



***Retirement and Insurance Service
Benefits Administration Letter***

Number: 00-113

Date: November 3, 2000

Subject: Correcting Retirement Coverage Errors

This Benefits Administration Letter (BAL) gives you additional information about the Federal Erroneous Retirement Coverage Corrections Act (FERCCA). It also describes some retirement coverage errors that you can now correct.

What types of errors are possibly affected by FERCCA?

The new FERCCA rules can apply to a retirement coverage error that:

- lasted for at least 3 years of service after December 31, 1986, or
- is one where an employee is in FERS by mistake and can choose to stay in FERS. These are sometimes called “deemed FERS” elections. See 5 CFR §846.204(b)(2) and Chapter 11, Part A6 of the **CSRS & FERS Handbook for Personnel and Payroll Offices** for more information on “deemed FERS” elections.

If you discover an error that falls into either of these categories, you should **not** correct the error at this time. In the coming months, we will issue instructions for correcting these errors under the new FERCCA rules.

What if I find a retirement coverage error that lasted for less than 3 years?

If the error:

- is not one where the employee is in FERS by mistake and can elect to stay in FERS, and
- lasted for less than 3 years of service after December 31, 1986,

then you should correct the error. The FERCCA does not change the correction actions for these retirement coverage errors.

Remember, if the employee is in FERS by mistake and can be deemed to elect FERS, then do not correct the error at this time. It does not matter how long the employee was erroneously in FERS.

What if I find an error and the employee is retiring?

It's possible to find a retirement coverage error when an employee is getting ready to retire. If you find one that is possibly affected by FERCCA and the employee is retiring within a month, please call your agency liaison at the Office of Personnel Management for advice. In most cases, we will ask you to flag the record and send us the retirement package without correcting the error. A sample flag is attached to this BAL.

You may also find employees with a retirement coverage error in the past that lasted for at least 3 years before correction. If the employee is separating, please flag the records so that OPM personnel can identify it as a possible FERCCA error. You may also want to keep a record of employees with retirement coverage errors.

It's important that you do not hold the employee's retirement package. We still need to receive retirement packages as soon as possible so that we can begin paying benefits. Please work closely with your payroll office to make sure the package is sent to OPM.

We will issue written instructions for separating employees with a retirement coverage error in the near future.

How can I make sure I get the new instructions?

You can get the latest information about FERCCA implementation on our error correction web site at www.opm.gov/benefits/correction.



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Attachment