Questions?

Benefits@opm.gov

at the end of the webcast
FEGLI Life Insurance

• Protect your loved ones from burdensome funeral costs and catastrophic loss of your income
• Coverage can be one year’s salary to more than six times your salary and many options in between
• Can retire with it if certain requirements are met
Features

- FEGLI is **term** insurance; it accrues no cash value
- An enrollee cannot borrow against coverage
- Also can cover the lives of a spouse and unmarried dependent children under **age 22**
- No annual open season, but...
Enroll/Change/Cancel

*You can do most actions anytime*

- Enroll or increase existing coverage by passing a physical exam, or by experiencing a qualifying life event
- Cancel or reduce coverage
- Change beneficiaries

Contact your HR office to take FEGLI actions
OPM Responsibilities

- Administers the FEGLI contract between OPM and MetLife
- Prescribes regulations
- Sets premium rates
- Receives employee premiums and agency Basic contribution from agencies for deposit into U.S. Treasury
- Decides when to have an Open Season
- Provides guidance to agency HR staff
OFEGLI Responsibilities

• An administrative unit of MetLife; it is not a government agency
• Pays claims
• Arranges for conversions
• Evaluates requests from employees:
  - to enroll based on medical information (SF 2822)
  - to receive living benefits (for terminal illness)
• Has no records on living enrollees
Agency Responsibilities

Admin functions related to FEGLI enrollments:

- New employee elections, open season, QLEs
- Maintain files, designations of beneficiary, assignments, court orders, etc.
- Withhold premiums and send to OPM
- Issue conversion rights to employee when coverage terminates because of separation or at the end of 12 months LWOP
- Certify coverage to OFEGLI upon death of an employee or family member
Types of Insurance

• Benefits/coverage are not negotiated; they are in law (Ch. 87, 5 U.S.C.)

• Two types of insurance:
  o Basic
  o Optional

• Three types of Optional insurance:
  o Option A (Standard)
  o Option B (Additional)
  o Option C (Family)
Designation of Beneficiary

- Not required for payment of benefits
- Necessary if insured wants:
  - payment made to someone who doesn’t fall in the order of precedence
  - payment made in a different order
  - different percentages
Points of Emphasis

For employees

• Regularly review leave and earnings statements and SF50 for withholding accuracy
• If designation of beneficiary on file, keep it current!
• Know where your HR office is located and whom to contact
Points of Emphasis

For agency HR offices

• Communicate timely and accurate FEGLI information to employees
• At retirement, send all FEGLI-related paperwork to OPM
• At death, send all FEGLI-related paperwork to OFEGLI
• Respond timely to OFEGLI requests for more information
More Information

Visit [www.opm.gov/life](http://www.opm.gov/life) for:

- Employing office responsibilities
- FEGLI premium rates
- FEGLI Calculator/FAQs
FLTCIP Long Term Care Insurance

When you can no longer perform everyday tasks for yourself like eating, dressing, and bathing because of a chronic illness, injury, disability, or aging, long term care insurance can help you pay for the help you need.

Most people will need this kind of care at some point in their lives, and health insurance usually provides little or no coverage.
Costs, Family Members, New Employees

• You and your eligible family members can be protected from this financial burden that can cost an average of $28,000 to $75,000 a year

• Your spouse, adult children, parents, and parents-in-law can apply even if you do not

• Employees and their spouses can apply within 60 days of hire date with abbreviated underwriting
Enrollment and Resources

**CAN APPLY ANYTIME**

- You and/or your eligible family members can apply anytime with full underwriting
- Visit [www.ltcfeds.com](http://www.ltcfeds.com) to learn the basics about long term care insurance, view the current costs in your area or get a rate quote
- Use the interactive Online Consultant Tool on the website, listen to podcasts or watch a webinar
Premiums

• Use the Premium Calculator for a rate quote
• Plan A: 2-year policy with comprehensive coverage and a $150 daily benefit amount
• Sample bi-weekly premium rates for a 52-year-old applicant for Plan A
  – $49.47 with 5% Automatic Compound Inflation
  – $36.84 with 4% Automatic Compound Inflation
  – $14.94 for Future Purchase Option
• Premiums not guaranteed; may change
Help & Support

- You can call Long Term Care Partners at 1-800-582-3337 to speak to a Certified Long Term Care Consultant about the program.
- They do not work on commission and are there to help guide decision-making:
  - Review benefit options in detail
  - Compare plans including inflation protection options
  - Receive a personalized rate quote
  - Assist in completing an application

