Retirement and Insurance Service
Benefits Administration Letter

Number: 02-206	Date: April 26, 2002

Subject: **Federal Employees' Group Life Insurance Program – Expiration of 3-Year Portability Demonstration Project**

Purpose

The purpose of this Benefits Administration Letter (BAL) is to announce the expiration of the 3-Year Portability Demonstration Project.

Why is Portability Expiring?

As we previously informed you in BAL 99-210, Pub. L. 105-311 implemented the Portability provision on April 24, 1999. The law allowed employees and compensationers who separated or completed 12 months non-pay status (and assignees if the coverage was assigned) after that date the option to "port," or continue, their Additional Option B coverage if otherwise eligible. Employing agencies provided information on Portability along with conversion information to these individuals. OPM and Metropolitan Life Insurance Company (MetLife) established the Portability Office to administer the provision and process these requests. Since it was created as a 3-year demonstration project, it expired April 24, 2002, and is no longer available.

What Happens to Individuals Who Ported Their Option B Coverage?

For individuals with active accounts, MetLife will notify them by letter that the ported coverage continues through April 30, 2002, and will provide conversion information. They are entitled to the 31-day free extension of coverage through May 31, 2002. In addition, if they paid May 1st premiums (for the month of May), they will receive a refund from MetLife. For individuals whose accounts are not active or lapsed due to non-payment of premiums, the account was treated previously as a cancellation, and they were notified at that time.

Civil Service Retirement System	*Federal Employees' Group Life Insurance Program*	*Federal Employees Health Benefits Program*	*Federal Employees Retirement System*	*Federal Long Term Care Insurance Program*

What Happens to Individuals Who Recently Ported Coverage?

For eligible individuals who recently applied for ported coverage, MetLife will honor their requests to port Option B, explain to them that it expired April 24, 2002, and provide conversion rights. For individuals whose separation/termination of life insurance dates are such that the ported coverage would commence after the expiration date of the law, the Portability Office will notify them by letter that the provision has expired, return their applications, and give them conversion rights for Option B.

What Do Agencies Have To Do?

Agencies should no longer provide Portability information to these categories of individuals noted above, nor issue the "PORTABILITY NOTICE**"** previously available through the FEGLI Handbook. Instead, give these individuals existing conversion information, along with the Standard Form 2819 "*Notice of Conversion Privilege,*" and the Standard Form 2821 "*Agency Certification of Insurance Status,*" so they can obtain conversion information from the Office of Federal Employees' Group Life Insurance (OFEGLI). Please note the address on the SF 2819 is not current. The current address is: OFEGLI, P.O. Box 2627, Jersey City, NJ 07303-2627. The FEGLI Handbook has been updated to reflect these changes. You can access the latest FEGLI information at: http://www.opm.gov/insure/life.

What About the Designations, Assignments, and Court Orders That We Sent to MetLife?

MetLife will retain the designations of beneficiary and assignments. Since these elections cancel 31 days after the coverage terminates on April 30th, they are invalid if the individual returns to active service after May 31, 2002. If a former Federal employee returns to service after this date, give the employee new forms to complete along with all other benefits information for new employees.

However, MetLife **will** return a court order and accompanying documents on file to the individual's former employing agency of record at the end of the insured period. The court order must be filed in the former employees' Official Personnel Folder (OPF), since it is still valid if the individual returns to active service.

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