ILLINOIS NATIONAL GUARD

TPP 904-10-C
Federal Employees Health Benefits

SUPERVISOR'S HANDBOOK

This supersedes Technician Personnel Plan 904, dated 1 October 1996, Chapter 8 Technician Benefits, Part III, Federal Employee's Group Life Insurance (FEGLI).

Users of this publication are invited to send comments and suggested improvements, through command channels, to The Adjutant General of Illinois, ATTN: HRO, 1301 N. MacArthur Blvd, Springfield, Illinois 62702-2399

FOR THE ADJUTANT GENERAL:

//Signature on file//

CONTENTS

FEDERAL EMPLOYEES HEALTH BENEFITS

SECTION:	PARA.	PAGE
General	1-1	1
Administration	1-2	1
Supervisor's Responsibilities	1-3	1
Benefits	1-4	1
Premium Conversion	1-5	2
Costs	1-6	2
Enrollment	1-7	2
Eligible Family Members	1-8	3
Events which Cause Family Members To Lose Coverage	1-9	3
Coverage of New Family Members	1-10	4
Reporting Changes of Family Members	1-11	4
Enrollment of Former Spouses	1-12	4
Dual Coverage Prohibited by Law	1-13	4
Opportunities to Enroll	1-14	4
Opportunities to Change Enrollment	1-15	5
Open Season	1-16	5
Effective Dates	1-17	5
Identification Cards	1-18	5
Coordination of Benefits	1-19	6
Continuation of Enrollment	1-20	6
Cancellation of Enrollment	1-21	7
Termination of Enrollment	1-22	7
Temporary Extension of Coverage	1-23	8
Conversion Rights	1-24	8
Application for a Conversion Contract	1-25	8
Disputed Health Benefits Claims	1-26	9

1-1 GENERAL: FEHBA is based on Federal law (5 USC 89) and regulated by the Office of Personnel Management (OPM). The OPM negotiates master contracts and annual adjustments in benefits and premiums with each health plan carrier. Individual policies or contracts are not issued to enrolled technicians, however, brochures, benefit summaries and comparison charts are prepared jointly by OPM and each health plan carrier. Additionally, each enrolled technician receives a copy of the brochure describing the benefits of the health plan they are currently enrolled.

1-2 ADMINISTRATION: The FEHBA is administered by the Human Resource Office (HRO) and while fundamental information is provided herein, new or changing information will be provided in HRO Newsletters from time to time. Specific questions or requests for assistance in registration, changing enrollment or cancellation should be directed to HRO for Army technicians and to the Remote Designees for Air technicians. Technicians should direct their claims for benefits to their health plan carrier.

1-3 SUPERVISORY RESPONSIBILITIES: Each supervisor should familiarize themselves with the provisions of the FEHBA Plan in order to assist technicians with problem areas. Also, supervisors should remind technicians when they have a change in family, etc., to review their coverage. The SF 2809's, Health Benefits Registration Form, is located on the website: www.opm.gov/insure. Any forms received from the technician requesting health benefits changes must be immediately forwarded to HRO for necessary action since many of the requested changes are time sensitive. Prompt distribution of FEHBA data, especially at open season time, is essential.

1-4 BENEFITS: The FEHBA offers permanent and indefinite technicians a practical way to help meet the cost of health care for self and eligible family members. Coverage is also available to temporary technicians who have been employed for at least one year. Benefits of the Plan apply to current technicians and technicians who retire on an immediate annuity if they have been covered under FEHBA for five years immediately proceeding retirement. The program provides:

a. A choice between two basic benefit plans (Nationwide Fee-for Service or HMO). The plans are available without medical exam or restriction because of age, current health or pre-existing medical conditions and there is no waiting period after effective date of enrollment. Protection is guaranteed and can't be canceled by the carrier. Catastrophic protection is available as described in each plan brochure.

(1) Nationwide Fee-for-Service Plans. These plans reimburse the technician or the health care provider for covered services. A technician may choose their own physician, hospital and other health care providers. Some of the plans are open to all Federal employees, but some are employee organization plans that require associate membership in the organization that sponsors the plan. Generally, the employee organizations require a one-time or annual membership fee. Membership fees are paid directly to the employee organization and are

not part of the FEHBA Program. If the fee is not paid when billed, the plan may take action to terminate enrollment.

