



*United States Office of Personnel Management
The Federal Government's Human Resources Agency*

Benefits Administration Letter

Number: 22-304

Date: January 2022

Subject: Shutdown Furlough Guidance Update

The Office of Personnel Management (OPM) issued a final rule, [86 FR 17271](#), on April 2, 2021, to ensure the continuation of certain insurance benefits and services that could be impacted by a lapse in appropriations. The rule implements certain sections of the National Defense Authorization Act for Fiscal Year 2020 (FY20 NDAA).

Federal Employees Health Benefits (FEHB) Program and Federal Employees' Group Life Insurance (FEGLI) Program coverage continues during a shutdown furlough. The regulation ensures, in part that, pursuant to section 1111 of the FY20 NDAA, continuation of coverage under the Federal Employees Dental and Vision Insurance Program (FEDVIP) and the Federal Long Term Care Insurance Program (FLTCIP) for enrollees who are furloughed or excepted from furlough and working without pay due to a lapse in appropriations as well. Coverage may not be cancelled because of nonpayment of premiums or other periodic charges due to such a lapse. The rule also clarifies that upon the end of a lapse in appropriations, FEHB, FEGLI, FEDVIP and FLTCIP premiums will be paid from backpay or enrollees can make payments directly to the Carrier in the case of FLTCIP.

The FY20 NDAA provides that employees are authorized to receive backpay in the case of a shutdown furlough.

The purpose of this letter is to remind payroll providers that Sections 875.302(c)(1), 894.405(c), and 894.406(c) of the rule require insurance premiums are paid from backpay. Therefore, to comply with the law and the regulations, all payroll providers must adjust their systems to allow for premium payments to be deducted from backpay.

Additional guidance on furloughs can be found on the OPM's [Policy, Data, Oversight webpage](#).

Please email any questions regarding this BAL to FinancialBALs@opm.gov.

Sincerely,

SHERRI JORDAN

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Sherri D. Jordan

Associate Chief Financial Officer