Benefits Administration Letter

Number: 04-209  Date: October 14, 2004

Subject: Federal Employees’ Group Life Insurance: New Option B Premiums

Purpose

The purpose of this Benefits Administration Letter (BAL) is to transmit new premiums for the upper age bands for Option B coverage under the Federal Employees’ Group Life Insurance (FEGLI) Program.

Background

In BAL 02-209, issued September 25, 2002, we announced additional age bands for Option B and stated that the premiums for these age bands would be phased in over a three-year period; that BAL also announced the premiums for Phase I. In BAL 03-208, issued October 21, 2003, we announced the premiums for Phase II. This BAL announces the premium for Phase III, the final phase.

New Premiums

These are the new Option B premiums:

<table>
<thead>
<tr>
<th>Age Band</th>
<th>Biweekly per $1,000 of coverage</th>
<th>Monthly Per $1,000 of coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>65-69</td>
<td>$0.72</td>
<td>$1.560</td>
</tr>
<tr>
<td>70-74</td>
<td>$1.20</td>
<td>$2.600</td>
</tr>
<tr>
<td>75-79</td>
<td>$1.80</td>
<td>$3.900</td>
</tr>
<tr>
<td>80 and over</td>
<td>$2.40</td>
<td>$5.200</td>
</tr>
</tbody>
</table>

*These are the only FEGLI premiums that are changing at this time.*

Effective Date

The new Option B premiums are effective January 1, 2005. Payroll offices must apply the new
premiums the first pay period beginning on or after that date.

**Publication and Notification**

OPM is publishing the new premiums in a *Federal Register* notice. The premiums are also on the FEGLI website ([www.opm.gov/insure/life](http://www.opm.gov/insure/life)).

OPM’s Financial Reporting and Policy Group will notify payroll offices of the new Option B premiums through a BAL in the 300 series.

*We strongly encourage agencies to notify their affected employees in advance of the increase.*

Abby L. Block  
Deputy Associate Director  
Center for Employee  
and Family Support Policy