

as amended, set out as a note under section 8341 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-454 effective 90 days after Oct. 13, 1978, see section 907 of Pub. L. 95-454, set out as a note under section 1101 of this title.

**§ 8903a. Additional health benefits plans**

(a) In addition to any plan under section 8903 of this title, the Office of Personnel Management may contract for or approve one or more health benefits plans under this section.

(b) A plan under this section may not be contracted for or approved unless it—

(1) is sponsored or underwritten, and administered, in whole or substantial part, by an employee organization described in section 8901(8)(B) of this title;

(2) offers benefits of the types named by paragraph (1) or (2) of section 8904 of this title or both;

(3) provides for benefits only by paying for, or providing reimbursement for, the cost of such benefits (as provided for under paragraph (1) or (2) of section 8903 of this title) or a combination thereof; and

(4) is available only to individuals who, at the time of enrollment, are full members of the organization and to members of their families.

(c) A contract for a plan approved under this section shall require the carrier—

(1) to enter into an agreement approved by the Office with an underwriting subcontractor licensed to issue group health insurance in all the States and the District of Columbia; or

(2) to demonstrate ability to meet reasonable minimum financial standards prescribed by the Office.

(d) For the purpose of this section, an individual shall be considered a full member of an organization if such individual is eligible to exercise all rights and privileges incident to full membership in such organization (determined without regard to the right to hold elected office).

(Added Pub. L. 99-53, §1(b)(1), June 17, 1985, 99 Stat. 93.)

**§ 8903b. Authority to readmit an employee organization plan**

(a) In the event that a plan described by section 8903(3) or 8903a is discontinued under this chapter (other than in the circumstance described in section 8909(d)), that discontinuation shall be disregarded, for purposes of any determination as to that plan's eligibility to be considered an approved plan under this chapter, but only for purposes of any contract year later than the third contract year beginning after such plan is so discontinued.

(b) A contract for a plan approved under this section shall require the carrier—

(1) to demonstrate experience in service delivery within a managed care system (including provider networks) throughout the United States; and

(2) if the carrier involved would not otherwise be subject to the requirement set forth in

section 8903a(c)(1), to satisfy such requirement.

(Added Pub. L. 105-266, §6(a)(1), Oct. 19, 1998, 112 Stat. 2368.)

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Pub. L. 105-266, §6(a)(3), Oct. 19, 1998, 112 Stat. 2369, provided that:

“(A) IN GENERAL.—The amendments made by this subsection [enacting this section] shall apply as of the date of the enactment of this Act [Oct. 19, 1998], including with respect to any plan which has been discontinued as of such date.

“(B) TRANSITION RULE.—For purposes of applying section 8903b(a) of title 5, United States Code (as amended by this subsection) with respect to any plan seeking to be readmitted for purposes of any contract year beginning before January 1, 2000, such section shall be applied by substituting ‘second contract year’ for ‘third contract year.’”

**§ 8903c. Postal Service Health Benefits Program**

(a) DEFINITIONS.—In this section—

(1) the term “covered Medicare individual” means an individual who is entitled to benefits under Medicare part A, but excluding an individual who is eligible to enroll under such part under section 1818 or 1818A of the Social Security Act (42 U.S.C. 1395i-2, 1395i-2a);

(2) the term “initial contract year” means the contract year beginning in January of 2025;

(3) the term “initial participating carrier” means a carrier that enters into a contract with the Office to participate in the Program during the initial contract year;

(4) the term “Medicare part A” means part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.);

(5) the term “Medicare part B” means part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.);

(6) the term “Office” means the Office of Personnel Management;

(7) the term “Postal Service” means the United States Postal Service;

(8) the term “Postal Service annuitant” means an annuitant enrolled in a health benefits plan under this chapter whose Government contribution is required to be paid under section 8906(g)(2);

(9) the term “Postal Service employee” means an employee of the Postal Service enrolled in a health benefits plan under this chapter whose Government contribution is paid by the Postal Service;

(10) the term “Postal Service Medicare covered annuitant” means an individual who—

(A) is a Postal Service annuitant; and

(B) is a covered Medicare individual;

(11) the term “Program” means the Postal Service Health Benefits Program established under subsection (c) within the Federal Employees Health Benefits Program;

(12) the term “Program plan” means a health benefits plan offered under the Program; and

(13) the definitions set forth in section 8901 shall apply, and for the purposes of applying

such definitions in carrying out this section, a Postal Service employee and Postal Service annuitant shall be treated in the same manner as an employee and an annuitant (as those terms are defined in paragraphs (1) and (3), respectively, of section 8901), consistent with the requirements of this section.

