



Benefits Administration Letter

Number: 17-202

Date: August 17, 2017

**Subject: Federal Employees' Group Life Insurance Program (FEGLI)
Processing Reminder, Email Messages, and Additional Guidance for
FEGLI Open Season Elections**

This Benefits Administration Letter (BAL) provides information about processing FEGLI Open Season elections, belated elections, and elections for civilians and active duty military reservists deployed overseas. It also includes sample emails agencies can use to remind employees about the impending changes to their FEGLI coverage.

This is the sixth in a series of FEGLI Open Season BALs:

- August 7, 2015 -- [BAL 15-203](#) announced a FEGLI Open Season from September 1, 2016 through September 30, 2016
- March 17, 2016 -- [BAL 16-204](#) provided information about the FEGLI Open Season and answers to commonly asked questions
- July 19, 2016 -- [BAL 16-206](#) provided information about the FEGLI Open Season website, sample emails for employees, and the data needs spreadsheet
- August 26, 2016 -- [BAL 16-207](#) provided information about how to upload FEGLI Open Season elections to the electronic Official Personnel Folder (eOPF) system
- September 15, 2016 -- [BAL 16-208](#) provided information about belated elections and election errors

BACKGROUND

Coverage elected during the September 2016 FEGLI Open Season had a one-year delayed effective date.

FEGLI Open Season elections become effective on the first day of the first pay period that:

- begins on or after October 1, 2017, and
- follows a pay period during which the employee met the pay and duty status requirements described below.

For most employees on a biweekly pay period, this will be October 1, 2017 (October 14, 2017 for Postal employees).

PAY AND DUTY STATUS REQUIREMENTS

A full-time employee on a biweekly pay period must be in pay and duty status for at least 32 hours during the pay period right before the one in which the coverage is to become effective.

A full-time employee on a monthly pay period must be in pay and duty status for at least 64 hours during the pay period right before the one in which the coverage is to become effective.

A part-time employee must be in pay and duty status for at least one-half of the regularly-scheduled tour of duty shown on his/her current SF 50. The employee must meet this requirement during the pay period right before the one in which the coverage is to become effective.

An intermittent employee or an employee without a regularly-scheduled tour of duty who is eligible for FEGLI coverage must be in pay and duty status for at least one-half of the hours customarily worked in a pay period. The employee must meet this requirement during the pay period right before the one in which the coverage is to become effective. Employing offices can determine the number of hours customarily worked by totaling the number of hours worked in the calendar year quarter ending June 30, 2016,¹ and dividing that by the number of pay periods in that quarter.

Please note that sick leave, annual leave, donated leave, or any other kind of leave, whether paid or unpaid, does not qualify as pay and duty status.

New coverage does NOT begin until the employee meets the pay and duty status requirements, even if that is after October 2017. ***For some employees, new coverage will never begin because they will never meet the pay and duty status requirements. These could include compensationers or employees on leave without pay who never return to work.***

If an employee does not meet the pay and duty status requirements for any reason, you must delay putting the FEGLI Open Season election into effect until the first day of the first pay period ***after*** the one in which the employee meets the requirements.

Example

Todd is a full-time biweekly employee who made a FEGLI Open Season election. Todd is on annual leave the entire pay period of September 17 through September 30, 2017.

¹ 5 CFR 870.507(c)(3): "... an employing office may determine the number of hours customarily worked by averaging the number of hours worked in the most recent calendar year quarter prior to the start of the open enrollment period." The open enrollment period was September 2016. The calendar year quarter prior to the July-September 2016 quarter was April-June 2016.

Because he is not in pay and duty status for at least 32 hours during that pay period, his FEGLI Open Season election will not go into effect at the beginning of the next pay period (October 1, 2017).

Todd returns to pay and duty status for at least 32 hours in the pay period October 1 through October 14, 2017. His new coverage will become effective at the beginning of the next pay period (October 15, 2017).

How do we complete processing of the FEGLI Open Season election?

After verifying pay and duty status requirements, write the effective date of coverage in Section 6 of the SF 2817 *Life Insurance Election* form (or its electronic equivalent) and return a copy of the completed form to the employee as confirmation of their new coverage. Then process the change according to your agency's internal procedures.

If you uploaded your employee's election to the eOPF system with a pre-filled effective date, ***you must verify*** that each employee meets pay and duty status requirements. If an employee does not meet pay and duty status requirements, you must change the effective date.

What if an employee made a belated FEGLI Open Season election?

