

United States Office of Personnel Management Retirement and Insurance Service

Benefits Administration Letter

Number: 98-206 Date: October 21,1998

Subject: Federal Employees Health Benefits (FEHB) Program: Proposed Effective

Dates Regulations

On August 31, 1998, the Office of Personnel Management published in the Federal Register (63 FR 46180) proposed Federal Employees Health Benefit (FEHB) Program regulations that would change the effective date of new enrollments and changes in enrollment made during the annual open season by employees, annuitants, former spouses and individuals enrolled under the temporary continuation of coverage (TCC) provisions of FEHB law. These regulations would adopt January 1st as the effective date for both these new enrollments and changes in enrollment.

We received several comments on these proposed regulations. In reviewing the comments, we noted concerns raised by various agencies including the negative impact of this change on their computer systems for processing health insurance enrollments and the limited amount of time to revise the systems prior to the upcoming open season. Due to these concerns, we have decided not to proceed with changing the open season effective date to January 1, 1999. Open season new enrollments and changes in enrollment will continue to be effective on the first day of the first pay period that begins in the next following year.

Please be advised that we still consider the change of open season effective dates to be a good idea that will simplify administration of the FEHB Program and reduce the potential for errors in determining these dates. We plan to proceed with this regulatory change some time in the future.

Sincerely,

Abby L. Block, Chief

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Insurance Policy

and Information Division