
FEHB Program Carrier Letter

All FEHB Carriers

U.S. Office of Personnel Management
Healthcare and Insurance

Letter No. 2021- 06

Date: April 15, 2021

Fee-for-service [5]

Experience-rated HMO [5]

Community-rated HMO [5]

Subject: Family Member Eligibility Verification for Federal Employees Health Benefits (FEHB) Program Coverage

Purpose

On January 23, 2018, OPM published a final rule, “Federal Employees Health Benefits Program: Removal of Eligible and Ineligible Individuals From Existing Enrollments” at [83 FR 3059](#), clarifying that proof of family member eligibility must be provided upon request by a FEHB Carrier, employing office, or OPM. This Carrier Letter directs FEHB Carriers to obtain proof of family member eligibility before adding a new family member to an existing Self and Family enrollment.

In addition, BAL 21-202 *Family Member Eligibility Verification for Federal Employees Health Benefits (FEHB) Program Coverage* (Attachment #1) requires employing offices to require proof of family member eligibility for coverage through the FEHB Program for new employees during their initial opportunity to enroll and for employees requesting FEHB changes due to qualifying life events (QLE).

OPM published a separate Carrier Letter, No. 2020-16 *Removal of Ineligible Family Members from Enrollments*, which sets forth a process for FEHB Carriers to verify the eligibility of currently enrolled family members and for removing ineligible family members from coverage under the FEHB Program.

Background

Employing offices are responsible for processing all enrollment changes that affect premium withholdings (*e.g.*, change from Self Only to Self and Family) via a SF 2809 transmittal. However, enrollees are responsible for telling FEHB Carriers about certain changes to Self and Family enrollments that do not affect premium withholdings. These changes include the addition of a spouse or children under age 26, including adopted children and stepchildren. The enrollee must also tell FEHB Carriers to remove a spouse or a child who no longer meets eligibility requirements, such as in a divorce. FEHB Carriers are to continue accepting these changes and additions directly from enrollees. A completed SF 2809 or any agency verification is not required in these situations with an existing Self and Family enrollment.

I. FEHB Carrier actions

A. Requesting proof of family member eligibility under existing Self and Family enrollment

Before adding a family member to an existing Self and Family enrollment, an FEHB Carrier **must require** that the enrollee provide proof of that family member's eligibility for coverage through the FEHB Program.

A list of documents, such as marriage and birth certificates, that can be used to verify family member eligibility is contained in Attachment #2: *FEHB Family Member Eligibility Documents*.

Only the employing office can determine a foster child's eligibility. In addition, only the employing office can approve eligibility of an individual as an enrollee's common law spouse through examining a declaration of common law spouse and other documents. If an FEHB Carrier receives a request to add a common law spouse or a foster child to a Self and Family enrollment, the FEHB Carrier can (1) refer the enrollee to his or her employing office for approval and ask the enrollee to provide a copy of the signed approval from the employing office to the FEHB Carrier, or (2) request a copy of the common law spouse or foster child certification directly from the employing office.

The FEHB Carrier must collect documents by a secure method, including mail, fax or via a member portal. Once the FEHB Carrier has examined the documents and verified family member eligibility, it must store the documents in accordance with its corporate document retention and storage procedures.

B. Eligibility verification documents approved

If the FEHB Carrier receives documents that verify eligibility of the family member(s), the FEHB Carrier must notify the enrollee, and the employing office (see Attachment 4: *Sample Letter Receipt of Eligibility Verification Documents*). The employing office must be notified to document the approval of the new family member in the enrollee's permanent official personnel file. The FEHB Carrier must retain the determination letter in accordance with its corporate document retention and storage procedures.

C. Insufficient documents

If the FEHB Carrier determines that eligibility documents for the family member(s) are insufficient, it must provide the enrollee with a written notice of its initial decision. See Attachment #3 *Sample Letter: Information Does Not Verify Family Member Eligibility*. This notice must include an explanation of the FEHB Carrier's decision, and a notice of the right to request an employing office reconsideration of its initial decision. The FEHB Carrier must retain the notice in accordance with its document retention and storage procedures. The FEHB Carrier

can enroll any verified family members concurrent with the denial of the other ineligible family member(s).

The FEHB Carrier must also provide a copy of this letter to the enrollee's employing office to include in the employee's permanent official personnel file.

D. Reconsideration process

See BAL 21-202, *Family Member Eligibility Verification for Federal Employees Health Benefits (FEHB) Program Coverage*, for detailed information on the employing office's reconsideration process. If the employing office reverses the FEHB Carrier's initial decision, the employing office will send a copy of its decision to the FEHB Carrier. The FEHB Carrier must add the family member to the enrollee's existing Self and Family enrollment retroactive to the date on which it would have been effective had the original request been approved.

II. Employing office contact information

OPM will separately provide a crosswalk file for FEHB Carriers to use to assist in identifying employing office contacts based on Payroll Office Number (PON), Personnel Office Identifier (POI), and/or Employer Identification Number (EIN).

III. Fraud, waste and abuse

FEHB Carriers are responsible for preventing, detecting, investigating, and reporting FEHB-related fraud, waste, and abuse (FWA). Ineligible family members can be considered potential fraud per FEHB Program [Carrier Letter 2017-13: OPM FEHB Fraud, Waste and Abuse](#). Both FEHB Carriers and employing offices have a shared responsibility to verify and confirm family member eligibility, recognizing that ineligible family members can result in the FEHB Program paying erroneous or even fraudulent claims.

Any intentional false statement or willful misrepresentation, such as including an ineligible family member on an FEHB health insurance plan, is a violation of the law (18 U.S.C. 1001) punishable by a fine of not more than \$10,000, imprisonment of not more than 5 years, or both and may be subject to investigation.

IV. Timeline

Within 90 calendar days of the issuance of this Carrier Letter, FEHB Carriers must implement the updated verification procedures.

V. Reference information

For more information on family member eligibility, please refer to the OPM website at www.opm.gov/healthcare-insurance/healthcare/eligibility/ and the FEHB Handbook at: www.opm.gov/healthcare-insurance/healthcare/reference-materials/fehb-handbook/.

OPM values your assistance in helping us maintain the integrity of the FEHB Program. If you have questions, please contact your Health Insurance Specialist.

Sincerely,

Laurie E. Bodenheimer
Associate Director
Healthcare and Insurance

Attachments:

1. BAL 21-202 *Family Member Eligibility Verification Federal Employees Health Benefits (FEHB) Program Coverage*
2. FEHB Family Member Eligibility Documents
3. FEHB Carrier Sample Letter: Information Provided Does Not Verify Family Member Eligibility
4. FEHB Carrier Sample Letter: Receipt of Eligibility Verification Documents