

For: FSA, RMA, and FAS Employees

**Announcing the Federal Employees' Group Life Insurance (FEGLI)  
2004 Open Enrollment Period**

Approved by: Deputy Administrator, Management



**1 Overview**

**A Background**

The Federal Government established the FEGLI Program on August 29, 1954. It is the largest group life insurance program in the world, covering over 4 million Federal employees and retirees, as well as many of their family members. To celebrate this year's 50<sup>th</sup> anniversary of the FEGLI Program, OPM is conducting an open season from September 1 through September 30, 2004.

The FEGLI Program consists of basic life insurance coverage and 3 options that include coverage for up to 5 times an employee's base salary, plus coverage for family members. In most cases, a new Federal or county employee is automatically covered by basic life insurance.

During the open season, Federal and county employees in eligible positions will be able to enroll in the FEGLI Program or increase or change current coverage without having a physical or answering any questions about their health.

**B Purpose**

This notice:

- announces that the 2004 FEGLI Open Season will be held **September 1 through September 30, 2004**
- provides guidance on making open season elections.

**Disposal Date**

October 1, 2005

**Distribution**

All FAS, RMA, and FSA employees; State Offices relay to County Offices

**Notice PM-2427**

**1 Overview (Continued)**

**C National Office Contact**

National Office employees shall contact the appropriate office according to this table for information.

<b>IF employee needs to...</b>	<b>THEN employee shall do 1 of the following...</b>
submit FE-2004, Open Season Election Form, or other life insurance forms	<ul style="list-style-type: none"> <li>• mail to HRD, Services Unit, STOP 0594</li> <li>• deliver to Room 5700, L Street</li> <li>• contact the Services Unit at 202-418-9135.</li> </ul>
obtain policy information or guidance	<ul style="list-style-type: none"> <li>• contact the Performance Management, Benefits, and Awards Branch (PMBAB) at 202-418-9021, 202-418-9039, 202-418-9034, or TDD 202-418-9116</li> <li>• go to Room 5700, L Street.</li> </ul>

**D Field Offices Contacts**

Field Office employees shall contact the appropriate office according to this table for additional information.

<b>Location</b>	<b>Contact</b>
<ul style="list-style-type: none"> <li>• FSA Kansas City Offices</li> <li>• APFO</li> <li>• RMA Kansas City Offices</li> <li>• St. Louis Offices</li> </ul>	Servicing Processing Technician, Processing Section, Human Resources Division, KCAO at 816-926-6225
RMA RSO's and Compliance Field Offices	HRD, PMBAB at 202-418-9021, 202-418-9039, 202-418-9034, or TDD 202-418-9116
FAS Overseas Offices	
State Offices	Administrative Division
County Offices	CED

**2 Eligibility**

**A Eligible Employees**

The following Federal and county employees are eligible to participate in the open season.

- All employees who are eligible for the FEGLI Program may participate in the open season.
- Compensationers who are still insured as employees, that is, during the first 12 months in nonpay status, can participate in the open enrollment period on the same basis as other employees in nonpay status.
- Compensationers who are re-employed on a part-time basis are also eligible to participate, unless the position is excluded by law or regulation.
- Employees in nonpay status may participate in the open enrollment period.

**B Ineligible Employees**

The following employees are **not** eligible to participate in the open season:

- employees excluded from FEGLI coverage by law or regulation
- annuitants, unless they are re-employed in a position in which they are eligible for coverage
- compensationers who are insured as compensationers.

### 3 Coverage and Elections

#### A Types of Coverage

FEGLI is **not** changing the types and amounts of coverage available for the open season. The FEGLI Program currently offers the following types of insurance:

- Basic: Equal to the annual base pay, rounded up to the next \$1,000, plus \$2,000.
- 3 types of optional coverage:
  - Option A: Standard, in the amount of \$10,000.
  - Option B: Additional, in an amount from 1-5 times the annual basic pay.
  - Option C: Family, in an amount from 1-5 multiples of coverage for a spouse and eligible dependents. Each multiple is equal to \$5,000 for the death of a spouse and \$2,500 for the death of each eligible dependent.

An employee must elect or already have Basic to elect any optional coverage.

For more information on the types of coverage available, including information on Accidental Death and Dismemberment coverage (part of Basic and Option A) and the Extra Benefit for employees under age 45, access <http://www.opm.gov/insure/life/index.asp>.

#### B Open Season Elections

Employees who are **not** enrolled in the FEGLI Program can elect Basic and any or all of the optional coverage. Employees who are already enrolled in the FEGLI Program can increase their coverage, up to the maximum allowed.

**Notes:** Employees do **not** have to prove insurability or answer any medical questions about their health for open season elections.

Employees may still make regular FEGLI changes or cancellations based on Qualifying Life Events outside the open season. The effective dates of FEGLI changes made outside the open season are determined by the type of changes requested.

