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# FEHB Program Carrier Letter

## Experience-Rated Carriers

U.S. Office of Personnel Management  
Insurance Services

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Letter No. 2021-01

Date: January 22, 2021

Fee-for-service [ 1 ]    Experience-rated HMO [ 1 ]    Community-rated HMO [ n/a ]

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### **SUBJECT: Calendar Year 2020 Annual Accounting Statement Financial Reporting**

Enclosed is the U.S. Office of Personnel Management's (OPM) financial reporting instructions for calendar year 2020, Carrier Worksheets (excel file) and the certification(s) of the Annual Accounting Statement (AAS).

The certification must be sent via email to [Ins-Carriers@opm.gov](mailto:Ins-Carriers@opm.gov) or overnight mail to:

U.S. Office of Personnel Management  
Financial Services / Trust Funds Management  
1900 E Street, N.W., Room 5478  
Washington, D.C. 20415  
Attn: Danita Green/Melanese Wynn

This financial information is a requirement of your plan's participation in the Federal Employees Health Benefits (FEHB) Program. It is imperative for contract administration purposes that your AAS be submitted by March 31, 2021.

It is OPM policy to make contingency reserve payments available to your plan as soon as possible based on our review of your plan's documentation. Where feasible, a "preliminary" transfer of funds from your Contingency Reserve (CR) account to your Letter of Credit (LOC) account will be computed based on the initial review of your AAS. The ability to make a "preliminary" contingency reserve transfer is dependent on the quality and timeliness of your AAS submission. If it is not possible to determine the dollar impact of the reporting deficiency or if OPM cannot rely on the data presented, payment will be deferred until final resolution of the problem(s) or acceptance of the AAS. In addition, all "excess reserves" held by the plan as of Dec. 31, 2020 will be transferred from the LOC account to the CR account. If the AAS is not submitted by March 31, 2021, OPM may estimate the amount of excess reserves and withdraw that amount from your LOC account. OPM will notify the plan, via email, before making withdrawals.

The Debt Collection Improvement Act of 1996 (DCIA) provides that a debt owed to the United States Government that has been delinquent for a period of 180 days or more is subject to

administrative offset. Effective August 26, 1999, all payments to carriers, including amounts drawn from the LOC accounts for experience-rated carriers are subject to the administrative offset provisions of the DCIA. To satisfy amounts you owe to other Federal entities, Treasury may reduce the payment amounts made. Note: The gross amount of LOC drawdowns must be reported on your annual and fiscal year accounting statements rather than the net amount received.

Thank you in advance for submitting a timely and accurate accounting statement. If you have questions about this letter, please contact Danita Green at (202) 606-4120 or Melanese Wynn at 202-606-4498, or email [Ins-Carriers@opm.gov](mailto:Ins-Carriers@opm.gov).

Sincerely,

Laurie Bodenheimer  
Acting Director  
Healthcare and Insurance

Attachments:

- A – AAS Spreadsheet
- B – Instructions for Automated AAS
- C – Certification of Annual Accounting Statement