FEHB Program Carrier Letter

U.S. Office of Personnel Management
Healthcare and Insurance

All FEHB Carriers

Letter No. 2014-25 **Date: October 21, 2014**

Fee-for-Service [21] Experience-rated HMO [21] Community-rated [23]

SUBJECT: CLER 2.0

Purpose

The purpose of this carrier letter is to discuss an upcoming enhancement, referred to as CLER 2.0, to the Federal Employees Health Benefits (FEHB) Centralized Electronic Enrollment Reconciliation Clearinghouse (CLER).

CLER 2.0

CLER 2.0 is a new report in CLER that will give carriers premium payment data per enrollee, per pay period. This new premium payment report will allow carriers to better reconcile the premiums paid to them. Carriers will also receive changes in enrollment data each pay period, allowing them to make timelier changes to their enrollment records.

Implementation

OPM previously announced, at the March 2014 annual Carrier Conference that CLER 2.0 would be implemented on June 1, 2014. However, because many payroll offices did not complete testing of the new file format with the National Finance Center (NFC), the implementation date was changed to September 1, 2014. NFC will utilize the 3rd quarter transmission data for reconciliation only. During the 3rd quarter NFC will use the transmitted reports to assure that all payroll offices are sending the data in each pay period, with accurate amounts. NFC will make Report 13- Pay Period Transmissions Payment Amounts available for use in Quarter 4, December 1, 2014, provided all payroll offices are transmitting data for each pay period as expected.

Data in the New Report

The CLER 2.0 report will show any changes in enrollment each pay period. For example, if an enrollee changes federal jobs and thus the payroll office number changes, carriers will see this right away.

The CLER 2.0 report will include annuitants reported by OPM's Retirement Office, payroll office number 24900002, whose annuities are in either an Interim Pay or a Suspended status with an indicator reflecting this status. No premiums will be reported as paid that pay period, but the FEHB enrollment remains valid and carriers are not to take any action. The Retirement Office is working on these records and will resolve them in time.

The premium payment data in the new CLER report is informational only. The amount reported for each enrollee includes the 4% add on for the Contingency and Administrative reserves and therefore will be higher than the net-to-carrier amount you receive. It is not part of the official U.S. Treasury payment system, so carriers are not to terminate enrollment based solely on an enrollee not appearing on a premium payment report. Carriers will need to contact respective payroll offices for data on enrollees not accounted for in the premium payment data.

An Enhancement to the Reconciliation Process

Premium payment data in the CLER 2.0 report are by pay period. Premiums remitted to carriers by OPM's Trust Fund Branch (TFB) are paid on the second and fourth Thursdays each month. It may not be possible for carriers to match premiums accounted for in CLER 2.0 with the twice-monthly actual payment of premiums. TFB will not be able to account for differences between the amounts actually paid and the amounts that appear in the CLER 2.0 report. Carriers will need to go through premium payment data payroll office by payroll office and contact each payroll office directly to reconcile any differences.

What to do with Discrepancies Found in CLER 2.0 Enrollment Data

Listed below are some of the scenarios carriers might see in the CLER 2.0 report and OPM's suggestions on how to address them.

Scenario: An enrollee on a carrier's rolls is not included in the carrier's CLER 2.0 report.

This is probably the most important scenario for the carriers, as it indicates that the carrier might be covering someone they are not receiving premiums for. This could be caused by:

1. The enrollee is no longer enrolled in the FEHB Program (this corresponds to a CLER 160 error code); or
2. The enrollee changed enrollment to another carrier (this corresponds to a CLER 166 error code).

Carriers should contact the agency they have on record and ask what happened to the enrollment. If the enrollee left government service, cancelled the enrollment, or died without leaving a survivor, the carrier should request from the agency either a termination SF 2810 or a SF 2809 cancelling enrollment. If the enrollee changed to another carrier, the carrier should obtain a SF 2809 reflecting the enrollment change.

Note: The appearance of a large amount of premium, either positive or negative, indicates that a retroactive enrollment change has been made. Carriers should expect to receive a SF 2809 to document the enrollment change. If none is received, contact the agency reporting the premium.

