Letter Number 2024-12

Date: May 7, 2024

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

Subject: Formulary Reporting Requirements

This Carrier Letter notifies all Postal Service Health Benefits (PSHB) Program Carrier Applicants (hereafter "Carriers") of requirements to submit monthly formulary data and mid-year formulary changes to OPM. This Carrier Letter explains the new reporting requirements, submission time frame, and process for formulary submission in Carrier Connect. OPM will use the monthly formulary data for the new PSHB decision support tool (DST) and collect and review mid-year formulary change files for ongoing changes throughout the plan year.

Background

Prescription drug therapies are constantly evolving; new drug availability, medical knowledge, and opportunities for improving safety and quality in prescription drug use occur throughout the year. These developments may require formulary changes during the year to maintain cost-effective and high-quality prescription drug coverage in the PSHB Program.

Member Experience

OPM expects Carriers to provide members convenient access to transparent and accurate formulary information to support members' decision-making.

Consistent with our expectation, our new DST, and any other drug lookup tools that may be utilized by current and prospective members, must be kept up to date and reflect your formulary in place for the current plan year.

During Open Season, all drug lookup tools must also accurately reflect the formulary that will be in place during the upcoming plan year. This ensures prospective members can make informed decisions when they are electing healthcare coverage.

File Submission and Time Frame

OPM requires PSHB Carriers to submit a monthly formulary file(s), including updated information on all formulary changes and mid-year formulary changes as needed. PSHB Carriers must separately submit a Medicare formulary file.

Monthly Formulary File Updates

Every October, in advance of Open Season, OPM will send a request within the Annual Benefit Proposal in Carrier Connect for Carriers to provide their updated formulary data for the upcoming year.

Beginning in December prior to the plan year and through November of the current plan year, Carriers must submit each updated formulary by the 25th day of every month. If the 25th falls on a Saturday or Sunday, the data must be submitted by the Friday before. Carriers must submit a completed formulary template sent as an Attachment A, "PSHB Monthly Formulary UpdateTemplate.xlsx" in Carrier Connect.

If the Carrier does not have any mid-year formulary updates to report for the month along with the monthly formulary file, the Carrier must indicate that in Carrier Connect.

Mid-Year Formulary Changes

Carriers must adhere to the detailed instructions in [Carrier Letter 2020-18](#) for submitting mid-year formulary changes. A completed copy of Attachment B, "Mid-Year Formulary Changes Template.xlsx" must be submitted in Carrier Connect each time a change occurs.

Mid-year formulary changes must be submitted through the end of the plan year each time changes are made to the formulary as detailed in Appendix

III. If a negative change to the formulary occurs after submission of the formulary file for incorporation into the DST, it is considered a mid-year negative formulary change. OPM notification and member notification must occur in the same manner as if the negative formulary changes occurred within the plan year as emphasized in Carrier Letter 2020-18.

Additionally, Carriers must provide **written** notice to affected members as detailed in Appendix IV.

Conclusion

OPM appreciates Carriers' ongoing efforts to provide transparent and accurate formulary information to help members make informed decisions. If you have any questions, please contact your Health Insurance Specialist and copy OPMpharmacy@opm.gov.

Sincerely,

Laurie Bodenheimer
Associate Director
Healthcare and Insurance

Appendix I: PSHB Carrier Formulary Submission Summary

Please review the summary table below for the required items for submission.

Appendix	Attachment	Due Date
Appendix II: Instructions for PSHB Monthly Formulary Completion and Submission	**Attachment A**: PSHB Monthly Formulary Update Template	➢ **During non-open season:** Carriers must submit a completed "PSHB Monthly Formulary Update Template.xlsx" for the current plan year by the 25th of each month, beginning December prior to the plan year through November of the current plan year. If the 25th falls on a Saturday or Sunday, the data must be submitted by the Friday before. ➢ **In October, prior to Open Season**: OPM will send a request within the Annual Benefit Proposal in Carrier Connect for Carriers to provide their updated formulary data for the upcoming year.
Appendix III: Instructions for Mid-Year Formulary Change Template	**Attachment B**: Mid-Year Formulary Changes Template	Each time changes are made to the formulary during the plan year

Appendix II: Instructions for PSHB Monthly Formulary Completion and Submission

Please read and follow these instructions carefully before providing the requested information. Formulary files will be processed automatically, and incorrect/incomplete files will be rejected.

File Naming Convention

Please submit your Drug Formulary Template. Files should be named following the standard file naming convention provided below.

<ProgramID>_<SourceID>_<FileTypeID>_<YearID>_<FormularyID>_<FileExtention>

ProgramID: PSHB

SourceID: SourceID assigned by OPM. Typically, four characters in length.

FileTypeID: FRML for the current plan year formularies in effect.

YearID: 2025, 2026, etc.

FormularyID: Unique identifier for the formulary. The three-character PSHB plan code and option for the first plan using the respective formulary (alphabetically) should be used as formulary identifier. Submit a separate file if you use a different formulary for PSHB members enrolled in a Medicare product. The file names for the main formulary and Medicare formulary for the applicable PSHB plan option(s) should be similar except that the FormularyID should have "_MCARE" included after the enrollment code for the Medicare formulary.

Sample File Names

Sample file names when the ProgramID is PSHB, the SourceID assigned is ATOZ and the Carrier is submitting current year formulary files through Carrier Connect:

PSHB_ATOZ_FRML_2025_ZZ1_20250428.xlsx

PSHB_ATOZ_FRML_2025_ZZ1_MCARE_20250428.xlsx
The identifiers and the dates in the file name should be checked and updated while submitting the files.

General Instructions

Carriers must provide a completed copy of Attachment A, "PSHB Monthly Formulary Update Template.xlsx" by the 25th of each month, beginning December prior to the plan year and through November of the current plan year. If the 25th falls on a Saturday or Sunday, the data must be submitted by the Friday before. Every October, in advance of Open Season, OPM will send a request within the Annual Benefit Proposal in Carrier Connect for carriers to provide their formulary data for the upcoming year. Instructions for Monthly Formulary Template

For each formulary included in your Carrier's proposal, you must report a monthly update in Carrier Connect. You must indicate if there is a change in the formulary for the month. If you indicate 'No,' further information is not required. If you indicate 'Yes,' you must upload a revised template.

- Additional instructions appear in row/column headers.
- The Drug List ID must match the Drug List ID in the original submission for the formulary.
- Add the number of the last row in which you entered a drug in the drug list in cell B3 of the Drug List sheet. It will be used to verify that we have read the entire drug list you submit during our automated file processing.
- Data in cells B3:B4 are mandatory.
- Only include the integer tier number in column E of the Drug List to indicate the Formulary Level, without words such as "Tier" or any other text. Tier numbers should correspond to those in your formulary submitted in Carrier Connect. There should not be any values in column E of the Drug List that do not exactly match the values in your formulary in Carrier Connect.

- Put 0 (zero) in column E to denote Affordable Care Act preventive zero cost share drugs, vaccines and any other drugs that have a zero-cost share.
- For every prescription drug, all fields are mandatory, if applicable, except for Specific Notes.
- If you would like to add notes, do so in the Specific Notes column (column K). Column K is used for freeform text, so the appropriate format and length of other fields is preserved. For example, if your plan design is more complex and does not fit into the provided fields, such as variations in how a drug may be processed which our template does not capture, please make a detailed note in Specific Notes.
- NDCs should only be listed once on the drug list. For drugs that may be utilized on multiple tiers, the drug should be reflected in the tier that has the greatest utilization. A comment should be placed in column K indicating that the drug is available on a different tier, the tier where the drug may appear and the conditions that would apply.
- Columns I and J of the drug list should only be populated with numerals. The largest quantity that can be dispensed for a particular NDC should be entered in Column I. Drug units should not be included in Column I. In Column J, enter the days' supply associated with the quantity entered in Column I. Drug units and other notes can be placed in Column K if necessary.

Appendix III: Instructions for Mid-Year Formulary Change Template

Please read and follow these instructions carefully before providing the requested information.

PSHB Carriers must submit a completed Attachment B, "Mid-Year Formulary Template" prior to making any mid-year changes, including restrictive and positive formulary changes, in Carrier Connect. The following mid-year formulary change instructions detail the same guidance as those provided in [Carrier Letter 2020-18](#).

This file serves as a template to be filled by Carriers, if necessary, with the help of their respective PBMs.

Please submit a list of mid-year formulary Changes to OPM each time changes are made to the formulary during the plan year.

If a Carrier offers two plan options, High and Standard, which share the same formulary with the same drug changes, then the same sheet can be used for both options; however, if one plan option covers some drugs that aren't covered in the other, or different restrictions (e.g. prior authorization, step therapy, quantity/day limits) apply, then the Carrier would have to submit two different OPM Formulary Change Notice sheets.

Do not add additional worksheets (hidden or otherwise) except if using additional OPM formulary change notice worksheets.

Please do not insert rows, columns, or move cells in the OPM formulary change notice sheets. Simply input or copy-paste information in the row and column space provided. Do not edit, format, or move cells in gray or in table column/row headers.

Please fill only the requested fields with the appropriate type of information.

All text fields should be left-aligned and without leading or trailing blanks.

All numeric fields should be right aligned.

Please include notes/comments/clarifications specific to certain drugs in the Specific Notes column on the Mid-Year Formulary Changes sheets. Do not include them in any other columns of the workbook.

Instructions for the Mid-Year Formulary Changes Sheet

Additional instructions appear in row/column headers.

Please use the drop-down arrow in J6 to select the reason for the mid-year formulary change. An asterisk (*) denotes formulary change reasons that require member notification unless the member is grandfathered until the end of the plan Year.

For every prescription drug entry, all fields are mandatory if applicable, except for Specific Notes.

If you would like to add notes, do so in the Specific Notes column (column O), provided so you can add free form text, so the appropriate format and length of other fields is preserved. For example, if your plan design is more complex and does not fit into the provided fields, such as variations in how a drug may be processed our template does not capture, please make a detailed note in Specific Notes.

Appendix IV: Member Notification

All Carriers must provide **written** notice to affected members prior to the formulary change effective date. The written notice for mid-year formulary changes must include the following information:

- ➢ Name of the affected drug
- ➢ Whether the drug is being removed from the formulary or changing its preferred or tiered cost-sharing status
- ➢ Alternative drugs in the same therapeutic class or cost-sharing tier and expected cost-sharing for those drugs; and
- ➢ How enrollees and family members may obtain a coverage determination