
Letter Number 2009-01

Date: April 20, 2009

Dental Plans [X]

Vision Plans [X]

**Subject: Federal Employees Dental and Vision
Insurance Program (FEDVIP) Call Letter and Rate
Instructions**

This is our annual call letter to FEDVIP carriers for proposals to amend your benefits and rates for the next contract year. This letter provides our goals and procedures for upcoming negotiations. FEDVIP continues to be a success and a valuable benefit choice to Federal employees, annuitants, and their families. Thank you for your work in support of this program.

For 2010, we encourage you to make proposals for the following benefit changes and clarifications.

- As the program continues to mature, we expect utilization based on pent-up demand to dissipate. We encourage you to review your levels of coverage and to raise the percentages that the plan pays where appropriate. We also encourage you to review your benefit maximums for potential increases. We will only entertain reductions in enrollee cost sharing where the increases in benefits are offset by improving experience. We will not accept enhanced levels of coverage that result in higher premiums.
- We will entertain proposals to add out-of-network benefits in adequate access areas. Please remember that enrollees should already receive coverage for the services of out-of-network providers in limited access

areas. Also, if there is no network provider available to render a covered service (e.g., a specialty provider drops out of the network), you must provide benefits for the services of a non-network provider, regardless of whether the area has adequate access for other covered services.

- We will entertain proposals under dental plans for coverage of implants or other services to replace missing teeth. Your proposal may continue to exclude services for teeth that were missing prior to an enrollee's effective date of coverage under FEDVIP.
- We will entertain proposals under dental plans for coverage of adult orthodontia. We will not accept enhanced benefits that result in higher premiums.

Please contact Jillian Gill at (202) 606-1689, or email at Jillian.Gill@opm.gov, if you have any questions regarding this letter. Specific instructions for submitting your FEDVIP rate proposals are attached.

Thank you for your support and your continued cooperation in administering the FEDVIP Program.

Sincerely,

Kay Ely
Associate Director
for Human Resources Products and
Services

Encl.: