
FEHB Program Carrier Letter

All Carriers

U.S. Office of Personnel Management
Office of Insurance Programs

Letter No. 2000- 55

Date: December 20, 2000

Fee-for-service [49] Experience-rated HMO [50] Community-rated [50]

SUBJECT: Federal Employees Health Benefits Children's Equity Act of 2000

Background

The Federal Employees Health Benefits Children's Equity Act of 2000 (Pub. L. 106-394) was enacted October 30, 2000. This law requires mandatory self and family coverage for FEHB-eligible employees who do not comply with a court or administrative order to provide health benefits for their children. An employee subject to such an order must either enroll for self and family coverage in a plan that provides full benefits for his/her children in the area where they live or provide documentation that he/she has other health coverage for the children.

This type of mandatory coverage has been in effect for several years in the private sector. The new legislation extends the requirement to Federal employees.

Agency Actions

When agencies receive a court/admin order, they will review the employee's file to determine whether he/she has self and family coverage in a plan that provides full benefits in the area where the children live. If the employee has such coverage, the agency will send a copy of the employee's SF 2809 to the carrier, along with a copy of the court/admin order, so you will be aware of any additional family members covered under the enrollment.

If the Employee Doesn't Have Appropriate Coverage

If the employee doesn't have appropriate coverage, doesn't enroll voluntarily, and doesn't provide documentation that he/she has other coverage for the children, the agency will enroll the employee involuntarily as follows:

If the Employee Is Not Enrolled at All

The agency will enroll the employee for self and family coverage in the Standard Option of the Blue Cross and Blue Shield Service Benefit Plan.

If the Employee Has a Self Only Enrollment in a Fee-for-Service Plan or an HMO that serves the Area where the Children Live

The agency will enroll the employee for self and family coverage in the same plan and same option in which he/she is already enrolled.

If the Employee Has a Self Only Enrollment in an HMO that Doesn't Serve the Area where the Children Live

The agency will enroll the employee for self and family coverage in the Standard Option of the Blue Cross and Blue Shield Service Benefit Plan.

What the Carriers Will Receive

For any involuntary enrollment, you will receive an SF 2809. There will be no signature on the form. In the remarks block in Part H it will state "Being enrolled for self and family coverage involuntarily under Pub. L. 106-394."

The agencies are to attach a copy of the court/admin order to each of these SF 2809s. In most instances the court/admin order will have the names and birth dates of the children who are to be covered and the name and address of the custodial parent, if you need additional information. In domestic violence situations, the court/admin order may have a State agency contact point instead of the custodial parent's name.

ID Cards

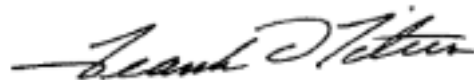
As usual, you must send an ID card to the enrollee. You must also send an ID card to the custodial parent, so that he/she will be able to use it to get benefits for the children. If there is a State agency contact in lieu of the custodial parent's name, send the ID card to that person.

Claims Payments

When you process a claim for services for a child covered under a court/admin order, send the Explanation of Benefits and any checks for payment of services to the custodial parent, rather than to the enrollee.

We hope that the instances of these involuntary enrollments will be rare. We appreciate your help in making sure that the children of Federal employees have the coverage they are entitled to and that enrollments and claims are processed in a timely manner. If you have questions on the Children's Equity Act, please call Karen Leibach at 202-606-0004.

Sincerely,



Frank D. Titus
Assistant Director
for Insurance Programs