

**§ 870.502**

of Basic insurance coverage with the employing office or had previously filed a waiver which remains in effect.

(c) For an employee who serves in cooperation with a non-Federal agency and who is paid in whole or in part from non-Federal funds, OPM sets the effective date. This date must be part of an agreement between OPM and the non-Federal agency. The agreement must provide either:

(1) That the required withholdings and contributions be made from Federally controlled funds and deposited into the Employees' Life Insurance Fund on a timely basis, or

(2) That the cooperating non-Federal agency, by written agreement with the Federal agency, make the required withholdings and contributions from non-Federal funds and transmit that amount to the Federal agency for deposit into the Employees' Life Insurance Fund on a timely basis.

(d) If an employee waived Basic insurance on or before February 28, 1981, the waiver was automatically cancelled effective on the 1st day the employee entered on duty in pay status on or after April 1, 1981. Basic insurance coverage was automatically effective on the date of the waiver's cancellation, unless the employee filed a new waiver of Basic insurance with the employing office before the end of the pay period during which the coverage became effective.

**§ 870.502 Basic insurance: Waiver/cancellation of insurance.**

(a) An insured individual may cancel his/her Basic insurance at any time by filing a waiver of Basic insurance coverage. An employee files with the employing office. An annuitant files with OPM or other office that administers his/her retirement system. If still employed, a compensationner files with the employing office, and if not still employed, with OPM. The waiver is effective, and the insurance stops, at the end of the pay period in which the waiver is properly filed. Exception: an individual who has assigned his/her insurance under subpart I of this part cannot cancel the insurance.

(b) An individual who cancels his/her Basic insurance automatically cancels all forms of Optional insurance.

**5 CFR Ch. I (1-1-05 Edition)**

**§ 870.503 Basic insurance: Cancelling a waiver.**

(a) An annuitant or compensationner who has filed a waiver of Basic insurance cannot cancel the waiver.

(b) An employee who has filed a waiver of Basic insurance may cancel the waiver and become insured if:

(1) At least 1 year has passed since the effective date of the waiver, and

(2) He/she provides satisfactory medical evidence of insurability.

(c) OFEGLI reviews the Request for Insurance filed by an employee who has compiled with paragraph (b) of this section and decides whether to approve it. The insurance is effective when, after OFEGLI's approval, the employee actually enters on duty in pay status in a position in which he/she is eligible for insurance. If the employee doesn't enter on duty in pay status within 31 days following the date of OFEGLI's approval, the approval is automatically revoked and the employee is not insured.

(d) When an employee who has been separated from service for at least 180 days is reinstated on or after April 1, 1981, a previous waiver of Basic insurance is automatically cancelled. Unless the employee files a new waiver, Basic insurance becomes effective on the 1st day he/she actually enters on duty in pay status in a position in which he/she is eligible for coverage. Exception: for employees who waived Basic insurance after February 28, 1981, separated, and returned to Federal service before December 9, 1983, the waiver remained in effect; these employees were permitted to elect Basic insurance by applying to their employing office before March 7, 1984.

**§ 870.504 Optional insurance: Election.**

(a)(1) Each employee must elect or waive Option A, Option B, and Option C coverage, in a manner designated by OPM, within 31 days after becoming eligible unless during earlier employment he/she filed an election or waiver which remains in effect. The 31-day time limit for Option B or Option C begins on the 1st day after February 28, 1981, on which an individual meets the definition of an employee.

(2) An employee of the District of Columbia Financial Responsibility and