



# FERS Facts 1

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## Information for Separating FERS Employees Who Are Not Eligible for an Immediate Annuity

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*This is a non-technical summary of the laws and regulations on the subject. It should not be relied upon as a sole source of information.*



**United  
States  
Office of  
Personnel  
Management**

Retirement and  
Insurance  
Service

The March 1995 edition is still usable

RI 90-11  
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This pamphlet contains information about retirement and insurance for separating employees who are under the Federal Employees Retirement System (FERS), and who are not eligible for an immediate annuity. If you meet one of the following age

Eligibility Requirements for Immediate Retirement Under FERS

Type of Retirement	Minimum Age	Minimum Service
<b>Also See the Special Requirements on the Next Page.</b>		
Optional	62	5
	60	20
	MRA*	30
	MRA*	10
	Any age	25
	50	20
	Any age	25
Special Optional	Any age	25
	50	20
Early Optional	Any age	25
	50	20
Discontinued Service	Any age	25
	50	20
Disability	Any age	18 months

\* MRA =Minimum Retirement Age. Depending on your year of birth the MRA ranges from age 55 to age 57. To determine your MRA refer to the table on page 4.

and service combinations, you are eligible for an annuity now, and this pamphlet is not applicable to you. Your employing agency should help you apply for retirement.

<b>Special Requirements</b>
None
None
None
None (Note: Annuity is reduced 5% for each year employee is under age 62.)
<b>Special Optional</b> - You must retire under special provisions for air traffic controllers or law enforcement and firefighter personnel
<b>Early Optional--</b> The Office of Personnel Management must have determined that your agency is undergoing a major reorganization, reduction-in-force, or transfer of function.
<b>Discontinued Service--</b> Your separation must be involuntary and not for misconduct or delinquency.
<b>Disability--</b> You must be disabled for useful and efficient service in both your current position and any other vacant position at the same grade or pay level for which you are qualified. Other requirements must also be met.

<b>If Year of Birth is...</b>	<b>the Minimum Retirement Age is...</b>
Before 1948	55
1948	55 and 2 months
1949	55 and 4 months
1950	55 and 6 months
1951	55 and 8 months
1952	55 and 10 months
1953-1964	56
1965	56 and 2 months
1966	56 and 4 months
1967	56 and 6 months
1968	56 and 8 months
1969	56 and 10 months
1970 and After	57

**I. Retirement**

*A. Option: Refund*

1. You may apply for a refund of your retirement contributions if YOU have been separated from Federal service for at least 31 days (or have occupied a position not covered by FERS for at least 31 days). If you have more than 1 year of service, interest on the contributions will be part of the refund.

Form to Use:

- SF 3106, *Application for Refund of Retirement Deductions*

2. Before you can receive a refund, you generally must notify your spouse and any Former spouse that you have filed the application. Also, you may be barred from receiving a refund if the refund would end the court-ordered right of any spouse or former spouse to future benefits based on your service.

3. Refunded FERS contributions cannot be redeposited and the service covered by the refund cannot be re-credited.
4. If you elected to transfer to FERS and qualify to have a portion of your annuity computed under CSRS rules, and later separate from Federal service, you may apply for a refund of your CSRS contributions only. (You may redeposit the CSRS contributions according to CSRS deposit rules.) By leaving your FERS contributions in the retirement fund, you will retain title to a FERS deferred annuity.

**Note:** *If you were covered by CSRS Offset provisions (both CSRS and Social Security) when you transferred to FERS, your Offset service is now treated as FERS service. You cannot redeposit a refund of Offset service deductions that you receive after transferring to FERS. The service covered by that refund cannot be re-credited.*

*B. Option: Deferred Annuity*

1. If you have at least 5 years of creditable civilian service for which withholdings or deposits remain in the Fund, and you are not eligible for an immediate retirement benefit, you will be eligible for a deferred annuity. You may receive a deferred annuity beginning on the first day of the month after you attain age 62. Alternatively, if you have at least 10 years of creditable service, you may elect to receive a deferred annuity as early as the first day of the month after you attain your Minimum Retirement Age (MRA).
2. If you are eligible for a deferred annuity beginning after you attain your MRA (see paragraph B1 above), your deferred annuity will be reduced by 5/12 percent for each month (5 percent per year) by which the commencing date of annuity precedes your 62nd birthday, unless you have at least 30 years of service; have 20 years of service and postpone the commencing date until you are age 60; or have at least 20 years of

service as an air traffic controller, fire-fighter, law enforcement officer, or Member of Congress.

