plan choice.

Q: By participating in the FEHB, can a Tribal Clinic waive a co-payment, coinsurance or deductible?

A: Maybe. We will check into this and provide further guidance.

Q: Does the employer premium vary from plan to plan?

A: Yes.

Q: Is prescription drug coverage part of FEHB plans?

A: Yes, all FEHB plans are required to have prescription drug coverage.

Q: The FEHB, OPM, and employing agencies do not recommend plans to individuals. Would a tribe be able to recommend plans to employees?

A: We don't recommend plans to individuals because it is a liability for us. Each enrollee needs to look at their own situation and evaluate what plan best suits their needs.

Q: According to the policy papers, a tribe who opts to offer coverage through FEHB may not offer alternative major coverage. If tribes offer a separate coverage plan such as dental or vision, would that be considered alternative major coverage?

A: No, we will modify our language so it is consistent throughout the policy papers.

Q: If a tribe and its employees are only interested in high deductible plans and the tribe runs a self-insurance risk pool, is that okay?

A: Some of the FEHB plans are high deductible health plans. The tribe is required to offer all FEHB plans to employees, but employees may select HDHPs if they want to. If the tribe self-insures its employees, that is a separate insurance option that would preclude the tribe from purchasing FEHB for some but not all of the Tribe's employees.

Q: Can an enrollee pick a different fiduciary to maintain the Health Savings Account when enrolled in a HDHP?

A: Yes. All plans offering an HDHP are required to have a financial trustee who can administer the HSA. However, you can decide which company will administer your HSA and what type of investments you

can make with your account once it is established. Any investment allowed for IRAs is allowed for HSAs but you need to verify the financial institution of your choice offers HSAs.

Q: Can we get help from the OPM actuaries to make a decision between the existing tribal choice and the FEHB?

A: No, OPM actuaries do not perform counseling functions

Q: Are tribes at a disadvantage or advantage when we don't sign up many dependents and families?

A: OPM rates are set based on actuarial experience for the groups "self only" and "self and family." Tribal employees will pay the same "self only" or "self and family" premium as federal employees with and without dependents and family members.

Q: Would administrative fees be built onto the premium load for the tribe and its employees?

A: Yes, it would be built into the premium load.

Q: Do any of the health plans offer alternative medicine?

A: Yes, some of the plans offer services like acupuncture.

Next Steps

Q: A number of tribes are interested in enrolling in this program very soon. What is the likelihood of tribes being able to enroll this year?

A: It is fair to say the goal is to do this as quickly as possible.

Q: Will we be working more with NIHB to get the information out to the tribes?

A: Yes.

Q: When will we have the schedule of consultations available for tribes?

A: As soon as we have confirmed the consultations.