(b) APPLICATION.—The requirements under this section shall—

(1) apply to the initial contract year and each contract year thereafter; and

(2) supersede any other provision of this chapter inconsistent with such requirements, as determined by the Office.

(c) ESTABLISHMENT OF THE POSTAL SERVICE HEALTH BENEFITS PROGRAM.—

(1) IN GENERAL.—

(A) ESTABLISHMENT.—The Office shall establish the Postal Service Health Benefits Program within the Federal Employees Health Benefits Program under this chapter, under which the Office may contract with carriers to offer health benefits plans as described under this section.

(B) APPLICABILITY OF CHAPTER REQUIREMENTS TO CONTRACTS.—Except as otherwise provided in this section, any contract described in subparagraph (A) shall be consistent with the requirements of this chapter for contracts under section 8902 with carriers to offer health benefits plans other than under this section.

(C) PROGRAM PLANS AND PARTICIPATION.—The Program shall—

(i) to the greatest extent practicable—

(I) with respect to each plan provided by a carrier under this subchapter in which the total enrollment includes, in the contract year beginning in January 2023, 1,500 or more enrollees who are Postal Service employees or Postal Service annuitants, include a plan offered by that carrier with equivalent benefits and cost-sharing requirements as provided under paragraph (2), except that the Director of the Office may exempt any comprehensive medical plan from this requirement; and

(II) include plans offered by any other carrier determined appropriate by the Office;

(ii) provide for enrollment in Program plans of Postal Service employees and Postal Service annuitants, in accordance with subsection (d);

(iii) provide for enrollment in a Program plan as an individual, for self plus one, or for self and family; and

(iv) not provide for enrollment in a Program plan of an individual who is not a Postal Service employee or Postal Service annuitant (except as a member of family of such an employee or annuitant or as provided under paragraph (4)).

(2) COVERAGE WITH EQUIVALENT BENEFITS AND COST-SHARING.—In the initial contract year, the Office shall ensure that each carrier participating in the Program provides under the Program plans offered by the carrier benefits

and cost-sharing requirements that are equivalent to the benefits and cost-sharing requirements under the health benefits plans offered by the carrier under this chapter that are not Program plans, except that prescription drug benefits and cost-sharing requirements may differ between the Program plans and other health benefits plans offered by the carrier under this chapter to the extent needed to integrate the Medicare part D prescription drug benefits coverage required under subsection (h)(2).

(3) APPLICABILITY OF FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM REQUIREMENTS.—Except as otherwise set forth in this section, the provisions of this chapter applicable to health benefits plans offered by carriers under section 8903 or 8903a shall apply to plans offered under the Program.

(4) APPLICATION OF CONTINUATION COVERAGE.—In accordance with rules established by the Office, section 8905a shall apply to health benefits plans offered under this section in the same manner as such section applies to other health benefits plans offered under this chapter.

(d) ELECTION OF COVERAGE.—Each Postal Service employee and Postal Service annuitant who elects to receive health benefits coverage under this chapter—

(1) shall be subject to the requirements of this section; and

(2) may not enroll in any other health benefits plan offered under any other section of this chapter.

(e) REQUIREMENT OF MEDICARE ENROLLMENT FOR CERTAIN ANNUITANTS AND THEIR FAMILY MEMBERS.—

(1) MEDICARE COVERED ANNUITANTS.—Except as provided under paragraph (3), a Postal Service Medicare covered annuitant may not enroll in a Program plan unless the annuitant is entitled to benefits under Medicare part A and enrolled in Medicare part B.