As indicated in [BAL 16-208](#), FEGLI regulations allowed an agency to accept a belated FEGLI Open Season election until March 31, 2017, if the agency determined that an employee was unable to make a timely election for reasons beyond his/her control.

A belated election is effective on the same date as a timely election and is subject to the same pay and duty status requirements.

What if an employee made a FEGLI Open Season election and is deployed overseas before the coverage becomes effective?

It depends on the pay status of the employee. For an employee who made a FEGLI Open Season election and subsequently was sent overseas in a civilian military support capacity, the employee presumably would remain in a pay status, and the new coverage would become effective as long as the employee meets the pay and duty status requirements as described above. Only the employee's duty station has changed; pay status has not.

For an employee who made a FEGLI Open Season election and subsequently entered nonpay status because the employee was called to active duty in the reserves or National Guard, you should hold the election form (or its electronic equivalent) until the employee returns to duty. The coverage will not be effective until the employee returns to work and meets the pay and duty status requirements for a civilian employee as previously described.

What if an employee made a FEGLI Open Season election and later elected coverage based on a life event or satisfactory medical information?

If an employee elects coverage based on a life event or satisfactory medical information after submitting a FEGLI Open Season election but before the FEGLI Open Season election becomes effective (typically October 1, 2017; October 14, 2017 for Postal), the employing office must process it in the normal way as a “regular” election.

The subsequent “regular” election supersedes the FEGLI Open Season election. Void the FEGLI Open Season election and use the “Remarks” section to indicate that the employee elected coverage on [*specify date*] based on a life event or physical exam.

What if an employee made a FEGLI Open Season election and subsequently cancelled all FEGLI coverage?

If an employee cancels all FEGLI coverage after submitting a FEGLI Open Season election but before the FEGLI Open Season election becomes effective (typically October 1, 2017; October 14, 2017 for Postal), the employing office must process it in the normal way for a cancellation.

The subsequent “regular” SF 2817 cancelling coverage supersedes the FEGLI Open Season election. Void the FEGLI Open Season election and use the “Remarks” section to indicate that the employee subsequently cancelled all coverage on [*effective date*].

What if an employee made a FEGLI Open Season election and then transferred to another agency?

If an employee transfers to another agency before the FEGLI Open Season election becomes effective, attach the FEGLI Open Season SF 2817 (or its electronic equivalent) to the OPF (or its electronic equivalent) and send it to the employee’s new agency. The new agency must process the FEGLI Open Season election at the appropriate time, but no sooner than October 1, 2017 (October 14, 2017 for Postal employees).

If you discover a FEGLI Open Season election for an employee who has already transferred, send the FEGLI Open Season election to the employee's new agency for processing as soon as possible.

An employee transferred to my agency and says there was a FEGLI Open Season election with the prior agency but we did not receive it. What do we do?

Contact the former employing agency for a copy or record of the election. We instructed agencies to return a copy of the FEGLI Open Season election to the employee as proof of timely receipt.

If the agency does not have a FEGLI Open Season election on file, or they have no record of one being submitted, ask the employee for a copy of the election form. The copy should display a receipt date and/or some form of official agency validation in Section 6 *Agency Use*.

If neither the employee nor the agency has a copy, advise the employee that the FEGLI Open Season change cannot be processed, and provide information on how to elect additional coverage outside of a FEGLI Open Season.

What if an employee made a FEGLI Open Season election, then separates, then returns to service?

There are four possible scenarios here:

1. Break in service is *less than 180 days* and employee returns *on or before* October 1, 2017: Process the FEGLI Open Season election when the employee returns to service (but no earlier than October 1). The new coverage will be effective the pay period after the employee meets the pay and duty status requirements.
2. Break in service is *less than 180 days* and employee returns *after* October 1, 2017: Process the FEGLI Open Season election when the employee returns to service. The new coverage will be effective the pay period after the employee meets the pay and duty status requirements.
3. Break in service is *180 days or more* and employee returned *on or before* October 1, 2017: Employees with a break in service of at least 180 days may make a new FEGLI election when they return to service. If an employee in this situation makes a new election, that election takes precedence over the FEGLI Open Season election. Void the FEGLI Open Season election and explain in the "Remarks" section.

If the employee does not make a new election, the employee gets back the coverage that was in place at the time of separation. This includes the pending FEGLI Open Season election, even though the coverage was not in place at the time of separation. Process the FEGLI Open Season election when the employee returns to service (but no earlier than October 1). The new coverage will be effective the pay period after the employee meets the pay and duty status requirements.

