
FEHB Program Carrier Letter

All Community-Rated Carriers

U.S. Office of Personnel Management
Healthcare and Insurance

Letter No. 2011 - 08

Date: April 26, 2011

Fee-for-service [n/a] Experience-rated HMO [n/a] Community-rated HMO [6]

SUBJECT: 2012 RATE INSTRUCTIONS -- Community-Rated Carriers

Please use the enclosed documents to prepare your 2012 rate proposal. You must submit your proposal and the completed attachments by **May 31, 2011**. May 31st is the deadline required by regulations and OPM will not grant extensions.

The following requirements apply for the 2012 proposal. All attachments referenced below can be found in Part 2 of your package.

If a carrier has more than 1,500 FEHBP contracts at the time of the rate proposal:

- The carrier is considered a large carrier. The carrier must complete and submit Attachments II, IIA, IIB, and IIC.

If a carrier has less than 1,500 FEHBP contracts at the time of the rate proposal, the carrier must choose between the following options:

- Submit the same detailed documentation required for large carriers (see above). A carrier that chooses this option will be considered a large carrier.

OR

- If the carrier's 2011 income from the Federal group will be greater than or equal to \$650,000, the carrier must complete Attachments I, IA, II, IIA, IIB, and IIC and submit Attachments I, IA, IIB, and IIC. A carrier should not send Attachments II and IIA to OPM; however, these documents must be kept on file and available for OPM review in accordance with the records retention clause of the contract. A carrier that chooses this option will be considered a small carrier;
- If the carrier's 2011 income from the Federal group will be less than \$650,000, the carrier must complete and submit Attachments I, IIB, and IIC. Such a carrier need not complete or retain Attachments IA, II and IIA. A carrier that chooses this option will be considered a small carrier.

This proposal is being e-mailed to you as a Word document. **Please visit <http://www.opm.gov/FehbTools/Rates/> for information on how to submit your proposal.** Send any additional information by overnight delivery to each of the following addresses:

Shirley Patterson
Deputy Assistant Director for Healthcare and Insurance
Office of Personnel Management
1900 E Street, N.W., Room 3400
Washington, DC 20415-0001

and Rebecca Harris
Actuary
Office of Personnel Management
1900 E Street, N.W., Room 4307
Washington, DC 20415-0001

Also, please remember to submit your first quarter enrollment report, Table 1 to:

Eric Figg
Office of Personnel Management
Insurance Operations
1900 E Street, N.W., Room 3415
Washington, DC 20415-0001
or fax to (202) 606-0036

Please direct your questions about the 2012 rate submission to Rebecca Harris at (202) 606-0722 or actuary@opm.gov.

Sincerely,

John

O'Brien
Director
Healthcare and Insurance

Enclosures