

NOTICE FOR EMPLOYEES

Federal Benefits: Belated Enrollment Opportunity for Enrollees

Background

Each year, OPM works with Federal Employees Health Benefits (FEHB) carriers to strike a balance of protection against catastrophic events without shifting a high-premium burden to enrollees. We are taking steps to provide additional protections for Federal employees participating in the FEHB Program who have non-emergency surgeries performed by out-of-network physicians. We have asked FEHB carriers to re-evaluate their benefits for non-emergency surgeries. We will communicate any benefit changes to you.

We are taking this action in response to concerns over a change in coverage in the Blue Cross Blue Shield out-of-network reimbursement that would have established a \$7,500 co-pay for out-of-network surgeries. We negotiated this change to address situations where enrollees could be billed tens of thousands of dollars for non-emergency surgeries performed by out-of-network providers, a practice known as balance billing.

What This Means To You

You may make belated Open Season enrollment changes to your FEHB Program, Federal Employees Dental and Vision Insurance Program (FEDVIP) and the Federal Flexible Spending Account Program (FSAFEDS) if FEHB benefit changes affect your enrollment decisions in these programs. You will have an extended enrollment opportunity through January 2009 to make any enrollment changes in these programs.

Also, if you make a belated Open Season change to your enrollment in these programs, the effective dates of the belated change will vary among the programs. Depending on the timing of your change and your pay periods, it may take one or more pay periods for your Federal Benefits deductions/allotments to be adjusted to match your new election. You need to know if you make a belated Open Season change and you have claims for services incurred in 2009 under your former plan, you and/or your provider may be responsible for reimbursing the former plan for any benefits paid.

Effective Dates

Belated FEHB changes will take effect the first day of the pay period that starts on or after January 1, 2009. Belated FEDVIP changes will take effect January 1, 2009. Belated FSAFEDS changes will take effect on January 1, 2009, or the day after the change is received, whichever is later.

If this notice does not affect you, we encourage you to complete your Open Season changes by December 8, 2008.