3. Contact us to ask for form RI 92-19, *Application for Deferred or Postponed Retirement*. Call (202) 606-0500 or write us at:

OPM  
P.O. Box 45  
Boyers, PA 10617-0045.

Complete the form and mail it to us no sooner than 2 months before age 62. The deferred annuity begins on your 62nd birthday.

4. The deferred annuity is based on the length of your service and your high-3 average salary. The basic annuity computation formula is:

1% of your high-3 average pay  
*times*  
years of creditable service

**Note:** *if you retire at age 62 or later with at least 20 years of service, a factor of 1.1% is used rather than 1%.*

5. If you want to make a deposit for post-1956 military service so that you can receive credit for this service in the computation of your deferred annuity, you must pay the deposit **to your employing agency before you separate** from Federal employment. We at OPM cannot accept your payment.
6. If you die before applying for a deferred annuity and you have less than 10 years of creditable service or no eligible survivor, any contributions remaining in the retirement fund are paid in a lump sum (with interest) to your designated beneficiary or person in the order of precedence set by law.

7. If you die before applying for a deferred annuity, your surviving spouse is entitled to a survivor annuity if:

- a. You have at least 10 years of creditable service for which withholdings or deposits remain in the Fund (5 years of which is creditable civilian service); and
- b. Your spouse was married to you at the time of your separation from Federal service.

Your surviving spouse may elect to receive a lump-sum payment of your retirement contributions in lieu of the survivor annuity.

## **II. Health Benefits**

### **III.**

#### *A. 31-day Extension of Coverage and Temporary Continuation of Coverage.*

- I. Enrollment in the Federal Employees Health Benefits (FEHB) program terminates on the last day of the pay period during which you separate. You then have a 31-day free extension of coverage.
- 2. When you separate from service, you may choose to continue FEHB coverage for a period of 18 months after your separation. If you take advantage of this temporary continuation of coverage option, you must pay **both** the employee and the employer share of the health benefits premium plus an administrative charge of 2 percent of the premium. You can choose to enroll in the same plan you had at separation or any other plan, option, or type of enrollment for which you are eligible. (DOD employees should check with their personnel department concerning payment of premiums.)
- 3. Temporary continuation of coverage begins as soon as the 31-day free extension of coverage ends regardless of when you elect it. Your agency is required to notify

you about your eligibility for temporary continuation of coverage within 60 days after you separate. You have 60 days after receiving the notice to enroll. If you enroll after the 31 day free extension expires, your enrollment will be retroactive to the expiration of the 31-day free extension and you will be billed for the retroactive coverage.

4. You may get additional information about temporary continuation of coverage from the pamphlet RI 79-27, *Temporary Continuation of Coverage (TCC) under the Federal Employees Health Benefits Program* which is available through your employing office.

#### *B. Conversion Privilege*

1. If you do not want to continue your health benefits coverage under the temporary continuation provision described in paragraph A.2., you may convert to an individual (nongroup) contract. The conversion contract is available only from the carrier of the plan you are enrolled in when you separate. If you continue your coverage under the temporary continuation provision, you will have another opportunity to convert to an individual contract at the end of the 18-month period.
2. If you do convert, you must pay the entire cost of coverage and your benefits may be less than previous coverage. However, the carrier must offer you a nongroup contract regardless of any health problems you or your family members may have.



*C. Form You Should Receive: SF 2810, Notice of Change in Health Benefits Enrollment*

When you separate, your employing office must terminate your enrollment by completing an SF 2810 and forwarding you a copy. The SF 2810 tells about the 31-day extension of coverage and how to convert to an individual (non-group) contract and gives information about temporary continuation of coverage. Your agency will also give you a notice about your eligibility for the temporary continuation of coverage described above (paragraph A) and information about how to enroll.

*D. Reinstatement of Coverage*

**You cannot** reinstate your health benefits coverage if you receive a deferred annuity.

**IV. Life Insurance**

*A. Conversion Privilege*

Life insurance under the Federal Employees Group Life Insurance (FEGLI) program terminates at the end of the pay period in which you separate. You then have a 31-day free extension of coverage during which you may convert to an individual policy.

**B. Forms You Should Receive:**

- *SF2821, Agency Certification of Insurance Status*
- *SF 2819, Notice of Conversion Privilege*

When you separate, your employing office must terminate your coverage by completing an SF 2821 and forwarding you a copy. It must also give you an SF 2819 that provides information on your right to convert to an individual (nongroup) life insurance policy.

*C. Reinstatement of Coverage*

You **cannot** reinstate your life benefits coverage if you receive a deferred annuity.