(2) Prepaid Plans. These are the Comprehensive Medical Plans/Health Maintenance Organizations (CMP/HMOs) that provide or arrange for health care by designated plan physicians, hospitals, and other providers in particular locations. CMP/HMOs are Group Practice Plans, Individual Practice Plans or a combination of both (called Mixed Model Plans). Group Practice Plans provide care through a group of physicians who practice at medical centers operated by the plans. Individual Practice Plans provide care through participating physicians who practice in their own offices. Each CMP/HMO is open to all technicians who live within the Plan's enrollment area. Each Plan brochure describes area of coverage. Technicians considering enrolling in a CMP/HMO should be aware that most plans require the entire family to live within the covered area. Therefore, if a parent wants to provide coverage for their child who lives outside the covered area, they should contact the plan in order to be certain of the child's coverage.

b. Options. Certain plans have both standard and high options. A difference in coverage and cost is defined in each Plan's brochure.

1-5 PREMIUM CONVERSION: Premium Conversion is a tax benefit. It allows you to allot a portion of your pay to your employer, who will in turn use that amount to pay your contribution for FEHB coverage. This allotment is made on a pre-tax basis, which means that the money is not subject to Federal income, Medicare, or Social Security taxes, and in most cases, state and local taxes. The allotment reduces your taxable income, so less tax is withheld, and your paycheck is larger. You are automatically enrolled in premium conversion at the same time your FEHB enrollment is effective. Each year during the FEHB Open Season you may decide whether or not to participate for the following year. If you decide not to participate, you must fill out a FEHB Premium Conversion Waiver/ Election form, which can be obtained from the Human Resource Office.

1-6 COSTS: Permanent and indefinite technicians and the government share the cost of enrollment. The government pays 60% of the average high option premium of six of the largest health benefits plans in the program, but not more than 75% of the total premium for any plan. The remainder of the premium is paid by the technician through salary withholdings or by personal payment during periods of non-pay status. Premiums are quoted and adjusted annually. Announcement of premium changes are made in the Enrollment Information Guide and Plan Comparison Chart (RI-70-1). (Permanent part-time technicians must pay a greater share of the premium. HRO should be contacted for this information.) Eligible temporary technicians must pay the technician and government share of the premium of plan selected.

1-7 ENROLLMENT: The FEHBA is a voluntary program. Each plan has two types of enrollment:

a. Self only -This enrollment provides coverage for technicians only.

b. Self & Family -This enrollment provides benefits for technicians and eligible family members.

1-8 ELIGIBILE FAMILY MEMBERS: All self and family plans cover the technician and all eligible family members. A technician can't decide to cover some and exclude others. Covered family members are:

a. Spouse.

b. Unmarried dependent children under age 22, including legally adopted children and recognized children born out of wedlock (for children that do not reside with the technician, proof of support or court order must be submitted to HRO).

c. Unmarried dependent stepchildren under age 22 if they live with the technician in a regular parent-child relationship.

d. Unmarried dependent foster child (or children) under age 22 if:

(1) The child (who may or may not be related to the technician) lives with the technician in a regular parent-child relationship; and

(2) The technician is raising the child as their own, exercising full parental responsibility and control; and

(3) The technician expects to continue to raise the child indefinitely into adulthood.

e. The technician's unmarried dependent children age 22 or over who are incapable of self-support because of physical or mental incapacity that existed before their 22nd birthday; the incapacity must be expected to last at least one year from the date of medical certification of incapacity (Check with HRO about the medical certification required for a child age 22 or over). If the child is not yet 22, a medical certificate should be submitted to HRO at least 30 days before the child's 22nd birthday.

NOTE: Parents of technicians are not eligible for coverage as family members even though they live with the technician and are dependent upon them. Foster children are not eligible for health benefits purposes if the child is temporarily living with the technician as a matter of convenience, or a welfare or social service places the child in the technician's home but retains control of the child or the natural parent also lives with the technician and is able to exercise or share parental responsibility and control.

1-9 EVENTS WHICH CAUSE FAMILY MEMBERS TO LOSE COVERAGE: Eligible family members lose eligibility for coverage on the day that any of the following events occur:

a. Spouse -upon divorce or annulment of marriage.

b. Child under age 22 upon marriage or attainment of age 22. (A child whose marriage ends before age 22 may again become eligible).

c. A disabled child age 22 or over -upon marriage or recovery of availability for self-support.