4. Break in service is *180 days or more* and employee returns *after* October 1, 2017: Employees with a break in service of at least 180 days may make a new FEGLI election when they return to service. If the employee in this situation makes a new election, that coverage now takes effect. If the employee does not make a new election, the employee will get back the coverage in place before the separation. Do *not* process the FEGLI Open Season election; void the FEGLI Open Season election and explain in the "Remarks" section.

What if an employee made a FEGLI Open Season election, went into nonpay status before October 1, 2017, stays in nonpay status for 12 months or more, then returns to a pay and duty status?

The employee's coverage terminates after 12 months in nonpay status. When the employee returns to active Federal service, the employee gets back the coverage in place at the time of the termination. Since there is no break in service, there is no opportunity to elect additional coverage. However, part of the "old" coverage is the pending FEGLI Open Season election.

Process the FEGLI Open Season election when the employee returns to service. The new coverage will be effective the pay period after the employee meets the pay and duty status requirements.

What if an employee made a FEGLI Open Season election, retires before October 1, 2017, and then becomes reemployed?

The FEGLI Open Season election was voided at the time of retirement. The employee retired before the open season effective date. Do not process it. Void the FEGLI Open Season election and explain in the "Remarks" section.

(If the annuitant's break in service was at least 180 days, the annuitant may make a new election at the time of reemployment.)

Can an employee change a FEGLI Open Season election *before* it is effective?

It depends. Before the effective date, an employee can notify the employee's employing office in writing that the employee wishes to reduce the amount of coverage elected during the FEGLI Open Season or to void the election completely. However, the employee cannot increase the FEGLI Open Season election. You must file the employee's written notification and voided FEGLI Open Season election (or its electronic equivalent) in the employee's OPF (or its electronic equivalent).

Can an employee reduce or cancel a FEGLI Open Season election *after* it is effective?

Yes. If the coverage is not assigned, an employee can reduce or cancel any FEGLI coverage, including a FEGLI Open Season election, at any time after it becomes effective. Any reduction or cancellation becomes effective the end of the pay period in which it is filed.

IMPORTANT REMINDERS

Accurate Documentation, Corrections, and Other Reminders

As you can see from the situations discussed above, it is very important to make notes in the "Remarks" section of the FEGLI Open Season election wherever appropriate, indicating clearly what happened and why. You may wish to create a cover letter to the file and include it in the employee's OPF (or its electronic equivalent). This will be critically important for OPM personnel looking at an employee's file in the future to determine what coverage the individual is eligible to continue into retirement.

Some employees may have completed their FEGLI Open Season elections incorrectly by signing only for Basic and for new coverage, accidentally canceling their current optional coverage in the process.

As discussed in [BAL 16-208](#), agencies are authorized to correct an employee's error and reinstate the erroneously cancelled optional coverage if the employee notifies his/her human resources office of the mistake before the end of the second pay period that follows the one in which the

FEGLI Open Season election became effective. For employees whose coverage goes into effect October 1, 2017, this would be the pay period ending November 11, 2017.

If possible, we suggest agencies look for FEGLI Open Season elections that have the effect of reducing or canceling coverage and alert affected employees so the employees can verify whether this was their intention.

Finally, do not forget that **before newly elected FEGLI coverage becomes effective, an authorized agency official must verify that the employee meets the pay and duty status requirements discussed earlier.**

Agency Reminders to Employees

Please encourage your employees to verify that the change in coverage has taken place correctly. They should check their leave and earnings statements to confirm the correct premiums for the correct coverage are being withheld. Employees can confirm premiums using the FEGLI Calculator or the FEGLI premium rate tables, both of which are available at www.opm.gov/life.

Employees begin paying premiums for newly elected coverage only when that newly elected coverage becomes effective. The attached sample emails can assist you in reminding employees.

While coverage may take effect October 1, employees will not see the new coverage and new premiums until they receive their pay in late October or early November for that pay period beginning October 1.

Please also encourage employees to review their beneficiary information and make any changes if needed. An employee is not required to complete an [SF 2823 Designation of Beneficiary](#) unless the employee wants payment to be made differently than the [order of precedence](#).

You play a critical role in the success of this Open Season and we thank you in advance for your support.

If you have any questions regarding this Benefits Administration Letter please contact the FEGLI Program Office at fegli@opm.gov.

Sincerely,

Alan P. Spielman
Director