(2) MEDICARE COVERED FAMILY MEMBERS.—Except as provided under paragraph (3), in the case of a Postal Service annuitant who is entitled to benefits under Medicare part A and required under this subsection to enroll in Medicare part B to enroll under the Program, if a member of family of such Postal Service annuitant is a covered Medicare individual, that member of family may not enroll under the Program as a member of family of the Postal Service annuitant unless that member of family is entitled to benefits under Medicare part A and enrolled in Medicare part B.

(3) EXCEPTIONS.—

(A) IN GENERAL.—The requirements under paragraphs (1) and (2), as applicable, shall not apply with respect to an individual in the following cases:

(i) CURRENT POSTAL SERVICE ANNUITANTS.—The individual, as of January 1, 2025, is a Postal Service annuitant who is not both entitled to benefits under Medicare part A and enrolled in Medicare part B.

(ii) CURRENT EMPLOYEES AGED 64 AND OVER.—The individual, as of January 1,

2025, is a Postal Service employee and is at least 64 years of age.

(iii) **POSTAL SERVICE MEDICARE COVERED ANNUITANTS AND FAMILY MEMBERS RESIDING ABROAD.**—For any contract year with respect to which the individual is a Postal Service Medicare covered annuitant or a member of family of a Postal Service Medicare covered annuitant and resides outside the United States (which includes the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands), provided that the individual demonstrates such residency to the Postal Service in accordance with regulations issued by the Postal Service.

(iv) **POSTAL SERVICE MEDICARE COVERED ANNUITANTS AND FAMILY MEMBERS ENROLLED UNDER VA COVERAGE.**—The individual—

(I) is a Postal Service Medicare covered annuitant or a member of family of a Postal Service Medicare covered annuitant; and

(II) is enrolled in health care benefits provided by the Department of Veterans Affairs under subchapter II of chapter 17 of title 38, United States Code.

(v) **POSTAL SERVICE MEDICARE COVERED ANNUITANTS AND FAMILY MEMBERS ELIGIBLE FOR IHS HEALTH SERVICES.**—The individual—

(I) is a Postal Service Medicare covered annuitant or a member of family of a Postal Service Medicare covered annuitant; and

(II) is eligible for health services from the Indian Health Service.

(B) **REGULATIONS FOR VA AND IHS EXCEPTIONS.**—Not later than 1 year after the date of enactment of this section, the Office shall, in consultation with the Secretary of Veterans Affairs, the Secretary of Health and Human Services, and the Postmaster General, promulgate any regulations necessary to implement clauses (iv) and (v) of subparagraph (A).

(C) **LIST OF INDIVIDUALS RESIDING ABROAD.**—The Postal Service shall provide a list of individuals who satisfy the exception under subparagraph (A)(iii) to the Office.

(4) **PROCESS FOR INFORMATION COLLECTION AND DISSEMINATION.**—The Postal Service and the Office, in consultation with the Social Security Administration and the Centers for Medicare & Medicaid Services, shall establish a process that will enable the Postal Service to timely inform Postal Service employees, Postal Service annuitants, and members of family of such employees and annuitants of the requirements described in paragraphs (1) and (2) in order to be eligible to enroll in Program plans under this section.

(f) **TRANSITIONAL OPEN SEASON.**—

(1) **DEFINITIONS.**—In this subsection—

(A) the term “current option”, with respect to an individual, means the option

under a plan under this chapter in which the individual is enrolled during the contract year preceding the initial contract year; and

(B) the term “current plan”, with respect to an individual, means the plan under this chapter in which the individual is enrolled during the contract year preceding the initial contract year.

(2) **AUTOMATIC ENROLLMENT.**—

(A) **IN GENERAL.**—Subject to subparagraphs (B) and (C), in the case of an individual who is a Postal Service employee or Postal Service annuitant eligible to enroll in a Program plan under subsection (d), who is enrolled in a current plan, and who does not enroll in a Program plan during the open season that immediately precedes the initial contract year, the Office shall automatically enroll the individual, as of the start of the initial contract year, in a Program plan offered by the carrier of the individual’s current plan.

(B) **CARRIERS OFFERING MULTIPLE PROGRAM PLANS OR OPTIONS.**—If the carrier of the current plan of an individual described in subparagraph (A) offers more than 1 Program plan or option, the Office, in carrying out subparagraph (A), shall automatically enroll the individual in the plan and option that provide coverage with equivalent benefits and cost sharing, as described in subsection (c)(2), to the individual’s current plan and current option.