NOTE: Neither HRO nor the plan carrier will notify the technician when a child loses eligibility because of age. If a child wants to convert to a non-group coverage, the technician or the child must apply to the carrier for a conversion contract within 31 days after their 22d birthday.

1-10 COVERAGE OF NEW FAMILY MEMBERS: To obtain coverage for a new spouse or newborn child, etc., a technician must change from self-only enrollment to a self-and-family enrollment. The instructions on the SF 2809 should be reviewed in order to find the event that allows change in enrollment and time limits applicable to that change. A SF 2809 must be completed and forwarded to arrive in HRO no later than the last day indicated on the chart. When a technician who is already covered under self and family option acquires a new family member, that new member is automatically covered, but the plan may ask to verify the family member's eligibility when a claim for that person is filed. The technician must complete a DMAIL Form 48 to notify their health plan of the newly acquired family member.

1-11 REPORTING CHANGES IN FAMILY MEMBERS: HRO does not monitor changes in marital or family status and will not automatically change a technician's enrollment. If the technician wishes to advise the carrier of the various family changes that do not affect their right to continue self-and-family coverage, i.e., birth or adoption of a child, or divorce, but technician continues family coverage for children, then they may complete DMAIL Form 48 and submit it to HRO for forwarding to the Carrier. In cases of divorce, a copy of the final decree should be attached. When a technician becomes the only person covered by self and family enrollment, they should immediately change to a less expensive self-only enrollment.

1-12 ENROLLMENT OF FORMER SPOUSES: Certain former spouses of technicians whose marriage ended before the technician's death may enroll in a FEHBA Plan under the Civil Service Retirement Spouse Equity Act of 1984 (P.L.98-615). Once enrolled, the former spouse must pay the total premium for the plan they select, including the government share.

1-13 DUAL COVERAGES PROHIBITED BY LAW: A technician cannot be covered as an employee under their own enrollment and as a family member under someone else's enrollment in the FEHBA Program. Likewise, a member of the technician's family cannot be covered under more than one enrollment in the Program. Instances of dual coverage should be reported to HRO immediately for correction.

1-14 OPPORTUNITIES TO ENROLL: New or newly eligible technicians are briefed on the FEHBA program during in-processing and are required to complete a Health Benefits Registration Form, SF 2809 obtained from HRO. The technician must indicate on the form whether they want to enroll or do not want to enroll in a FEHBA Plan within 60 days of initial appointment or upon first becoming eligible, i.e., conversion to permanent appointment. Eligible temporary technicians will be contacted by HRO upon completion of one-year temporary service. The SF

2809 must be returned to HRO so as to arrive no later than 60 days of first eligibility.

1-15 OPPORTUNITIES TO CHANGE ENROLLMENT: If eligible but not enrolled, a technician will be able to enroll only when an event permitting enrollment occurs.

a. Open season (see paragraph below)

b. Change in marital status

c. Loss of coverage as a family member under FEHBA

d. Loss of coverage under spouse's non-federal health plan if spouse involuntarily loses non-federal health insurance. (This event requires written proof of involuntary loss of benefits.)

1-16 OPEN SEASON: From the second Monday in November to the second Monday in December of each year, an open season is conducted during which a technician may elect to enroll or change enrollment by choosing a different plan or option. An Enrollment Information Guide and Plan Conversion Chart is published each year and is provided to each eligible technician upon request or at website: www.opm.gov/insure. It contains a brief description of each plan as well as cost. Technicians desiring more information should review particular plan brochures. Enrollment changes are made on SF 2809 and forwarded to HRO in order to arrive by the announced open season closing date. Enrollments or changes in enrollments become effective on the first day of the first pay period in the following January. Technicians already enrolled in the FEHBA program who do not wish to change enrollments need take no action. Their current enrollment will continue without change.

1-17 EFFECTIVE DATES: In general, enrollments and enrollment changes take effect on the first day of the pay period that begins after HRO receives the completed SF 2809 and follows a pay period during any part of which the technician was in a pay status. (The pay status requirements do not apply to a change from self and family to self only.) Exceptions are as follows:

a. Open Season as discussed in paragraph 1-16.

b. Change from self-only to self and family due to the birth or addition of a child as a new family member. This change takes effect on the first day of the pay period in which the child was born or becomes a family member, regardless of pay status.

c. Cancellation as discussed in paragraph 1-21.