United States Office of Personnel Management
Resources

• There is a dedicated Agency Benefits Officers (ABO) page on www.ltcfeds.com/abo where you can:
  • View on-demand FLTCIP webinar geared for new employees
    • 15 minute and 30 minute versions
  • Access online training modules
  • Download podcasts and articles
  • Locate your agency FLTCIP account manager
  • Order materials
FEDVIP Dental and Vision Insurance

• Most FEHB health plans have little or no dental or vision coverage
• For you, your spouse, and your unmarried dependent children under age 22
• Comprehensive coverage
• Most employees are eligible
Incapable of Self-Support

Eligibility for dependents incapable of self-support at **age 22**

- As with FEHB, Agency and/or Retirement office are responsible for certification
- BAL 13-208: go to [www.opm.gov/dental](http://www.opm.gov/dental), click “Plan Information”, then click “Benefits Administration Letters”
- [fedvipadministration@ltcppartners.com](mailto:fedvipadministration@ltcppartners.com)
  - Enrollee name
  - Dependent name and disability status
Dental Insurance

- Self Only, Self Plus One, and Self and Family enrollments available
- Minimum of 6 plans to choose from no matter where you live
- Some areas’ premiums are lower than others
- Routine basic services like exams and cleanings are covered 100% when you use an in-network dentist
FEDVIP Vision Insurance

- Self Only, Self Plus One, and Self and Family enrollments available
- Low premiums – starting below $3 biweekly for Self Only
- Each plan provides benefits for your choice of glasses or contacts
- Four nationwide plans to choose from
Resources and Enrollment

- Info at www.opm.gov/dental and www.opm.gov/vision
- Enroll/change/cancel at www.BENEFEDS.com

Enroll during Open Season, or within 60 days after becoming eligible!

See Qualifying Life Events for changes available at other times
Qualifying Life Events (QLEs)

The time frame for requesting a QLE change is from 31 days before to 60 days after the event.

Visit www.BENEFEDS.com, click Dental & Vision (FEDVIP), then click Qualifying Life Events
FEHB Health Insurance

- FEHB annually provides over $47 billion in health care benefits
- Employee’s choice of health plans in FEHB
- For 2014, 97 plans (256 choices)
- 11 plan choices or more depending where an enrollee lives
Premiums

• For most employees the Government contribution equals the lesser of:
  
  – 75% of the total premium for the selected plan OR
  
  – 72% of the program-wide weighted average of premiums
Types of Enrollment

Currently employees may elect one of the two following types of enrollment:

• Self Only
• Self and Family
New Enrollment Option: Self Plus One

• The Bipartisan Budget Act of 2013 allows a Self Plus One enrollment option in the FEHB Program

• Effective January 1, 2016
Dual Enrollment

• Dual enrollment is when an employee or an eligible family are covered under more than one FEHB enrollment

• Generally, dual enrollment is prohibited except when an enrollee or a family member would otherwise lose coverage

• Dual enrollments more likely with children being covered until age 26 and the implementation of Self Plus One

• Agencies must follow current dual enrollment procedures
Plan Types

• Fee-for-Service (FFS) with Preferred Provider Organization (PPO)
• Health Maintenance Organization (HMO)
• Consumer-Driven Health Plan (CDHP)
• High Deductible Health Plan (HDHP)

www.opm.gov/FEHBbrochures
then click “Plan Types” on the left
Fee-For-Service Plans

• Offers health coverage in which doctors and other providers receive a fee for each service

• Nationwide and international coverage

• Lower costs if preferred PPO network provider is used
Health Maintenance Organizations (HMOs)

- Managed care
- Operates in a specific geographic service/enrollment area
- Generally, members must use network providers and get referrals from primary care doctor
Consumer-Driven Health Plans (CDHPs)

• Traditional health plan + separate health fund
  1. 100% coverage for in-network preventive care
  2. 100% coverage for covered services up to the value of the health fund
  3. When health fund is exhausted, must meet deductible (except for preventive care)
  4. Traditional benefits thereafter
High Deductible Health Plans (HDHPs)

• Premium contribution to Health Savings Account (HSA) or Health Reimbursement Arrangement (HRA)

• HSA: member can make deposits and tax-free withdrawals to pay for qualified out-of-pocket expenses; account earns interest

• HRA: member cannot make deposits; accounts do not earn interest; fund is not portable

• Annual deductible and cost sharing
Ways to Compare Plans

Plan Info by State
  - www.opm.gov/FEHBbrochures

Guide to Federal Benefits
  - Same address, click “Guides”

