

OWCP and the transition to the PSHB



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The Postal Service Health Benefits (PSHB) Program will provide health insurance to eligible USPS employees, USPS annuitants, and their eligible family members starting on Jan. 1, 2025. The PSHB Program will replace the Federal Employees Health Benefits (FEHB) Program coverage for these groups, as well as USPS OWCP claimants and death benefit beneficiaries receiving Federal Employees' Compensation Program (FECA) compensation

benefits. While this transition has been outlined in detail elsewhere¹, this column will discuss how this transition will work for OWCP claimants and death beneficiaries whose FEHB benefits are currently overseen by OWCP.

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Not every OWCP claimant with current FEHB benefits has these benefits overseen by OWCP. *FECA Procedure Manual* 5-0400.6.b provides that if the claimant is expected to be on the OWCP wage-loss compensation rolls for 90 days or more, the Department of Labor/OWCP must transfer in the health benefits enrollment. This action makes DOL/OWCP the controlling office for all future health benefits actions associated with the claim as long the claimant or beneficiary is receiving wage-loss compensation.

At this time, all current enrollees in a 2024 FEHB plan should have received a letter from OPM explaining the transition. OWCP claimants and death benefit

beneficiaries (referred to by both OPM and OWCP as “compensationers”) receiving FECA compensation benefits overseen by OWCP should also have received an additional letter from the DOL explaining the implications of the transition for them².

FECA Circular 25-01, “Postal Service Health Benefits (PSHB) Program,” outlines the transition to the PSHB for Postal Service OWCP compensationers receiving FEHB compensation benefits administered by OWCP:

1. The FECA program has provided OPM with a data file containing details for all claimants/beneficiaries where the enrollment has been “transferred in” and deductions for an FEHB plan are being made on the Periodic Roll (every 28 days). This same data file will be provided to OPM on a recurring basis.
2. OPM will automatically enroll claimants/beneficiaries into a 2025 PSHB plan that has equivalent/similar benefits and cost-sharing to the 2024 FEHB plan option in which they were enrolled for the 2024 plan year. If the claimant’s current FEHB plan is not part of PSHB, OPM will enroll them in the lowest-cost nationwide plan. If the claimant/beneficiary wishes to choose a different PSHB plan, they can do so during the Federal Benefits Open Season (Nov. 11 through Dec. 9, 2024).
3. Eligible FECA claimants/beneficiaries will receive instructions from OPM regarding how to select a PSHB plan prior to Open Season.
4. The FECA program is not a part of this automatic plan enrollment process and cannot assist or provide guidance on how to select a plan or which plan to select.
5. When Open Season ends, OPM will transmit a data file to the FECA program that details the PSHB plan for each claimant/beneficiary. This same data file will be provided on a recurring basis. The FECA program’s case management system will be updated to reflect the plan choice.

FECA Circular 25-01 also discusses the following PSHB general requirements for OWCP compensationers:

1. Any cancellations or terminations of PSHB coverage while in receipt of FECA benefits are consid-

¹ For an overview of the PSHB Program, visit OPM’s PSHB website: opm.gov/healthcare-insurance/psbh/#url=Overview. For information specific to Postal Service FECA claimants, visit the “Special Population” section of that website: opm.gov/healthcare-insurance/psbh/#url=Special-Populations.

² More detailed information can be found at: dol.gov/agencies/owcp/FECA. Look for the link to “Postal Service Health Benefits (PSHB) Program” under “Latest News.”

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ered final unless the employee returns to work and can enroll through the agency, during the Federal Benefits Open Season. This is the same as FEHB.

- If a claimant or beneficiary elects to suspend their coverage in favor of a Medicare Advantage plan, TRICARE or CHAMPVA while in receipt of FECA benefits, they do not irrevocably lose all future PSHB entitlement and can re-enroll in the future.
- Under the PSHB Program, all USPS claimants are considered employees and are not required to enroll in Medicare Part B to maintain enrollment in PSHB, regardless of their Medicare eligibility status. For those USPS compensationers who choose to enroll in Medicare Part B, the PSHB plan will be considered the primary payer and Medicare will be secondary. OPM provides guidance on secondary payer rules on their website. At retirement, compensationers may have to enroll in Medicare Part B, if eligible, un-

less they meet a qualifying exception³.

- The FECA program cannot convert coverage under a non-PSHB plan into coverage under PSHB. If a USPS employee loses their health insurance coverage under a non-PSHB plan because of career conversion they would need to seek continuing health insurance coverage through the USPS.
- The PSHB System (maintained by OPM) will be used by claimants and beneficiaries to make their initial selection of a PSHB plan and to initiate any future changes to their plan beginning in the 2024 Federal Benefits Open Season. The PSHB System also will be used by FECA staff to review and process plan changes.

Any letter carrier with questions about the transition from the FEHB to the PSHB should reach out to their local leaders or national business agent's office for assistance.

³ The exceptions can be found at: opm.gov/healthcare-insurance/pshb/#url=Medicare-Part-B.

Scholarship Contributions

NALC scholarship contributions

NALC bestows scholarships annually under two programs. In honor of NALC's president from 1941 to 1962, the William C. Doherty Scholarship Fund awards five \$4,000 scholarships to children of members in good standing. The John T. Donelon Scholarship Fund awards one scholarship in honor of Donelon, longtime NALC assistant to the president. Below are recent contributions.

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			\$50	Hartford, CT Br. 86	In memory of Orcen Newland, an active member of Branch 86.
			\$200	Long Island Mgd., NY Br. 6000	In memory of Kenneth Renfroe, the father of NALC President Brian Renfroe.

To make a donation to the scholarship fund, send a check or money order made out to The William C. Doherty Scholarship Fund to: Secretary-Treasurer's Office, National Association of Letter Carriers, 100 Indiana Ave. NW, Washington, DC 20001-2144.