(C) **CARRIERS NOT OFFERING PROGRAM PLANS.**—If the carrier of the current plan of an individual described in subparagraph (A) does not offer a Program plan, the Office, in carrying out subparagraph (A), shall automatically enroll the individual in the lowest-cost nationwide plan option within the Program that is not a high deductible health plan and does not charge an association or membership fee.

(g) **OPM REGULATIONS.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this section, the Director of the Office shall issue regulations to carry out this section.

(2) **CONSULTATION.**—In issuing regulations under paragraph (1), the Director of the Office shall consult, as necessary, with the Secretary of Health and Human Services, the Secretary of Veterans Affairs, the Commissioner of Social Security, and the Postmaster General.

(3) **CONTENTS.**—The regulations issued under paragraph (1) shall include—

(A) any provisions necessary to implement this section;

(B) a process under which Postal Service annuitants and affected family members are timely informed of the enrollment requirements and may request, in writing, any additional enrollment information;

(C) provisions under which a Postal Service employee or Postal Service annuitant enrolled under the Program may request a belated change of plan and may be prospectively enrolled in the plan of the employee’s or annuitant’s choice; and

(D) provisions for individuals to cancel coverage under the Program in writing to

the Postal Service because the individuals choose not to enroll in, or to disenroll from, Medicare part B.

(h) MEDICARE COORDINATION.—

(1) IN GENERAL.—The Office shall require each Program plan to provide benefits for covered Medicare individuals pursuant to a coordination of benefits method approved by the Office.

(2) MEDICARE PART D PRESCRIPTION DRUG BENEFITS.—The Office shall require each Program plan to provide prescription drug benefits to any Postal Service annuitant and member of family of such annuitant who is a part D eligible individual (as defined in section 1860D-1(a)(3)(A) of the Social Security Act) through employment-based retiree health coverage (as defined in section 1860D-22(c)(1) of such Act) through—

(A) a prescription drug plan (as defined in section 1860D-41(a)(14) of such Act); or

(B) contracts between such a Program plan and PDP sponsor, as defined in section 1860D-41(a)(13) of such Act, of such a prescription drug plan.

(i) POSTAL SERVICE CONTRIBUTION.—

(1) IN GENERAL.—Subject to subsection (k), for purposes of applying section 8906(b) to the Postal Service, the weighted average shall be calculated in accordance with paragraphs (2) and (3).

(2) WEIGHTED AVERAGE CALCULATION.—Not later than October 1 of each year (beginning with 2024), the Office shall determine the weighted average of the rates established pursuant to subsection (c)(2) for Program plans that will be in effect during the following contract year with respect to—

(A) enrollments for self only;

(B) enrollments for self plus one; and

(C) enrollments for self and family.

(3) WEIGHTING IN COMPUTING RATES FOR INITIAL CONTRACT YEAR.—In determining such weighted average of the rates for the initial contract year, the Office shall take into account (for purposes of section 8906(a)(2)) the enrollment of Postal Service employees and annuitants in the health benefits plans offered by the initial participating carriers as of March 31, 2023.

(4) PAYMENT OF LATE ENROLLMENT PENALTIES.—The Postal Service may direct the Office to pay the amounts required by an agreement between the United States Postal Service and the Secretary of the Department of Health and Human Services under section 1839(e)(1) of the Social Security Act (42 U.S.C. 1395r(e)(1)) from the Postal Service Retiree Health Benefits Fund established under section 8909a until depleted and thereafter shall pay such amounts from the Postal Service Fund established under section 2003 of title 39.

(j) RESERVES.—

(1) SEPARATE RESERVES.—

(A) IN GENERAL.—The Office shall ensure that each Program plan maintains separate reserves (including a separate contingency reserve) with respect to the enrollees in the Program plan in accordance with section 8909.

(B) APPLICABILITY OF SECTION 8909 TO CONTINGENCY RESERVES.—All provisions of section 8909 relating to contingency reserves shall apply to contingency reserves of Program plans in the same manner as to the contingency reserves of other plans under this chapter, except to the extent that such provisions are inconsistent with the requirements of this subsection.