OPM’s Plan Comparison Tool
  - www.opm.gov/FEHBcompare
PlanSmartChoice

• Non-OPM comparison tool
• Asks about the employee’s and family’s anticipated health expenses
• Asks about preferences in health plan features
• Ranks plans by lowest estimated annual cost and by preference match

www.plansmartchoice.com
Consumer’s Checkbook

- Non-OPM comparison tool
- Asks age, location, family size, health expenses (low/average/high), and doctors to keep
- Ranks plans by estimated annual cost, deductibles, coverage, flexibility
- Free to employees of subscribing agencies; $8-$10 for other individuals

www.checkbook.org/newhig2
Open Season

- Enroll in a health plan or cancel
- Change plans or options
- Change enrollment type

Mid-November through Mid-December

Agencies are notified by Benefits Administration Letters

www.opm.gov/healthcare-insurance/healthcare/reference-materials/#url=BALs
Resources

www.opm.gov/health

- FEHB Law: 5 U.S.C. Chapter 89
- FEHB Regs: 5 CFR Part 890
- FEHB Handbook
- Frequently Asked Questions
- FEHB Guides
- Plan Brochures
- Links to other sites
More Resources

• Benefits Administration Letters (BAL)
• Agency Benefits Officers Listing

apps.opm.gov/abo

Forms

• Health Benefits Election Form Standard Form (SF) 2809
• Notice of Change in Health Benefits Enrollment Standard Form (SF) 2810
The Federal Flexible Spending Account Program (FSAFEDS)

It’s about

SAVING YOU MONEY
Sam

$500 next year:
# Sam

$500 annual health care expenses

<table>
<thead>
<tr>
<th>Pay without FSA</th>
<th>Pay with FSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross income - deductions</td>
<td>$500 set aside from his gross income pre-tax (0%)</td>
</tr>
<tr>
<td>- income tax (15-28%)</td>
<td>(About $19.20 per biweekly pay period into Jack’s FSAFEDS account)</td>
</tr>
<tr>
<td>- Social Security tax (6.2%)</td>
<td></td>
</tr>
<tr>
<td>- Medicare tax (1.45%)</td>
<td></td>
</tr>
<tr>
<td>- State/local taxes (0-9%)</td>
<td></td>
</tr>
<tr>
<td>After taxes, it could take Sam $700 of gross income just to make $500 of take-home pay</td>
<td>Sam could save hundreds of dollars in taxes on his health care expenses</td>
</tr>
</tbody>
</table>
Liberty

$2,000 next year:

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Liberty
$2,000 annual dependent care expenses

<table>
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<tr>
<th>Pay without FSA</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross income - deductions</strong></td>
<td><strong>$2000 set aside from her gross income pre-tax (0%)</strong></td>
</tr>
<tr>
<td>▪ income tax (15-28%)</td>
<td>(About $77 per biweekly pay period into Liberty’s FSAFEDS account)</td>
</tr>
<tr>
<td>▪ Social Security tax (6.2%)</td>
<td></td>
</tr>
<tr>
<td>▪ Medicare tax (1.45%)</td>
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<tr>
<td>▪ State/local taxes (0-9%)</td>
<td></td>
</tr>
<tr>
<td>After taxes, it could take $2500, $2800, even $3000 of gross income to make</td>
<td>Liberty could save hundreds of dollars in taxes on her dependent care expenses</td>
</tr>
<tr>
<td>$2000 of paycheck</td>
<td></td>
</tr>
</tbody>
</table>
How Does FSAFEDS Work?

- You sign up for a tax-free Flexible Spending Account
- You put pre-tax dollars into it
- It reimburses you for eligible health care or dependent care costs
- It’s like paying no taxes on these expenses!
Three Types of Accounts

Health Care Flexible Spending Account (HCFSA)

• For eligible health care expenses not paid by:
  − FEHB
  − FEDVIP
  − Other insurance
Eligible HCFSA Expenses

Full list in the Eligible Expense Jukebox at www.fsafeds.com under ‘Quick Links’
Eligible HCFSA Expenses

Eligible expenses incurred by you, your spouse, and your eligible dependents
Eligible HCFSA Expenses

Full list in the Eligible Expense Jukebox at [www.fsafeds.com](http://www.fsafeds.com) under ‘Quick Links’
Three Types of Accounts

Dependent Care Flexible Spending Account (DCFSA)

- Eligible child and adult day care
- You and your spouse must work, look for work, or attend school full-time
  - You and your spouse must earn income during the year, even if looking for a job, unless going to school full-time
Eligible DCFSA Expenses

When these services allow you and your spouse to work, look for work, or attend school full-time.

Full list in the Eligible Expenses Jukebox at [www.fsafeds.com](http://www.fsafeds.com) under ‘Quick Links’
Three Types of Accounts

Limited Expense Health Care Flexible Spending Account (LEX-HCFSA)

- For those enrolled in or covered by a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA)

- Only for eligible dental and vision expenses not paid by FEHB, FEDVIP, or other insurance
Ineligible FSAFEDS Expenses

- **HCFSA and LEX-HCFSA**
  - Premiums
  - Cosmetic surgeries or procedures
  - Over-the-counter medicines and drugs purchased *without* a prescription. Insulin is an exception.

