Chapter 22: Change in Federal Employees Group Life Insurance and Election of Living Benefits (Nature of Action 805, 806, and 881)

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New text changes and/or additions are distinguished in >dark red font surrounded by angled brackets<. Deletion/removal of text is distinguished with *** in green font.
Chapter 22: Change in Federal Employees Group Life Insurance and Election of Living Benefits

1. Coverage

a. This chapter covers:

   i. Change in Federal Employees’ Group Life Insurance coverage, a change in an employee's life insurance coverage when no other change takes place on the same date; and

   ii. Election of full or partial living benefits by a terminally ill employee who wants to receive basic benefits while still living, rather than having them paid to a beneficiary or survivor upon death.


b. This chapter does not cover correction of an error. (See Chapter 32.)

2. Insurance Forms

a. Standard Form 2817 (SF-2817), Life Insurance Election, is used to elect, change, waive, or drop Federal Employees’ Group Life Insurance coverage. Check the FEGLI Handbook to be sure the employee is eligible to make the election or change and to identify any other forms that are needed.

b. FE-8C, Explanation of Benefits, is used to document approval of the employee’s claim for Living Benefits. The Office of Federal Employees Group Life Insurance sends the FE-8C to the personnel and payroll offices when the employee cashes or deposits the benefits check.

3. Use of Standard Form 52 (SF-52)

Use of a Request for Personnel Action, for change of Federal Employees’ Group Life Insurance and election of Living Benefits actions is optional. The Standard Form (SF-50), Notification
the information in your agency’s automated system (or the employee’s Official Personnel Folder) and the information on the SF-2817 or the FE-8C. If your agency procedures require a ***>SF-52<, either the employee’s office or the personnel office may prepare it. When a *** >SF-52< is used, no requesting officials’ signatures are needed.

4. Effective Dates>
Refer to the FEGLI Handbook to determine the effective date of a Federal Employees’ Group Life Insurance election, cancellation, or termination. For an election of Living Benefits, the effective date is the date shown in remarks on the FE-8C.

5. Instructions
   a. Use Table 22-A to select the nature of action and authority and enter them in blocks 5A-D of the ***>SF-50<. When the action is a change due to termination of coverage, refer to the FEGLI Handbook for instructions on information to provide the employee.

   b. Enter the ***>SF-50< effective date in block 4 of the ***>SF-50<.

   c. Use Table 22-B to select remarks to explain the action and enter them in block 45 of the ***>SF-50<.

   d. Follow instructions in Chapter 4 to complete the remaining blocks on the ***>SF-50<.

   e. Follow your agency’s instructions to have the ***>SF-50< signed or authenticated.

   f. Follow your agency’s instructions for distributing documentation of the personnel action.
### Tables

#### Table 22-A. Documenting Change in Federal Employees Group Life Insurance and Election of Living Benefits

>Notes and Remarks columns have been added.<

<table>
<thead>
<tr>
<th>Rule</th>
<th>If Employee</th>
<th>Then Nature of Action Code is</th>
<th>NOA is</th>
<th>Authority Code is</th>
<th>Authority is</th>
<th>Notes</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Elects, changes, waives, or drops Federal Employees’ Group Life Insurance coverage</td>
<td>881</td>
<td>Change in FEGLI</td>
<td>DPM</td>
<td>5 U.S.C., Ch. 87</td>
<td>&gt;Reserved for Future Use&lt;</td>
<td>&gt;Reserved for Future Use&lt;</td>
</tr>
<tr>
<td>2</td>
<td>Elected Full Living Benefits</td>
<td>805</td>
<td>Elected Full Living Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Elected Partial Living Benefits</td>
<td>806</td>
<td>Elected Partial Living Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 22-B. Remarks to be Shown on Standard Form 50

>Notes and Remarks columns have been added.<

Return to Table 22-A

<table>
<thead>
<tr>
<th>Rule</th>
<th>If</th>
<th>And</th>
<th>Then Remark Code is</th>
<th>And Required Remark is</th>
<th>Notes</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Employee’s new Federal Employees Group Life Insurance code is other than “A” or “B”</td>
<td>Employee’s work schedule is part-time</td>
<td>B51</td>
<td>Basic Life insurance coverage and Additional Optional coverage (if elected) are based on the rate of annual salary payable to you as a part-time employee, not the full-time salary rate shown in block 20 of this SF 50. However, Basic Life insurance coverage is always at least $10,000.</td>
<td>&gt;Reserved for Future Use&lt;</td>
<td>&gt;Reserved for Future Use&lt;</td>
</tr>
<tr>
<td>2</td>
<td>Employee loses coverage because work schedule changes to intermittent</td>
<td></td>
<td>B46</td>
<td>SF-2819 was provided. Life insurance coverage is extended for 31 days during which you are eligible to convert to an individual policy (nongroup contract).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Employee loses coverage because *** &gt;the employee&lt; has been in nonpay status for 12 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Employee has elected full Living Benefits</td>
<td></td>
<td>B67</td>
<td>Elected full Living Benefits on (enter date from FE-8C). Post-election Basic Insurance amount is $00.00.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Employee has elected partial Living Benefits</td>
<td></td>
<td>B68</td>
<td>Elected partial Living Benefits on (enter date from FE-8C). Post-election Basic Insurance amount is (enter amount from FE-8C). Must elect “no reduction” at retirement.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>