(C) REFERENCES.—For purposes of the Program, each reference to “the Government” in section 8909 shall be deemed to be a reference to the Postal Service.

(D) AMOUNTS TO BE CREDITED.—The reserves (including the separate contingency reserve) maintained for each Program plan shall be credited with a proportionate amount of the funds in the reserves for health benefits plans offered by the carrier.

(2) DISCONTINUATION OF PROGRAM PLAN.—In applying section 8909(e) relating to a Program plan that is discontinued, the Office shall credit the separate Postal Service contingency reserve maintained under paragraph (1) for that plan only to the separate Postal Service contingency reserves of the Program plans continuing under this chapter.

(k) NO EFFECT ON EXISTING LAW.—Nothing in this section shall be construed as affecting section 1005(f) of title 39 regarding variations, additions, or substitutions to the provisions of this chapter.

(l) HEALTH BENEFITS EDUCATION PROGRAM.—

(1) DEFINITION.—In this subsection, the term “navigator” means an employee of the Postal Service or of a contractor of the Postal Service who is designated by the Postal Service or contractor to carry out activities under paragraph (5).

(2) ESTABLISHMENT.—Not later than 18 months after the date of enactment of this section, the Postal Service shall establish a Health Benefits Education Program.

(3) REQUIREMENTS.—In carrying out the Health Benefits Education Program established under paragraph (2), the Postal Service shall—

(A) notify Postal Service annuitants and Postal Service employees about the Postal Service Health Benefits Program established under subsection (c)(1);

(B) provide information regarding the Postal Service Health Benefits Program and the requirements of this section to Postal Service annuitants and Postal Service employees, including—

(i) a description of the health care options available under such Program;

(ii) the enrollment provisions of subsection (d); and

(iii) the requirement that Postal Service annuitants and their family members be enrolled in Medicare under subsection (e);

(C) respond and provide answers to any inquiry from such employees and annuitants about the Postal Service Health Benefits Program, in consultation with the Office as necessary;

(D) in consultation with the Centers for Medicare & Medicaid Services and the Social

Security Administration, provide information to individuals about enrollment under the Medicare program under title XVIII of the Social Security Act, and refer individuals to the Centers for Medicare & Medicaid Services and the Social Security Administration as necessary for additional enrollment information; and

(E) carry out, or provide for through contract or other arrangement, the activities described in paragraph (5).

(4) INFORMATION.—

(A) INFORMATION FROM OPM.—The Office shall timely provide the Postal Service with such information as necessary to conduct the Health Benefits Education Program.

(B) COORDINATION WITH OPM.—The Postal Service shall coordinate with the Office, in consultation with the Centers for Medicare & Medicaid Services and the Social Security Administration, to obtain and confirm the accuracy of information as the Postal Service determines to be necessary to conduct the Health Benefits Education Program.

(5) NAVIGATOR ACTIVITIES.—

(A) ACTIVITIES.—The activities described in this paragraph, with respect to Program plans and the health care options available under the Program, are the following:

(i) Educational activities for annuitants and employees of the Postal Service to raise awareness of the availability of Program plans and requirements for enrolling in such plans, including requirements to be entitled to Medicare part A and enroll in Medicare part B.

(ii) Distribution of fair and impartial information concerning enrollment in such plans.

(iii) Facilitation of enrollment in such plans.

(iv) Provision of information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the Program plans.

(B) STANDARDS.—

(i) IN GENERAL.—The Postal Service shall establish standards for navigators carrying out the activities under this paragraph to—

(I) engage in the navigator activities described in subparagraph (A); and

(II) avoid conflicts of interest.

(ii) CONTENTS.—The standards established under clause (i) shall provide that a navigator may not—

(I) be a health insurance carrier; or

(II) receive any consideration directly or indirectly from any health insurance carrier in connection with the enrollment of any individual in a Program plan.

(C) FAIR AND IMPARTIAL INFORMATION AND SERVICES.—The Postal Service, in consultation as necessary with the Office and the Centers for Medicare & Medicaid Services, shall develop standards to ensure that information made available by navigators under this paragraph is fair, accurate, and impartial.

