
FEHB Program Carrier Letter

All Community-Rated HMO Carriers

U.S. Office of Personnel Management
Healthcare and Insurance

Letter No. 2015-17(a)

Date: September 18, 2015

Fee-for-service [n/a] Experience-rated HMO [n/a] Community-rated HMO [15]

SUBJECT: Changes to the Standard Contract

2016 Contract Year. Please review Attachment A, which details the proposed Standard Contract changes for Federal Employees Health Benefits Program community-rated HMO carriers for Contract Year 2016. If you have comments, please provide them as soon as possible or no later than Friday October 16, 2015.

We are currently reviewing the FEHB contract language concerning OPM's information technology (IT) breach processes and protocols and have convened a working group to consider future contract amendments.

As we indicated earlier this year, we focused our proposed amendments primarily on revisions necessitated by applicable statutory and/or regulatory provisions. The proposed amendments are as follows:

Self Plus One

- A Self Plus One enrollment type was added to the FEHB Program as a result of Section 706 of the Bipartisan Budget Act of 2013 amending Section 8905 of title 5, United States Code. To account for this new enrollment type, we updated the following sections of the contract:
 - Section 2.3 Payment of Benefits and Provision of Services and Supplies
 - Appendix B Subscription Rates, Charges, Allowances and Limitations
 - Appendix C FEHB Supplemental Literature Guidelines

Subrogation

- We revised Section 2.5 Subrogation to expressly include language that benefits and benefit payments are extended to members with the condition that Carriers have a subrogation right.

FEHB Performance Assessment

- We updated Section 3.1 Payments – Community-Rated Contracts (FEHBAR 1652.232-70) to conform to recent regulatory changes.
- We added Appendix F to incorporate Carrier Letters 2015-10 and 2015-17 into the contract.
- Appendix B - We added language that references the Performance Assessment.

FAR Change

- We updated Section 5.14 Utilization of Small Business Concerns (FAR 52.219-8) to include the recent FAR change.

Minor and Technical Changes

- We updated the following sections with minor or technical changes:
 - We revised Section 1.9 Plan Performance – Community-Rated HMO Contracts by changing the Initial Call Resolution standard from 60 percent to 80 percent.
 - We added Paragraph (i) to Section 2.2 Benefits Provided to ensure that Carriers include non-physician providers when acting within the scope of their licenses under State law.
 - We revised Appendix D Rules for Coordination of Benefits to the October 2013 version of the NAIC Coordination of Benefits Guidelines.

Please email your comments to FEHBcontramend@opm.gov, with a copy to your OPM contract representative.

We look forward to working with you on your contract.

Sincerely,

John O'Brien
Director
Healthcare and Insurance

Enclosure