1-18 IDENTIFICATION CARDS: Once enrollment or enrollment change is processed, the plan will send the technician an identification card. However, the technician should keep a copy of SF 2809 that HRO returns for their records. If the technician needs to obtain benefits before receipt of identification card, they should contact the plan for assistance and use their copy of the SF 2809 as proof of enrollment or enrollment change.

1-19 COORDINATION OF BENEFITS: The FEHBA Program does not allow the following:

a. Double Coverage. Because many people covered by FEHB plans also have other health care protection, all FEHB plans have a coordination of benefits (COB), or double coverage provision. The provision applies when a person covered by an FEHB plan is entitled to benefits under any other kind of group health insurance, Medicare or no-fault automobile insurance.

b. Medicare. Plans under the FEHB Program typically provide protection against the same kinds of expenses as Medicare, which has two parts (part A, hospital insurance and Part B, medical insurance). Under the law, for a person age 65 or over, who has Part A, the FEHBA plan is the primary payer and Medicare is the secondary payer of benefits provided under both the technician plan and Medicare Part A or Part B.

1-20 CONTINUATION OF ENROLLMENT: A technician's enrollment will continue without change as follows:

a. Transfer. The technician transfers to another Federal agency without a break in service of more than three calendar days.

b. LWOP. When a technician goes on LWOP, their enrollment will continue for up to one year unless they cancel it. However, the technician is responsible for paying their share of the premium to the appropriate DFAS office. HRO will advise the technician how to make premium payments.

c. Military Service.

(1) Other than Contingency Operations: When a technician enters on military duty for a non-contingency operation, their enrollment will continue for up to 18 months while in a LWOP status. The 18-month time period starts from the beginning date of the military orders. The technician will be responsible for the employee share of the premium during the first 12 months, and 102% of the premium (employee and government share plus 2% administrative charge) for the additional 6 months. Bi-weekly premium payments can be made directly to the appropriate DFAS office, or the premiums may be collected from future pay upon return to technician pay status. If the technician elects to cancel their FEHB coverage, the cancellation will be effective the day before the military orders begin, and will automatically be reinstated upon return to technician pay status. Review TPP 904-11 for more information on benefits when returning to duty.

(2) Contingency Operations: When a technician enters on military duty for a specified contingency operation, their enrollment will continue for up to 18 months while in a LWOP status. The 18-month time period starts from the beginning date of the military orders. Once the technician enters into a LWOP status, the FEHB premiums will be paid for by the agency until the technician returns to a pay status. If the technician intermittently uses their leave while performing military duty, their FEHB premiums will not be paid by the agency. If the technician elects to cancel their FEHB coverage, the cancellation will be effective the day before the military orders begin. Upon return to duty, the technician must elect to either immediately reinstate their FEHB coverage effective when they return to a pay status, or elect to waive the immediate reinstatement of their FEHB coverage to take advantage of the Transitional TRICARE benefits. The technician must complete the FEHB Reinstatement Letter from the Return to Duty packet they receive from HRO, and then mail or fax the completed letter to HRO for processing. Review TPP 904-11 for more information on benefits when returning to duty.

d. Retirement. Enrollment will continue without change in benefits or cost when a technician retires under Civil Service or Federal Employee Retirement Systems and retires on an immediate annuity. The technician must be currently enrolled in a plan under the FEHBA Program and must have been enrolled (or covered as a family member) in a FEHBA Plan for five years immediately before retirement or, if enrolled for less than five years, must have been enrolled since first opportunity. Cancellation during military duty does not interfere with the "five-year prior to retirement" requirement.

e. Worker's Compensation. Enrollment continues while a technician is receiving compensation from the Office of Worker's Compensation if it is determined that the technician is unable to return to duty.

f. Death. If a technician dies while enrolled for self and family, the enrollment will continue for eligible survivor annuitants and other eligible family members with no change in benefits or cost. If there is only one survivor annuitant and they are the sole eligible family member, the enrollment will be changed automatically to self only with a corresponding reduction in cost.

1-21 CANCELLATION OF ENROLLMENT: A technician may cancel enrollment only during open season or with a Qualifying Life Event. The technician must submit a properly completed SF 2809 to HRO. The technician's coverage, as well as the coverage of any family members, will not be temporarily extended, nor will family members be able to convert to non-group coverage. Cancellations are effective on the last day of the pay period following the one in which HRO receives the SF 2809. Once a cancellation becomes effective, a technician may not enroll again until an event occurs that permits enrollment or during open season. In addition, technicians must be aware that the cancellation may affect their right to carry FEHBA into retirement.