(6) REGULATIONS.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Postmaster General shall issue regulations to establish the Health Benefits Education Program required under this subsection.

(B) CONTENTS.—The regulations issued under subparagraph (A) shall include—

(i) provisions for the notification of Postal Service annuitants and Postal Service employees about the Program, including a description of the available health benefits options, including a process for notifying Postal Service employees who become eligible for Medicare part B and Postal Service Medicare covered annuitants about their choices;

(ii) provisions for notifying Postal Service annuitants, Postal Service employees, and their family members of the requirements under subsection (e) to enroll in Medicare as a condition of eligibility to enroll in the Program; and

(iii) a process, developed in consultation with the Social Security Administration, the Centers for Medicare & Medicaid Services, and the Office, for addressing any inquiry from Postal Service annuitants and Postal Service employees about the Program or Medicare enrollment.

(Added Pub. L. 117–108, title I, §101(a)(1), Apr. 6, 2022, 136 Stat. 1128.)

**Editorial Notes**

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (a)(4), (5), (h)(2), and (l)(3)(D), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XVIII of the Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. Parts A and B of title XVIII of the Act are classified generally to parts A (§1395c et seq.) and B (§1395j et seq.), respectively, of subchapter XVIII of chapter 7 of Title 42. Sections 1860D–1, 1860D–22, and 1860D–41 are classified to sections 1395w–101, 1395w–132, and 1395w–151, respectively, of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The date of enactment of this section, referred to in subsecs. (e)(3)(B), (g)(1), and (l)(2), (6)(A), is the date of enactment of Pub. L. 117–108, which was approved Apr. 6, 2022.

**Statutory Notes and Related Subsidiaries**

INFORMATION SHARING AND DISSEMINATION REQUIRED FOR SPECIAL ENROLLMENT PERIOD AND ENFORCEMENT OF PART B ENROLLMENT REQUIREMENTS

Pub. L. 117–108, title I, §101(c), Apr. 6, 2022, 136 Stat. 1137, provided that:

“(1) DEFINITIONS.—In this subsection, the terms ‘Medicare part A’, ‘Medicare part B’, ‘Office’, ‘Postal Service’, and ‘Postal Service annuitant’ have the meanings given those terms in section 8903c of title 5, United States Code, as added by subsection (a).

“(2) INFORMATION SHARING BY OPM.—The Office shall, by regulation, establish a process for providing such information as is necessary to the Social Security Administration regarding Postal Service annuitants (and the family members of such annuitants) who may be eligible to enroll under Medicare part B during the special enrollment period described in subsection (o) of section 1837 of the Social Security Act (42 U.S.C. 1395p),

as added by subsection (b), or who may be subject to the enrollment requirements described in paragraphs (1) and (2) of section 8903c(e) of title 5, United States Code, as added by subsection (a).

“(3) INFORMATION SHARING BY SSA.—The Social Security Administration shall provide to the Office and the Postal Service information regarding whether a Postal Service annuitant, or a family member of such an annuitant, is entitled to benefits under Medicare part A and enrolled under Medicare part B, to assist the Office and the Postal Service in determining—

“(A) which Postal Service annuitants, and family members of such annuitants, may be eligible to enroll under Medicare part B during the special enrollment period described in paragraph (2); and

“(B) whether Postal Service annuitants, and family members of such annuitants, satisfy the enrollment requirements described in paragraphs (1) and (2) of section 8903c(e) of title 5, United States Code, as added by subsection (a).”

#### REIMBURSEMENT FOR PERIODIC SSA DATA SHARING

Pub. L. 117–108, title I, § 101(d)(5), Apr. 6, 2022, 136 Stat. 1138, provided that:

“(A) INTER-AGENCY AGREEMENT.—The Commissioner of Social Security shall enter into an agreement with the Director of the Office under which the Director pays the Commissioner from the Postal Service administrative reserve the full costs (including systems and administrative costs) of providing the information described in subsection (c)(3) [of Pub. L. 117–108, set out in a note above] for the purpose set forth in subsection (c)(3)(B).

