
FEHB Program Carrier Letter
FEHB Carriers offering CDHPs and HDHPs

U.S. Office of Personnel Management
Healthcare and Insurance

FEHB PSHB

Letter Number 2024-17

Date: August 1, 2024

Fee-for-service [#]

Experience-rated HMO [15]

Community-rated HMO [14]

Subject: OPM Health Reimbursement Arrangement credits for Postal Service enrollees transitioning to PSHB plans for 2025

This Carrier Letter includes instructions for all Federal Employees Health Benefits (FEHB) Carriers that offer High Deductible Health Plans (HDHPs) or Consumer Driven Health Plans (CDHPs) and currently have enrolled Postal Service employees, Postal Service annuitants and their eligible family members. These Carriers must inform, as detailed in the notice requirements below, their Postal Service enrollees of the options for certain reimbursement credits for the 2024 FEHB Plan Year as they transition to Postal Service Health Benefits (PSHB) plans. This letter concerns treatment of FEHB plan Health Reimbursement Arrangement (HRA) or similar reimbursement credits that may be offered under such FEHB plans. We ask that **these notifications be made as soon as possible, but no later than August 31, 2024.** Health Savings Accounts (HSAs) are excluded from the requirements discussed in this letter.

For the purposes of this letter, FEHB plan HRAs, Personal Care Accounts or similar medical funds for qualified medical expenses provided as part of the medical plan, will be referred collectively as OPM HRAs.

Beginning January 1, 2025, the PSHB Program will provide health benefits coverage for eligible Postal Service employees, Postal Service annuitants, and their family members. Postal Service enrollees will be terminated from

any FEHB plan coverage after December 31, 2024, and will have the opportunity to enroll in new plans under the Postal Service Health Benefits (PSHB) Program beginning with the 2024 Federal Benefits Open Season for the 2025 Plan Year.

OPM is instructing Carriers offering FEHB HDHPs and CDHPs to carry over any OPM HRA credits remaining as of December 31, 2024, for eligible Postal Service enrollees from FEHB plans to PSHB plans as detailed below. This policy is only applicable when an eligible Postal Service enrollee is enrolled in or is automatically enrolled in a PSHB HDHP or CDHP with an OPM HRA offered by the same Carrier as their 2024 FEHB plan. **Those FEHB Carriers not offering a PSHB HDHP or CDHP with an OPM HRA will need to inform their Postal Service enrollees that their HRA credits will be forfeited.**

OPM is establishing this transitional policy to allow Postal Service enrollees and their covered family members to carry over OPM HRA credits accrued from their FEHB plan in certain circumstances. Carriers are required to carry over any remaining OPM HRA credits accrued by Postal Service enrollees if the individual is enrolled in or is automatically enrolled in a PSHB HDHP or CDHP with the same Carrier for the 2025 Plan Year. This transitional policy is [consistent with FEHB rules](#) which allow OPM HRA credits to carry over between plan years and only requires that OPM HRA credits are forfeited if the enrollee leaves federal service or enrolls in a different FEHB plan.

The policy regarding OPM HRA credits will be in effect for the transition from FEHB to PSHB for the 2024 Plan Year to the 2025 Plan Year only and will not be in effect for any subsequent year. The policy will apply to all enrollment types (self only, self plus one, and self and family).

Impact on Postal Service enrollees and Carriers

As noted above, a Carrier offering an FEHB HDHP or CDHP for the 2024 Plan Year is required to notify their Postal Service enrollees who have OPM HRA credits of their options for the 2025 Plan Year. Postal Service enrollees in such plans will be automatically enrolled or have the opportunity to enroll in

the PSHB HDHP or CDHP from the same Carrier with coverage beginning January 1, 2025, if such plan is available. In such case, OPM HRA credits remaining at the end of 2024 will carry over into the PSHB plan.

OPM HRA credits can only be carried over if a Postal Service enrollee is enrolled into a PSHB HDHP or CDHP in 2025 offered by the same Carrier as their 2024 FEHB plan enrollment.

OPM HRA credits will not be carried over to the Carrier's PSHB plan if:

- The 2024 FEHB Carrier is not offering a PSHB HDHP or CDHP
- The 2024 FEHB plan is not participating in PSHB in 2025
- The Postal enrollee enrolls in a HDHP or CDHP with an OPM HRA offered by a different Carrier
- The Postal enrollee enrolls in a different plan of the same Carrier that does not include a HDHP or CDHP option

Notification of Enrollee Options for 2025 Plan Year

All FEHB Carriers that offer HDHPs and CDHPs must, no later than August 31, 2024, provide notification to Postal Service enrollees who have OPM HRA credits to advise them of their options for the 2025 Plan Year. These notices should inform the Postal Service enrollee of the following:

- The estimated OPM HRA balance for the FEHB plan by the end of the year, with an explanation that such balance could change if there are further claims.
- A general description of the qualified medical expenses that can be reimbursed by the OPM HRA.
- If the Postal Service enrollee enrolls or is automatically enrolled in the same Carrier's PSHB HDHP or CDHP in 2025, credits remaining at the end of 2024 in their OPM HRA will carry over into the PSHB plan.
- If the Postal Service enrollee enrolls or is automatically enrolled in a PSHB plan other than that Carrier's PSHB HDHP or CDHP in 2025, or if the Carrier is not offering a PSHB HDHP or CDHP in 2025, any OPM HRA credits remaining at the end of 2024 will be forfeited.

- The contact information for the administrator of the OPM HRA and a detailed description explaining how the Postal Service enrollee can access reimbursement for qualified medical expenses, such as required forms or documentation.
- Any applicable time limits for using the OPM HRA funds – e.g., does the Carrier allow a period of time after the plan year for seeking reimbursement for expenses incurred in the plan year.

Please share a final copy of the notice with your Health Insurance Specialist.
If you have any questions, please contact your Health Insurance Specialist.

Sincerely,

Laurie Bodenheimer
Associate Director
Healthcare and Insurance