
FEHB Program Carrier Letter

All Carriers

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

Letter No. 2003-10

Date: March 7, 2003

Fee-for-service [10] Experience-rated HMO [10] Community-rated [9]

Subject: Emergency Prescription Drug Availability

The attached Director's letter and Press Release were sent to carriers on March 6 and 7, 2003, respectively.



UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, DC 20415-0001

OFFICE OF THE DIRECTOR

March 6, 2003

Dear Federal Employees Health Benefits Program Carriers

I am taking this opportunity to bring to your attention a matter that is vitally important in the uncertain times in which we find ourselves. We need your help to make certain that our Federal Employees Health Benefits Program (FEHB) members can get additional supplies of medications as backup for emergency situations.

We especially need to build in flexibility in our delivery systems so that Reservists and National Guard members can meet their medium-term drug supply needs.

I understand that you may have concerns about how to administer your prescription drug benefits so that flexibilities are in place and, at the same time, satisfy other requirements that affect the dispensing of drugs. As always, we do not intend to tell you how to meet the goals. We appreciate your sensitivity to the needs of your federal members and appreciate your cooperation in meeting these needs. There are a number of steps we have taken and now we are asking you, our business partners, to help by doing your part.

Our staff is ready to consult with you on a variety of needs and situations, including:

- Enrollees' potential need for six days of daily medicines on hand as an emergency back up.
- Flexibility in your prescription renewal policies so that the extra six days does not trip a non-approval because of time.
- Flexibility so that reservists and the National Guard can meet medium term drug supply needs. At this time, a 90 day supply for called-to-duty reservists and guards should be dispensed. We are working with the reserve corps to establish some firm thresholds.

These are anxious times. We are very much focused on security for all Americans – security abroad and security at home, so I am personally asking for your help to make health security a part of that equation. President Bush has made high-quality, affordable health care for all Americans a national goal. Your challenge – and mine – is to keep our program a model. With your partnership, the FEHB program will continue to be a source of security for our public servants and inspiration for all Americans. I have asked Abby Block to immediately take the lead in working with you on this important initiative.

Sincerely,

A handwritten signature in black ink, appearing to read "Kay Coles James".

Kay Coles James
Director



United States
Office of Personnel Management

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News Release

FOR IMMEDIATE RELEASE
March 6, 2003

Contact: [Edmund Byrnes](#)
(202) 606-2402

OPM Director James Requests Insurance Carriers to Assist With Emergency Prescription Drug Availability for Federal Workers

Washington, DC - The U.S. Office of Personnel Management opened its annual Federal Employees Health Benefits Program Carrier Conference with agency representatives reminding them that the President is using the FEHB program in his Medicare reform proposal, and charged the carrier community to do its part in keeping the FEHB a model program. In addition, the representatives thanked the carriers for their responsiveness and efforts to improve service options and lower costs. OPM further challenged them to develop creative and innovative options that help contain costs and maintain affordability, especially for prescription drugs.

Regarding prescription drug benefits, OPM Director James sent a special message to FEHB program carriers regarding federal employees, stating that "finally - and this is vitally important in the uncertain times in which we find ourselves - we need your help to make certain that our members can get additional supplies of medications as backup for emergency situations. We especially need to build in flexibility so that Reservists and National Guard members can meet their medium-term drug supply needs. I understand that you may have concerns about how to administer your prescription drug benefits so that flexibilities are in place and, at the same time, satisfy other requirements that affect the dispensing of drugs. As always, we do not intend to tell you how to meet the goals. We appreciate your sensitivity to the special needs of your federal members and appreciate your cooperation in meeting these needs."

With regard to the FEHB carrier roles in negotiating health-care premiums, an OPM official stated that "a year ago to the day, in this very room, OPM laid down a challenge," said an OPM spokesman. "We asked you to put on your thinking caps and use your imagination. We invited you to bring us your best ideas for containing cost and maintaining quality in the FEHB program. This morning, we want to begin by expressing our sincere appreciation for your response. Together - thanks to your creativity and the 'pit bulls' who make up our negotiating team - we were able to hold down the average premium increase and continue to give federal employees the health-care they need and deserve."

OPM officials reminded the attendees that "close to 85 percent of eligible federal workers choose to participate in the FEHB program, be proud that the FEHB program enjoys one of the highest levels of customer satisfaction of any health-care program in the country and to be proud that the President of the United States is using the FEHB as his model for modernizing and improving Medicare. President Bush recognizes the great strengths of our program, and so too, do many, many others."

In addition, OPM representatives invited the attendees to embrace prevention and work closely with OPM in the HealthierFeds campaign, a campaign that provides education on fitness, healthy lifestyles, care management, and prevention strategies.

"This new campaign places emphasis on educating federal employees and retirees on healthy living and best-treatment strategies," representatives said. "It is well established that physical activity, nutrition, preventive screenings and healthy lifestyle choices all reduce demand on the health-care system. We want it to be a model. We kicked it off with a health fair in January, and we will be holding monthly events to educate our workforce on how they can take greater responsibility for their personal health. However, we envision this as a collaborative effort. It is a win-in situation for everyone."

In closing, OPM representatives reminded the audience that "the President has made high quality, affordable health care for all Americans a national goal. Your challenge - and the Director's - is to keep our program a model. Be creative, think long-

term and embrace prevention, and the FEHB program will continue to be."

Information on the FEHB may be found at www.opm.gov.

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OPM oversees the federal work force and provides the American public with up-to-date employment information. OPM also supports U.S. agencies with personnel services and policy leadership including staffing tools, guidance on labor-management relations and programs to improve work force performance.

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