
FEHB Program Carrier Letter

All Carriers

U.S. Office of Personnel Management
Office of Insurance Programs

Letter No. 2001- 14

Date: May 1, 2001

Fee-for-service [11] Experience-rated HMO [13] Community-rated HMO [13]

**Subject: Federal Employees Health Benefits (FEHB) Program: January 1
Effective Date for all Open Season Enrollments and Changes**

On August 31, 1998, we published proposed Federal Employees Health Benefits (FEHB) Program regulations in the Federal Register (63 FR 46180) that would change the effective date of all open season new enrollments and changes in enrollment to January 1 of the next year. This change would apply to all enrollees, including:

- Employees,
- Annuitants, including individuals receiving monthly compensation payments from the Office of Workers' Compensation Programs (OWCP),
- Former spouses who have coverage under the spouse equity provisions of FEHB law, and
- Individuals enrolled under the temporary continuation of coverage (TCC) provisions of FEHB law.

During the comment period, we received comments from several Federal agencies. As they requested, we postponed issuing final regulations because they could not revise their computer systems in time for the November 1998 open season, and were also concentrating on Y2K preparations.

We are now proceeding with final regulations that will make January 1 the effective date for all open season enrollments and changes in enrollment. We will not be requiring Federal agencies to prorate withholdings and contributions when the January 1 effective date is not at the beginning of a pay period. However, we are encouraging those agencies that can easily modify their systems to begin proration and telling those agencies that already prorate withholdings and contributions to continue to do so.

We believe that this change will simplify administration of the FEHB Program and reduce the potential for error in determining the correct effective date for all Federal enrollees. It will begin with the November 2001 open season and will make all open season enrollments and changes effective January 1, 2002.

If you have any questions, please contact Barbara Myers at (202) 606-0004 or bdmyers@opm.gov.

Sincerely,

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

Abby L. Block
Assistant Director
for Insurance Programs