

The Affordable Care Act (ACA) and the Federal Employees Health Benefits Program

Questions and Answers

Q. I am enrolled in the Federal Employees Health Benefits (FEHB) Program. Can I keep my coverage?

A. Yes, you can continue your FEHB coverage as an eligible Federal employee, retiree, or dependent.

Q. Does the coverage of all the plans in the FEHB Program qualify as minimum essential coverage as required by the Affordable Care Act's individual shared responsibility requirement?

A. Yes, the coverage of all the FEHB plans qualifies as minimum essential coverage and satisfies the Affordable Care Act's individual shared responsibility requirement.

Q. How has the Affordable Care Act affected the benefits available under the FEHB Program?

A. The Affordable Care Act has allowed OPM to expand eligibility and strengthen benefits and consumer protections under the FEHB Program in the following ways:

§ Coverage for Young Adults –Beginning in plan year 2011, OPM extended family member coverage by allowing adult children up to age 26 to be covered under their parent's FEHB plan.

§ Coverage of Preventive Health Services –Beginning in plan year 2011, FEHB plans have been required to fully cover – with no co-payments from enrollees – a number of preventive health services, including childhood immunizations; screenings for cancer, diabetes, and high blood pressure; and tobacco cessation services and medications.

§ No Annual and Lifetime Dollar Limits –OPM required all FEHB plans to eliminate annual limits on the ten categories of essential health benefits for the 2013 contract year. OPM continues to ensure that plans do not impose lifetime limits as well.

§ Value for Premium Payments – Beginning in 2011, the Affordable Care Act required health insurers to use at least a certain percentage of health insurance premiums to pay for medical claims or activities that improve the quality of health care. This percentage is known as the medical loss ratio (MLR). The law set the minimum required MLR at 85% for the large group market and directed health insurers that did not meet the MLR to pay a rebate to the policy holders. OPM, as the policyholder, will use any applicable rebates to adjust future premium rates.

§ Summary of Benefits and Coverage – Beginning in 2012, the Affordable Care Act required health plans to furnish an easy to read summary of benefits and coverage (SBC) and a uniform glossary of health insurance terms. OPM requires FEHB plans to provide SBCs and a uniform glossary to their enrollees.

- § Coverage for Individuals Participating in Approved Clinical Trials –Beginning in plan year 2013, FEHB plans may not deny individuals' participation in certain clinical trials; may not deny, limit or impose additional conditions on the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and may not discriminate against an individual on the basis of that individual's participation in such trial.
- § No Exclusion for Pre-Existing Conditions – The Affordable Care Act requires that health insurers accept enrollees without regard to existing medical conditions. FEHB plans have never been permitted to exclude enrollees due to their existing medical conditions.
- § Coverage for Tribal Employees – The law extended the FEHB Program to employees of entitled Indian tribes, tribal organizations, and urban Indian organizations. OPM opened enrollment on May 1, 2012, and over 20,000 people now have FEHB insurance.

Q. How will the Health Insurance Marketplaces affect the Federal Employees Health Benefits (FEHB) Program?

A. The Health Insurance Marketplace will not impact the FEHB Program. Federal employees who are eligible for FEHB will still be able to participate in the Program the same as before.

Q. I am currently eligible for the Federal Employees Health Benefits (FEHB) Program, but I'm not enrolled. Will FEHB still be available to me?

A. Yes. If you are eligible for the FEHB Program and are not currently enrolled in the FEHB Program, you can enroll during this fall's Federal Benefits Open Season or if you experience a Qualifying Life Event, such as birth of a child. By enrolling in the FEHB, you will receive an employer contribution toward the cost of your premium.

Q. I am a new employee and I am eligible for coverage under the Federal Employees Health Benefits (FEHB) Program. Do I need to enroll, or am I automatically enrolled in a health plan? If the latter, which health plan am I enrolled in? Can I change my enrollment if I do not want that health plan?

A. If you are a new employee and are eligible for FEHB coverage, you must select a health plan yourself. You will not be automatically enrolled in any health plan. The FEHB Program offers a wide selection of health plans that are available wherever you live.

Q. What is the Multi-State Plan Program?

A. OPM's Multi-State Plan Program (MSPP) was created by the Affordable Care Act. OPM was given the responsibility for creating and administering the MSPP because of its history with overseeing the Federal Employees Health Benefits Program for over 50 years. The MSPP will promote competition in the new Health Insurance Marketplaces and help ensure consumers have more high-quality, affordable health insurance plans from which to choose. These health insurance plans, known as Multi-State Plans (MSPs),

will be among the health insurance options from which individuals and small employers will be able to choose starting October 1, 2013, when the Marketplace open enrollment begins.

Q. How will the Multi-State Plan Program affect the Federal Employees Health Benefits (FEHB) Program?

A. While OPM is responsible for the administration of both programs, employees in the FEHB Program will not be affected by the Multi-State Plan Program (MSPP). The FEHB Program is separate from the MSPP, and the FEHB Program will continue to provide coverage for eligible Federal employees, retirees, and their family members. The FEHB Program's Open Season will continue to be held in November and December.