1-22 TERMINATION OF ENROLLMENT: A technician's enrollment will end on the last day of the pay period in which the technician is separated from their job unless separated under circumstances that allows them to continue enrollment as described in paragraph 1-20, or the technician

is converted to a temporary position or the technician dies and there is no eligible survivor annuitant(s) to continue the enrollment. In addition, an enrollment will end on the last day of the pay period that includes the 365th day of continuous non-pay status.

1-23 TEMPORARY EXTENSION OF COVERAGE: Coverage will continue for 31 days after enrollment ends for any reason except for voluntary cancellation in order to give the technician the opportunity to convert to an individual (non- group) health benefits contract. If confined in a hospital, on the 31st day, the benefits under the FEHBA plan will continue for up to 60 more days of continuous coverage. Temporary extensions of coverage are without cost to the technician and also apply to family members who lose coverage for any reason except voluntary cancellation by the technician.

1-24 CONVERSION RIGHTS: If a technician's enrollment ends for any reason except voluntary cancellation, they may convert to a non-group coverage without giving evidence of good health. Any member of a technician's family who loses coverage for any reason except voluntary cancellation may also convert to non-group coverage. The non-group coverage under a conversion contract is available only from the carrier of the FEHBA Plan in which the technician is enrolled when enrollment ends.

1-25 APPLICATION FOR A CONVERSION CONTRACT: Within 60 days after enrollment ends, HRO will give the technician a notice of termination of enrollment and the right to convert to an individual contract with the carrier of their plan. If a technician wants to convert to non-group coverage they must complete the box on the back of the notice of enrollment termination that is received from HRO. The notice must be sent to the nearest office of the Plan in which the technician was enrolled within 91 days after enrollment ends or 31 days after the date the notice was signed by HRO personnel whichever is earlier. If a technician's family member wants to convert to non-group coverage, the technician or their family member should write to the nearest office of the Plan within 31 days after the family member's FEHBA coverage ends. The carrier will send the technician or the family member an application form as well as benefit and cost information about the non-group coverage. Non-group coverage takes effect at the end of 1st day of the temporary extension of coverage.

1-26 DISPUTED HEALTH BENEFITS CLAIMS: The technician should read the plan brochure to become familiar with the plan's benefits and claims procedures. Questions concerning benefits claim payments and claim processing must be addressed to the plan. The Office of Personnel Management (OPM) does not pay or process claims. If the plan denies a claim for payment or for service, it will reconsider the denial upon receipt of a written request within one year of the denial. The written request should state, in terms of applicable brochure provisions, the reasons the technician believes the denied claim for payment or for service should have been paid or provided. The Plan has 30 days after the date of receipt of a timely-filed request for reconsideration to: 1.) Affirm the denial in writing, 2.) Pay the bill or provide the service, or 3.) Request from the covered individual or provider additional information needed to make a decision on the claim. The Plan must simultaneously notify the covered individual of the information requested if it requests additional information from a provider.

If this information is not supplied within 60 days, the plan will base its decision on the information it has on hand. If the plan affirms its denial, the technician may ask OPM for a review to determine whether the plan has acted in accordance with its contract by writing to:

U.S. Office of Personnel Management
Insurance Review Division
Retirement and Insurance Group
PO Box 436
Washington, D.C. 20044

OPM must receive the request for review, along with a copy of the technician's letter to the plan and its reply, within 90 days of the plan's affirmation of the denial. The technician may also ask OPM for a review if the plan fails to respond within 30 days to the technician's written request for reconsideration or within 30 days after they has supplied additional information. In this case, OPM must receive a request for review within 120 days of request to the plan for reconsideration or the date notified that the plan needed additional information. OPM will notify the technician and the plan of its decision. If the technician decides to seek judicial review of the denial of a claim, they must file suit no later than December 31 of the third year after the year in which the care or service was provided. Federal law governs claims for relief that related to benefits under a FEHB plan. Damages recoverable under Federal law are limited to the amount of contract benefits in dispute, plus simple interest and court costs. Under Federal regulations such legal actions should be brought against the carrier of the plan.