



Benefits Administration Letter

Number: 03-208

Date: October 21, 2003

Subject: Federal Employees' Group Life Insurance: New Option B Premiums

Purpose

The purpose of this Benefits Administration Letter (BAL) is to transmit new premiums for the upper age bands for Option B coverage under the Federal Employees' Group Life Insurance (FEGLI).

Background

In BAL 02-209, issued September 25, 2002, we announced additional age bands for Option B and stated that the premiums for these age bands would be phased in over a three-year period; that BAL also announced the premiums for Phase I. This BAL announces the premiums for Phase II of the phase-in.

New Premiums

These are the new Option B premiums:

Age Band	Biweekly per \$1,000 of coverage	Monthly per \$1,000 of coverage
70-74	\$1.03	\$2.232
75-79	\$1.43	\$3.098
80 and over	\$1.83	\$3.965

These are the only FEGLI premiums that are changing at this time.

Effective Date

The new Option B premiums are effective January 1, 2004. Payroll offices must apply the new premiums the first pay period beginning on or after that date.


Publication and Notification

OPM is publishing the new premiums in a *Federal Register* notice. The premiums are also on the FEGLI web site (www.opm.gov/insure/life).

OPM's Financial Reporting and Policy Group will notify payroll offices of the new Option B premiums through a BAL in the 300 series.

We strongly encourage agencies to notify their affected employees in advance of the increase.

We will issue another BAL next year with the Option B premiums for Phase III.

A handwritten signature in black ink, appearing to read "Abby L. Block". The signature is fluid and cursive, with a long horizontal stroke at the end.

Abby L. Block
Deputy Associate Director
Center for Employee
and Family Support Policy