

May 8, 2006

**MEMORANDUM**

TO: Chapter Presidents and Legislative Coordinators

RE: Dental and Vision Care

**SUMMARY: OPM has made new progress towards a dental/vision care option.**

As you know, NTEU has long sought the addition of dental and vision care benefits as part of the benefit package for federal employees and retirees. In 2004 NTEU and allied organizations were successful in getting legislation enacting the first step towards this goal, namely authorization for the establishment of such a program. This first step does not include an employer contribution; however, the expectation is the large group size would enable the Office of Personnel Management (OPM) to negotiate very favorable rates.

I am pleased to report that OPM has now selected the participating providers. There will be four national and three regional dental plans, along with three national vision plans. Participants need not be enrolled in FEHBP to join. Participants will have the option of enrolling in self-coverage, self plus one, or family. The enrollment period is scheduled to match the fall FEHBP open season.

At this stage, premiums have not been announced. NTEU will be watching this closely as we believe OPM must make full use of the negotiating power of the large customer base it is offering to obtain reasonable premiums for participants.

The insurance companies to offer the dental insurance are MetLife of New York; GEHA of Kansas City, MO; United Concordia of Harrisburg, PA; and Aetna of Hartford, CT. Offering national plans are GHI of New York, covering employees in and around New York City; CompBenefits of Roswell, GA; for the Southeast and Midwest; and Triple-S of San Juan, Puerto Rico; for employees there. The vision care providers will be Vision Services Plan of Sacramento, CA; Blue Cross and Blue Shield Association of Chicago; and Spectera of Baltimore.

I will keep you posted of further developments.

Colleen M. Kelley  
National President

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**From:** Banks Laura L - NTEU Chapter 9 President  
**Sent:** Wednesday, May 10, 2006 3:16 PM  
**To:** NTEU Members  
**Subject:** Dental and Vision Care: Enrollment scheduled for fall 2006 FEHBP open season

Here are some updates and a sidebar on dental and vision insurance for employees. Hopefully, this information will assist in planning elections for 2007.

(thank you to Clyde Waltermate from Chapter 36!)

#### UPDATES

1. Dental and vision insurance will be offered this fall during the same open season as for health insurance and flexible spending accounts.
2. Participants signing up for dental and vision insurance will have the option of enrolling in self-coverage, self plus one, or family.
3. Participants will pay 100% of premiums.
4. Premiums have not yet been announced.
5. Dental / vision premiums will qualify for premium conversion, like health insurance premiums and contributions to flexible spending accounts.
6. As with FEHBP premiums, there will be no premium conversion for retirees. NTEU is still seeking a change in law to extend premium conversion to retirees
7. Participants need not be enrolled in FEHBP to join.
8. Carriers: Four national and three regional dental plans, along with three national vision plans.
  - a. Dental (national): MetLife of New York; GEHA of Kansas City, MO; United Concordia of Harrisburg, PA; and Aetna of Hartford, CT.
  - b. Dental (regional):
    - i. GHI of New York, covering employees in and around New York City;
    - ii. CompBenefits of Roswell, GA for the Southeast and Midwest
    - iii. Triple-S of San Juan, Puerto Rico.
  - c. Vision: Vision Services Plan of Sacramento, CA; Blue Cross and Blue Shield Association of Chicago; and Spectera of Baltimore.

#### SIDEBAR

It was NTEU that specifically – and successfully – worked with the Senate to insure dental and vision insurance would qualify for premium conversion. Thus, thanks to NTEU, wages used to pay dental and vision premiums will not be subject to income or Social Security taxes and the tax savings will offset about 25% - 35% of the cost of premiums. Senate Report 108-393, reporting on Public Law 108-496, cites tax savings from premium conversion as a specific advantage to employees.

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