“(B) REPORT TO CONGRESS.—The Director of the Office—

“(i) shall report the amount paid under subparagraph (A) annually to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Reform [now Committee on Oversight and Accountability] of the House of Representatives; and

“(ii) may satisfy the requirement under clause (i) by including the amount paid under subparagraph (A) in any other annual report submitted to Congress.”

[For definition of “Postal Service” as used in section 101(d)(5) of Pub. L. 117–108, set out above, see section 102 of Title 39, Postal Service, as made applicable by section 2(b) of Pub. L. 117–108, which is set out as a note under section 501 of Title 39.]

#### § 8904. Types of benefits

(a) The benefits to be provided under plans described by section 8903 of this title may be of the following types:

##### (1) SERVICE BENEFIT PLAN.—

- (A) Hospital benefits.
- (B) Surgical benefits.
- (C) In-hospital medical benefits.
- (D) Ambulatory patient benefits.
- (E) Supplemental benefits.
- (F) Obstetrical benefits.

##### (2) INDEMNITY BENEFIT PLAN.—

- (A) Hospital care.
- (B) Surgical care and treatment.
- (C) Medical care and treatment.
- (D) Obstetrical benefits.
- (E) Prescribed drugs, medicines, and prosthetic devices.
- (F) Other medical supplies and services.

(3) EMPLOYEE ORGANIZATION PLANS.—Benefits of the types named under paragraph (1) or (2) of this subsection or both.

(4) COMPREHENSIVE MEDICAL PLANS.—Benefits of the types named under paragraph (1) or (2) of this subsection or both.

All plans contracted for under paragraphs (1) and (2) of this subsection shall include benefits both for costs associated with care in a general hospital and for other health services of a catastrophic nature.

(b)(1)(A) A plan, other than a prepayment plan described in section 8903(4) of this title, may not provide benefits, in the case of any retired enrolled individual who is age 65 or older and is not covered to receive Medicare hospital and insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.), to pay a charge imposed by any health care provider, for inpatient hospital services which are covered for purposes of benefit payments under this chapter and part A of title XVIII of the Social Security Act, to the extent that such charge exceeds applicable limitations on hospital charges established for Medicare purposes under section 1886 of the Social Security Act (42 U.S.C. 1395ww). Hospital providers who have in force participation agreements with the Secretary of Health and Human Services consistent with sections 1814(a) and 1866 of the Social Security Act (42 U.S.C. 1395f(a) and 1395cc), whereby the participating provider accepts Medicare benefits as full payment for covered items and services after applicable patient copayments under section 1813 of such Act (42 U.S.C. 1395e) have been satisfied, shall accept equivalent benefit payments and enrollee copayments under this chapter as full payment for services described in the preceding sentence. The Office of Personnel Management shall notify the Secretary of Health and Human Services if a hospital is found to knowingly and willfully violate this subsection on a repeated basis and the Secretary may invoke appropriate sanctions in accordance with section 1866(b)(2) of the Social Security Act (42 U.S.C. 1395cc(b)(2)) and applicable regulations.

(B)(i) A plan, other than a prepayment plan described in section 8903(4), may not provide benefits, in the case of any retired enrolled individual who is age 65 or older and is not entitled to Medicare supplementary medical insurance benefits under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.), to pay a charge imposed for physicians’ services (as defined in section 1848(j) of such Act, 42 U.S.C. 1395w–4(j)) which are covered for purposes of benefit payments under this chapter and under such part, to the extent that such charge exceeds the fee schedule amount under section 1848(a) of such Act (42 U.S.C. 1395w–4(a)).

(ii) Physicians and suppliers who have in force participation agreements with the Secretary of Health and Human Services consistent with section 1842(h)(1) of such Act (42 U.S.C. 1395u(h)(1)), whereby the participating provider accepts Medicare benefits (including allowable deductible and coinsurance amounts) as full payment for covered items and services shall accept equivalent benefit and enrollee cost-sharing under this chapter as full payment for services described in clause (i). Physicians and suppliers who are nonparticipating physicians and suppliers for purposes of part B of title XVIII of such Act shall not impose charges that exceed the limiting charge under section 1848(g) of such Act (42 U.S.C. 1395w–4(g)) with respect to serv-