

# Socioeconomic tips of the month

## Health plans for federal employees

by the Division of Advocacy and Health Policy

**T**he Federal Employees Health Benefits (FEHB) Program provides benefits for 9 million federal employees, retirees, and dependents through contracts with more than 245 carriers. The program is coordinated through the U.S. Office of Personnel Management and offers coverage through fee-for-service plans, health maintenance organizations (HMOs), and preferred provider organizations (PPOs). It is the largest employer-sponsored health benefits program of its kind.

For the first time, federal employees are being offered a nationwide “consumer-driven” option by the American Postal Workers Union Health Plan, one of the FEHB programs. If individuals select this option they are enrolled in a PPO plan and are provided a personal care account (PCA) for “routine” treatment. The PCA, which is offered by Definity Health (<http://www.definityhealth.com>), covers 100 percent of eligible expenses, including medical and surgical services.

When the funds in the PCA (\$1,000 for an individual, \$2,000 for a family) are exhausted for a given year, coverage continues through the traditional PPO plan, which generally pays 85 percent of the cost for in-network care and 60 percent of the plan allowance for out-of-network care.

Two technical points: If a patient owes any payment for services, the physician will be notified through a remittance advice and then may bill the patient. Precertification of inpatient admissions and certain outpatient procedures is required.

In November of each year, federal employees are offered an “open season,” during which they may enroll or cancel participation in FEHB and change health plans or options. Those selections become effective January 1 of the upcoming year. If your practice has patients who are federal employees or their dependents, you may want to check if there are changes in their health care coverage when they make appointments at the beginning of 2003.


### Around the corner

#### December

- The 90-day implementation period for the 2003 ICD-9-CM codes ends December 31, 2002.

#### January

- The 2003 Medicare fee schedule, which is ordinarily effective on January 1 of each year, has been delayed. The new and revised codes contained in the 2003 editions of CPT and HCPCS will not be effective until the implementation of the fee schedule. Check your Part B carrier newsletter and Web site, the ACS Web site ([www.facs.org](http://www.facs.org)), and *ACS NewsScope* for updates.
- First-quarter update to Medicare correct coding edits.
- ACS-sponsored basic and advanced coding workshops for surgeons at the Louisiana chapter meeting, January 16-17, 2003. Visit the ACS coding workshop Web page at <http://www.facs.org/dept/hpa/workshops/cdwkshop.html> to register.

To learn more about FEHB plans, go to <http://www.opm.gov/insure/02/html/standard/links/index.html>. To check which federal employee plans may have changed in your area, go to <http://www.opm.gov/insure/health/03changes/index.asp>. Select your state to see if specific plans have been discontinued or if service areas where the plan is offered have been expanded or terminated. 

This column helps answer questions from Fellows and their staffs and provides useful tips for surgical practices. Developed by the College staff and consultants, this information will be accessible on our Web site. If there are topics that you would like to see addressed in future columns, please contact the Division of Advocacy and Health Policy by fax at 202/337-4271, or e-mail [HealthPolicyAdvocacy@facs.org](mailto:HealthPolicyAdvocacy@facs.org).