FEHB Program Carrier Letter All Carriers

U.S. Office of Personnel Management Insurance Services Program

Letter No. 2008-18 Date: December 5, 2008

Fee-for-service [13] Experience-rated HMO [13] Community-rated HMO [14]

Subject: Federal Employees Health Benefits Program

The U.S. Office of Personnel Management (OPM) is issuing a call to Federal Employees Health Benefits (FEHB) Program carriers to propose benefit changes for non-emergency surgical procedures provided by non-participating providers for the 2009 contract term. OPM will not entertain any proposals for changes to 2009 premiums or proposals for other benefit changes.

Each year, OPM works with FEHB carriers to strike a balance of protection against catastrophic events without shifting a high-premium burden to enrollees. Based on a review of benefit changes for services performed by out-of-network providers and concerns raised by enrollees and stakeholders, OPM has determined that some represent an undue burden for plan members. Therefore, OPM is requesting all carriers with out-of-network benefits to reevaluate their benefits for non-participating providers. Any proposals for benefit changes are due to OPM on **Monday December 8, 2008.** Your proposals must sent via **email** to your contracting officer and to lorraine.dettman@opm.gov by **4:00 pm** Eastern time. We will begin negotiations as soon as we receive your proposals.

Although the annual Open Season ends on December 8, we are notifying Federal agencies and benefits administrators (e.g. BENEFEDS) to accept belated enrollment changes for health plans, dental and/or vision plans and FSAFEDS elections through January 2009.

Thank you for your continued commitment to the FEHB Program.

Sincerely,

Nancy H. Kichak Associate Director Strategic Human Resources Policy Kay Ely Associate Director Human Resources Products and Services