### 3 Coverage and Elections (Continued)

#### C Making an Open Enrollment Election

Employees shall use FE-2004, the special FEGLI 2004 open enrollment period election form, to make open enrollment elections. **Employees cannot use SF-2817 to make FEGLI 2004 open enrollment period elections.** Refer to subparagraphs 1 C and D to determine where to submit life insurance forms.

**Note:** It is important to note that employees making an open enrollment period election must complete FE-2004 indicating **all** coverage they wish to have, not just the new coverage. **Any coverage not shown on FE-2004 will be considered to have been waived.**

#### D Changing an Open Enrollment Election

An employee may change an open enrollment election at any time during the open enrollment period by submitting a revised FE-2004.

#### E Positive Re-enrollment

Positive re-enrollment is **not** required during this open enrollment period. Only employees who want to change coverage should complete an enrollment form.

An employee who takes no action during the open enrollment period will keep the same coverage the employee had before the open enrollment period.

#### F FEGLI 2004 Open Season Enrollment Packet

All FEGLI open enrollment period materials and forms will be available on OPM's web site at <http://www.opm.gov/insure/life> on or before September 1, 2004.

All employees shall receive a FEGLI 2004 Open Season Enrollment Packet which includes:

- an introductory letter from Director, Kay Coles James
- a brochure describing FEGLI coverage and the advantages of this open season
- a worksheet to help estimate how much life insurance an employee may need
- FE-2004, Open Season Election Form.

**3 Coverage and Elections (Continued)**

**G FEGLI Calculator**

The FEGLI calculator is an online, interactive calculator that allows users to:

- determine the face value of FEGLI life insurance
- calculate amount paid for coverage
- see how choosing different options can change the amount of life insurance and premium withholdings
- see how the life insurance carried into retirement will change over time.

Employees may access the calculator at <http://www.opm.gov/calculator/worksheet.asp>.

**4 Effective Date of Open Season Elections**

**A Open Season Elections**

Coverage elected during the FEGLI 2004 open enrollment period:

- becomes effective the first pay period beginning on or after September 1, 2005
- follows a pay period during which the employee was in pay and duty status.

For most employees, **coverage will be effective September 5, 2005.**

**B Pay and Duty Status Requirements**

<b>IF enrollee is...</b>	<b>THEN the employee...</b>
a full-time employee	must be in pay and duty status for 32 hours during the pay period before the one in which the coverage is to become effective.
a part-time employee	must be in pay and duty status for one-half of the regularly scheduled tour of duty shown on the employee's current SF-50.
an intermittent employee or an employee without a regularly scheduled tour of duty	must be in pay and duty status for one-half of the hours customarily worked in a pay period. Employing offices can determine the number of hours customarily worked by totaling the number of hours worked in the calendar year quarter ending September 30, 2004, and dividing that by the number of pay periods in that quarter.

**4 Effective Date of Open Season Elections (Continued)**

**C Effective Date of Coverage for Employees in Nonpay Status**

Coverage elected by employees in nonpay status during the open season cannot become effective until the employee returns to pay and duty status.

**Exception:** Employees who are entitled to continue benefits while on leave without pay to work full-time for employee organizations, detailed to international organizations, or on temporary assignment to State, local, and Indian tribal governments, institutions of higher education, and other organizations eligible under the Intergovernmental Personnel Act of 1970 do not have to return to pay and duty status with their Federal agency. However, these employees must meet the pay and duty status requirements at their current employment site and must provide proof that they meet these requirements before any coverage elected during the open enrollment period can become effective.

**D Effective Date of Premiums**

Employees do not begin paying premiums for new coverage elected during the open enrollment period until the effective date in 2005.

**4 Separations and Pending Open Enrollment Elections**

**A Retirement or Resignation**

If an employee has a pending open season election and retires or resigns before the new coverage becomes effective, the employee can only be eligible for coverage held before the open enrollment period into retirement, provided usual requirements are met.

The FEGLI 2004 open enrollment period is **not** considered the first opportunity for electing coverage. Therefore, an employee must have the newly elected coverage for 5 years before retiring or starting to receive compensation to continue coverage as an annuitant or compensation.

**4 Separations and Pending Open Enrollment Elections (Continued)**

**B Transfers**

If an employee elected coverage, or a change in coverage, during the open enrollment period and transfers to a different agency before the open enrollment election becomes effective, the open season election is transferred to the new agency. The election will still be effective in September 2005.

**Note:** Servicing Personnel Offices will indicate a pending election in the employee's personnel folder. However, employees are advised to alert their new personnel office of the pending change in August 2005 to ensure timely processing of FE-2004.

**C Employee or Covered Family Member Dies**

If an employee elected coverage during the open enrollment period, and the employee or a covered family member dies **before** coverage becomes effective, the survivors would be ineligible for coverage elected before it becomes effective.