



United States Office of Personnel Management
Retirement Services

Benefits Administration Letter

Number: 26-103

Date: December 31, 2025

Subject: Open Season for Reemployed Annuitants and Postal Service Health Benefits

This Benefit Administration Letter (BAL) explains the options for Reemployed Annuitants who are eligible to enroll, currently enrolled, or have been enrolled in the Postal Service Health Benefits (PSHB) Program, [5 CFR 890 Subpart P](#). This BAL covers PSHB options for Reemployed Annuitants during Open Season for a Postal Service Annuitant reemployed at non-Postal Service Agency and non-Postal Service Annuitant reemployed at United States Postal Service (USPS).

Background

The Postal Service Reform Act (PSRA) signed into law in April 2022, [Public Law 117-108](#), aims to improve the Federal Employees Health Benefit (FEHB) Program by maximizing Medicare participation among Postal Service annuitants. The PSRA created the Postal Service Health Benefits (PSHB), a new and separate program within the FEHB Program which is administered by the Office of Personnel Management (OPM).

Discussion

Under the PSRA, Postal Service employees, annuitants, family members, and survivor annuitants enrolled in a FEHB plan were automatically enrolled in a PSHB plan. Enrollees were notified of their new plan in October 2024. The new plan went into effect on January 1, 2025.

If an enrollee wanted to make a change to the PSHB plan, they were auto-enrolled in, or if they qualify for an exception under [5 CFR 890.304\(d\)\(2\)](#), they had to make a change during the 2024 Federal Benefits Open Season which ran from November 11, 2024, through December 9, 2024.

The FEHB or PSHB Program options available to Reemployed Annuitants during reemployment depends on the type of appointment, the agency they are reemployed with, and their participation status under premium conversion.

A Reemployed Annuitant is a person who is receiving a Civil Service Retirement System (CSRS) or Federal Employees' Retirement System (FERS) retirement annuity while, at the same time, earning pay as a federal employee.

A Postal Service Annuitant is an annuitant whose annuity is based on retirement from the USPS. For the purposes of the PSRA and the PSHB Program, a Postal Service Annuitant is an annuitant enrolled in a Health Benefits (HB) plan under Chapter 89 of title 5, United States Code, whose government contribution is required to be paid under 5 U.S.C. 8906(g)(2) by USPS.

Postal Service Annuitants are required to enroll in a HB plan under the PSHB Program, except if they:

- are reemployed at a non-USPS agency and enrolled in FEHB through their position as an employee,
- are enrolled under a FEHB plan as a family member, or
- qualify for another exception.

A non-Postal Service Annuitant is an annuitant whose annuity is based on retirement from a non-Postal Service agency. PSRA provisions do not apply to non-Postal Service annuitants unless they are:

- reemployed at USPS and enrolled in PSHB through their position as an employee; or
- enrolled under a PSHB plan as a family member.

Open Season

Reemployed Annuitants with eligibility to enroll in PSHB plans will have different options during Open Season depending on the agency they were separated from (a USPS or a non-USPS agency), the agency they are reemployed with (a USPS or non-USPS agency), and what HB coverage they had prior to Open Season:

1. If a Postal Service annuitant is reemployed at a non-USPS Agency and is Enrolled in a PSHB plan as an Annuitant, these are his or her Open Season options:

- The Reemployed Annuitant may remain in PSHB / make plan changes in the PSHB System as a Postal Service annuitant.
 - He or she will not participate in premium conversion.
 - OPM will continue to deduct premiums from the Reemployed Annuitant's annuity.

Or

- The Reemployed Annuitant may enroll in an FEHB plan as an employee:
 - The Reemployed Annuitant must enroll with his or her employing agency during Open Season.
 - He or She will participate in premium conversion.
 - The employing agency will deduct premiums from the Reemployed Annuitant's salary.

Agencies must notify OPM of the Reemployed Annuitant's change in enrollment by emailing OPM Standard Form (SF) 2809 to OPM at ReemployedAnnuitant@opm.gov with a cover letter explaining this change.

2. If a Postal Service annuitant is reemployed with a non-USPS agency and is enrolled in an FEHB plan as an employee, these are his or her Open Season options:

- The Reemployed Annuitant may remain enrolled in an FEHB plan as an employee.
 - He or she will participate in premium conversion.

- The employing agency will deduct the premiums from the Reemployed Annuitant's salary.

Or

- The Reemployed Annuitant may enroll in a PSHB plan as a Postal Service Annuitant.
 - He or she must waive premium conversion.
 - OPM will deduct PSHB premiums from the Reemployed Annuitant's annuity.
 - He or she must enroll in a PSHB plan through the PSHB System.
 - The employing agency must send the required forms (completed premium conversion waiver form, and OPM 2809, with all FEHB documents from the period of reemployment to OPM for processing at ReemployedAnnuitant@opm.gov).

3. If a Non-Postal Service annuitant is reemployed at USPS and is enrolled in a FEHB plan as an annuitant, these are his or her Open Season options:

- The Reemployed Annuitant may remain enrolled in an FEHB plan as an annuitant.
 - He or she will not participate in premium conversion.
 - OPM will continue to deduct premiums from the Reemployed Annuitant's annuity.

Or

- The Reemployed Annuitant may enroll in a PSHB plan as a USPS employee.
 - He or she must enroll using the PSHB System.
 - He or she will participate in premium conversion.
 - USPS will deduct premiums from the Reemployed Annuitant's salary.
 - USPS must notify OPM of the change by emailing SF 2809/proof of enrollment into PSHB plan with cover letter explanation to ReemployedAnnuitant@opm.gov.

4. If a Non-Postal Service Annuitant is reemployed at USPS and is enrolled in a PSHB plan as an employee with the USPS, these are his or her Open Season options:

- The Reemployed Annuitant may remain enrolled in a PSHB plan as an employee.
 - He or she will participate in premium conversion.
 - USPS will continue to deduct premiums from the Reemployed Annuitant's salary.

Or

- The Reemployed Annuitant may enroll in an FEHB Plan as an annuitant.
 - He or she must waive premium conversion.
 - He or she must complete an [OPM 2809](#).
 - OPM will deduct FEHB premiums from the Reemployed Annuitant's annuity.
 - USPS must send the required forms (completed premium conversion waiver form, OPM 2809, and all FEHB documents from the period of reemployment) to ReemployedAnnuitant@opm.gov for processing.

Additional Information

For questions regarding the information in this BAL, please contact the Benefits Officers Development and Outreach group at benefits@opm.gov or call (202) 606-0788.

Sincerely,

Matthew MacIsaac
Deputy Associate Director, Operations
Retirement Services