- **DCFSA**
  - Health care expenses
  - Services provided by your dependent
  - Education and tuition fees
  - Transportation to and from day care
Who Can Enroll in FSAFEDS?

• You must be employed by an Executive Branch Agency or another agency offering FSAFEDS

www.fsafed.com/forms/agencycontact.pdf

By law, retirees and survivor annuitants are not eligible
Who Can Enroll? (cont.)

Dependent Care FSA

• Ineligible: intermittent employees
Step-By-Step Walkthrough
1. Calculate How Much You Want to Put Into FSA(s)

www.FSAFEDS.com under ‘Quick Links’
- Enter salary and tax information
- Enter estimated expenses
- Calculate estimated contribution
- Calculate potential annual tax savings
Minimums and Maximums

• Health care account and limited expense health care account:
  $250 per participant minimum
  $2,500 per participant maximum

• Dependent care account:
  $250 per household minimum
  $5,000 per household maximum, including any child care subsidy
2. Enroll Online or By Phone

- www.FSAFEDS.com
- FSAFEDS Benefits Counselors
  - Toll-free 1-877-FSAFEDS (372-3337)
  - TTY line: 1-800-952-0450
  - Monday – Friday
  - 9:00 a.m. – 9:00 p.m.
  - eastern time
3. Incur Eligible Expenses
4. File Claims

Paperless Reimbursement

Submit claim online

Submit claim by fax

Submit claim by mail
Paperless Reimbursement

- If your FEHB/FEDVIP plan participates
- Your plan tells FSAFEDS that you had an eligible expense (doctor, Rx, etc.)
- FSAFEDS reimburses you automatically
Paperless Reimbursement - Participating Plans

Federal Employees Health Benefits (FEHB) Plans:

- Aetna
- APWU Health Plan
- Blue Cross and Blue Shield Service Benefit Plan
- Compass Rose Health Plan
- Foreign Service Benefit Plan
- GEHA
- Humana
- Mail Handlers Benefit Plan
Paperless Reimbursement - Participating Plans (cont.)

FEHB Plans, cont.

• M.D. IPA
• NALC Health Benefit Plan
• SAMBA Health Benefit Plan
• UnitedHealthcare
Paperless Reimbursement - Participating Plans

Federal Employees Dental and Vision Insurance Program (FEDVIP) Plans:

- Aetna Dental
- GEHA Dental
- United Concordia Dental
Paperless Reimbursement - Participating Plans

Federal Employees Dental and Vision Insurance Program (FEDVIP) Plans:
• FEP BlueVision
• Vision Service Plan (VSP)
5. Get Reimbursed

Reimbursement Of Expenses
When is the Benefit Period?

If you enrolled during Open Season:

• January 1, 2014 – March 15, 2015 to incur eligible expenses
• January 1, 2014 – April 30, 2015 to file claims
What Does This Cost Me?

- FSAFEDS elections are deducted equally each pay period (January 1, 2014 – December 31, 2014)
Minimize Risk of Forfeiture

Any FSA money not spent on eligible expenses by March 15, 2015 is forfeited

Strategy:
Minimize Risk of Forfeiture

Any FSA money not spent on eligible expenses by March 15, 2015 is forfeited

Strategy:
Tracking Account Balances

• Secure online account access via My Account Summary at www.FSAFEDS.com
• Call toll-free
  1-877-FSAFEDS (372-3337)
  TTY line: 1-800-952-0450
• Reimbursement Statement sent when claims processed
• Account Statements sent in January, March and October
Availability of Funds

• Health Care and Limited Expense Account: total annual election is available on day one

• Dependent Care Account: only the current account balance is available for reimbursement
Carryover/Rollover

• IRS changed “use it or lose it” rules
• Health Care and Limited Expense FSAs now allowed to carry over up to $500 to the next plan year
• But not allowed to have both grace period and carryover
• 2014 participants still have the grace period (Jan 1, 2015 to March 15, 2015)
• To be decided: whether to switch health care and LEX FSAs to carryover beginning in 2015
• Dependent care FSAs unaffected
Enrollment Rates

International Trade Commission (ITC) - 60%
Securities & Exchange Commission (SEC) - 50%
Federal Trade Commission (FTC) - 49%
Overseas Private Investment Corp - 46%
Retirement Thrift Investment Board - 43%

Govt Average -
FSAFEDS

It’s about

SAVING YOU MONEY
THANK YOU!

SUBMIT QUESTIONS NOW TO BENEFITS@OPM.GOV