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Memorandum

TO : Acting Director of Training

FROM : Personnel Officer, OTR

SUBJECT: Weekly Activity Report #38

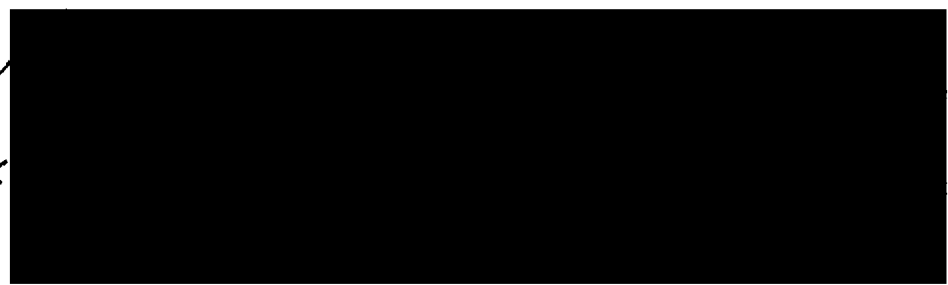
DATE: 10 December 1965

I. SIGNIFICANT ITEMS:

None

II. OTHER ITEMS:

1. Retirement



25X1A

*agree
by all means
→ defer to a
personnel officer in the
OTR*

2. Career Service Exchange

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██████████ of the DDP advised OTR Personnel that after a careful review they do not think ██████████ GS-15, will be acceptable to the DDP. Officials in the ██████████ Staff, where ██████████ is working, state that while he is performing in a very fine manner, they could not recommend that ██████████ possesses the professional diversification necessary for a DDP career. Therefore, OTR Personnel is reviewing its other senior officers now on rotation to the DDP in an effort to identify an alternate exchange candidate.

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██████████ counterpart in the exchange. If we are unsuccessful in identifying an alternate officer for ██████████, we are not obliged to accept ██████████ into our career service. If we don't he probably would not be lost to us anyway since the DDP will find it difficult to identify another suitable assignment for ██████████ prior to his retirement.

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Weekly Activity Report, OTR/Personnel, 10 December 1965

11. Processing

A. The FE processing of [redacted] and his dependents has been temporarily suspended until a final decision is made regarding the travel of his dependents.

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B. [redacted] advised OTR Personnel this week that WH Division officials had indicated that he would begin processing for [redacted] in late January or early February.

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12. DENTA & PAMA Insurance

see attachment 15.

DENTA policy holders have been advised that the DENTA Program will be discontinued as of 30 December, as a result of a very adverse balance of claims versus premiums. It is understood that those making claims for orthodontic treatments will have a 90 day extension.

Questions about PAMA's future have been raised in view of the new benefits available through Medicare. [redacted] stated to OTR Personnel that it was too early at this time to tell what effects Medicare will have on the PAMA Program. He predicted, however, that since doctor's bills were an extra cost feature in the Medicare Program, that PAMA would "probably" be continued, though modified in its costs and benefits.

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13. CIA Retirement and the Daniels Bill

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[redacted] visited OTR Personnel on 6 December to discuss retirement plans. [redacted] inquiry was directed toward the Daniels Bill and its possible effects on the CIA Retirement System; specifically, he wanted to know if the bonus provided for in the Daniels Bill would be applied to the CIA Retirement System. He was advised that it was reasonably well accepted within the Agency retirement staffs and that the necessary legislation would be forthcoming which would eventually incorporate the Daniels Bill bonus into the CIA System. [redacted] felt that there was an element of risk in retiring early with the hope that the provision would be available later, and therefore, decided that he would not consider retiring this year but would wait for "two or three more years".

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[redacted]

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TO ALL DENTA POLICYHOLDERS

In July 1963, employees of the Agency expressed sufficient interest in a plan of dental insurance to warrant negotiation with an underwriter to provide such coverage. In November 1963, [REDACTED] announced the DENTA Plan, effective 2 December 1963. 25X1A

From the very beginning it was recognized that the DENTA Plan was unique and experimental, and that it was quite likely that during the initial period of coverage claims might be excessive. It was hoped, however, that the program would stabilize, actuarially, and that this type of coverage could be continued as a part of the Agency's overall insurance program.

As anticipated, claims were high but the hoped-for stabilization did not occur. After the first contract year ending 1 December 1964, the ratio of claims to premiums exceeded acceptable limits. Nonetheless, the underwriter agreed to renew the DENTA Plan for an additional contract year. In addition, an open period was announced in April 1965 in the hope that a sizeable number of employees might subscribe to this plan and that the increased enrollment might result in a favorable ratio of claims to premiums. At the same time, it was recognized that the adverse claims experience might continue; for this reason, the announcement of the open period in [REDACTED] included a notation that the premium rates stated were "Guaranteed only through December 1965". 25X1A

The open period was quite successful and many employees enrolled in the plan. Still, and despite the significant increase in subscribers, claims continued to exceed premiums by 30 - 35%.

Based on the continuing adverse claims experience and studies which indicated that no improvement is likely, the underwriter has notified us that it could no longer continue the "experiment". Normally, the effective date of cancellation would be 1 December 1965, but the underwriter has agreed to extend this date to 1 January 1966.

This notice, therefore, is to inform you that your DENTA coverage will be terminated on 1 January 1966. Prepaid premiums for the period beyond 1 January 1966 will be refunded soon thereafter. We wish also to call to your attention that the termination provisions of the DENTA Plan allow reimbursement of certain expenses beyond the date of cancellation, as described below:

*pd. prem. for
yr. '65 to '66
Dec. to Nov.
'65 '66
1 Nov. 65*

#1462

a. Orthodontic work in process on 1 January 1966 - After termination date, claims will be paid to the extent of one full quarter's allowance, plus 1/90 of a quarter's allowance times the number of elapsed days in the quarter interrupted by the date of termination. Payment of any benefit is subject to the overall limitations in the DENTA contract.

b. All other covered dental services - Dental work in the process of being completed on the date of cancellation, 1 January 1966, will be covered within the terms of the DENTA contract, even if completed after the date of termination, for ninety days after the cancellation date.

In order to "phase-out" this program as soon as possible, all claims should be submitted by 1 June 1966.

If you have any questions concerning this notice, please contact the Insurance Branch, [REDACTED], Extension 3159.

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