If there is no response from the agency within 30 days from the date contacted, the carrier must send the enrollee the FEHB Notice of Intent to Disenroll Letter and follow the FEHB Disenrollment Procedures established in the FEHB Program regulations at 5 CFR 890.308.

In Carrier Letter 2003-34 (www.opm.gov/healthcare-insurance/healthcare/carriers/2003/2003-34.pdf) OPM authorized use of the Disenrollment Procedures for employees, but not for annuitants. **With this Carrier Letter, OPM removes the restriction on issuing the Notice of Intent to Disenroll Letter to annuitants.**

Note: It may happen that annuitants transitioning to paying their FEHB premiums directly to NFC, instead of having premiums withheld from their annuities, will have a period where they might not be reported to CLER. OPM's Retirement Office will cease to report them to CLER when it is determined their annuities are insufficient to cover the cost of the premium. It will take some time for NFC to receive the enrollment data from OPM's Retirement Office and make arrangements to collect premiums. In the interim these annuitants may not be reported to CLER. If, in response to the Notice of Intent to Disenroll Letter, annuitants call their carriers and say they have a valid FEHB enrollment, it may be due to this situation. Carriers should ask annuitants if arrangements are being made to direct pay their premiums, and if necessary, carriers should contact the Retirement Office.

Scenario: The carrier's CLER 2.0 report contains a person that is not on the carrier's rolls (this corresponds to a CLER 163 error code).

Carriers should contact the agency for a copy of SF 2809 enrolling the person. If no enrollment data can be obtained from the agency, contact the enrollee for proof of enrollment.

Scenario: The carrier's CLER 2.0 report shows an enrollment code for an enrollee that is different from what the carrier has on its rolls, such as one side has Self Only vs. Self and Family, or one side has one option vs. another option (this corresponds to a CLER 164 error code).

Carriers should change the data on their rolls to conform to the payment data contained in the CLER 2.0 report, using the first day of the pay period for the data in the CLER 2.0 report as the effective date. Carriers should then send the enrollee a letter stating the enrollment change and ask the enrollee to contact the carrier if the enrollee believes the enrollment change is incorrect.

Scenario: The record in CLER 2.0 for an enrollee shows a payroll office number that is different from the payroll office number the carrier has in its database.

Carriers should change the payroll office number in their data bases and use the first day of the pay period of the report in CLER 2.0 as the effective date.

Scenario: Carriers note that more than one payroll office is reporting payment of FEHB premiums for the same enrollee (this corresponds to a CLER 165 error code).

This is routine when both an employing office and OPM's Retirement Office report the same person. Take no action in these cases. However, when two employing offices report the same person for more than two consecutive pay periods, notify each employing office of the situation. When an employing office and an Office of Workers' Compensation Programs (OWCP) office (and sometimes the Retirement Office as well) report the same person, notify the employing office that their employee is on workers' compensation and the employing office should not be reporting the employee's enrollment to CLER.

Scenario: The CLER 2.0 report reflects a large amount of money, either positive or negative. This indicates a retroactive adjustment in the enrollment. The premiums paid data field in

CLER 2.0 is limited to payroll offices reporting up to $9,999.99 but the actual amount of a retroactive enrollment adjustment actually paid or withheld by the payroll office may be higher. For amounts $10,000.00 or higher, OPM is instructing payroll offices to report to CLER a dollar amount no more than $9,999.99 even though the amount might be higher. When carriers see a dollar amount of $9,999.99 they should contact the payroll office to find out the actual amount of premium for that pay period. The dollar amount in excess of $9,999.99 will not be reported on subsequent reports.

Who to Contact for Assistance

Both OPM's and NFC's CLER teams are available to assist carriers in researching records that carriers expect to see in their CLER 2.0 report but do not, or, if carriers do not obtain responses to their inquiries, from federal agencies.

OPM's CLER team can be reached currently by contacting either Eric Figg (202-606-4083; eric.figg@opm.gov) or Maria Bianchini (202-606-1444; maria.bianchini@opm.gov).

NFC's CLER team can be reached at 855-632-4468 or via email at nfccontactcenter@nfc.gov.

Sincerely

John O'Brien
Director
Healthcare and Insurance