

**§ 892.202 Are retirees eligible for the premium conversion plan?**

No, only current employees who are enrolled in the FEHB Program are covered by the premium conversion plan. Former employees are not eligible. If you are a reemployed annuitant, see subpart D of this part.

**§ 892.203 When will my premium conversion begin?**

Your salary reduction (through a Federal allotment) and pre-tax benefit become effective with the first day of the first pay period beginning on or after October 1, 2000, if you are employed in a covered Executive Branch agency as described in § 892.201(a). Otherwise, your salary reduction (through a Federal allotment) and pre-tax benefit will be effective on the first day of the first pay period beginning on or after the date that your employer officially adopts the premium conversion plan (see § 892.201(c), (d)).

**§ 892.204 How do I waive participation in premium conversion before the benefit first becomes effective?**

You must file a waiver form by the date set by your employing office, but not later than the day before the effective date of coverage. The waiver form is available from your employing office.

**§ 892.205 May I waive participation in premium conversion after the initial implementation?**

Yes, but the opportunity to waive premium conversion is limited. You may waive premium conversion:

(a) During the annual FEHB open season. The effective date of the waiver will be the first day of the first pay period that begins in the following calendar year;

(b) At the same time as you sign up for FEHB when first hired or hired as a reemployed annuitant. Employees who leave Federal service and are rehired after a three-day break in service or in a different calendar year also may waive;

(c) In conjunction with a change in FEHB enrollment, on account of and consistent with a qualifying life event (see § 892.101); or

(d) When you have a qualifying life event and the waiver is on account of and consistent with that qualifying life event (even if you do not change your FEHB enrollment). You have 60 days after the qualifying life event to file a waiver with your employer. The waiver is effective on the first day of the pay period following the date your employer receives the waiver.

**§ 892.206 Can I cancel my waiver and participate in premium conversion?**

Yes, you may cancel a waiver and participate in premium conversion if:

(a) You have a qualifying life event; the change in FEHB coverage is consistent with the qualifying life event; and you complete an election form to participate in premium conversion within 60 days after the qualifying life event; or

(b) You cancel your waiver during an open season, including an extended open season authorized by OPM.

**§ 892.207 Can I make changes to my FEHB enrollment while I am participating in premium conversion?**

Generally, you can make changes to your FEHB enrollment for the same reasons and with the same effective dates listed in § 890.301 of this chapter. However, if you are participating in premium conversion there are two exceptions: you must have a qualifying life event to change from self-and-family enrollment to self-only enrollment or to drop FEHB coverage entirely. (See § 892.209 and § 892.210.) Your change in enrollment must be consistent with and correspond to your qualifying life event as described in § 892.101. These limitations only apply to changes you may wish to make outside open season.

**§ 892.208 Can I change from self-and-family enrollment in FEHB to self-only enrollment at any time?**

If you are participating in premium conversion you may change your FEHB enrollment from self-and-family to self-only:

(a) During the annual open season; or

(b) Within 60 days after you have a qualifying life event. Your change in enrollment must be consistent with and correspond to your qualifying life

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event. For example, if you get divorced, changing to self-only would be consistent with that qualifying life event. If you adopt a child, a change from self-only to self-and-family coverage would also be consistent with that qualifying life event.

### § 892.209 Can I cancel FEHB coverage at any time?

If you are participating in premium conversion you may cancel your FEHB coverage:

- (a) During the annual open season; or
- (b) Within 60 days after you have a qualifying life event. Your cancellation of coverage must be consistent with and correspond to your qualifying life event. For example, if you get married and your spouse is employed by a company that provides health insurance for you, then canceling FEHB coverage would be consistent with that qualifying life event. If you adopt a child, canceling coverage would not be consistent with that qualifying life event.

### § 892.210 Does premium conversion change the effective date of an FEHB enrollment, change in enrollment, or cancellation of enrollment?

No. If you are participating in premium conversion, the effective date of an FEHB enrollment, change in enrollment, or cancellation of enrollment is the same effective date as provided in § 890.301 of this chapter.

### § 892.211 What happens if I go on leave without pay (LWOP)?

(a) Your commencement of LWOP is a qualifying life event as described in § 892.101. You may change your premium conversion election (waive if you now participate, or participate if you now waive).

(b)(1) You may continue your FEHB coverage by agreeing in advance of LWOP to one of the payment options described in paragraphs (b)(2), (b)(3), or (b)(4) of this section.

(2) *Pre-pay.* Prior to commencement of your LWOP you may pay the amount due for your share of your FEHB premium during your LWOP period, if your employing agency, at its discretion, allows you to do so. Contributions under the pre-pay option may be made through premium

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conversion on a pre-tax basis. Alternatively, you may pre-pay premiums for the LWOP period on an after-tax basis.

(3) *Direct pay.* Under the direct pay option, you may pay your share of your FEHB premium on the same schedule as payments would be made if you were not on LWOP, as described in § 890.502(b) of this chapter. You must make the premium payments directly to your employing agency. The payments you make under the direct pay option are not subject to premium conversion, and are made on an after-tax basis.

(4) *Catch-up.* Under the catch-up option, you must agree in advance of the LWOP period that: you will continue FEHB coverage while on LWOP; your employer will advance your share of your FEHB premium during your LWOP period; and you will repay the advanced amounts when you return from LWOP. (Described in § 890.502(b) of this chapter.) Your catch-up contributions may be made through premium conversion.

(5) If you remain in FEHB upon your return from LWOP, your catch-up premiums and current premiums will be paid at the same time.

(c) Your return from LWOP constitutes a qualifying life event as described in § 892.101. You may change your premium conversion election (waive if you now participate, or participate if you now waive). The election you choose upon return from LWOP will apply to your current as well as your catch-up premiums.

## Subpart C—Contributions and Withholdings

### § 892.301 How do I pay my premium?

As a participant in premium conversion, instead of having your premium withheld from after-tax salary, your salary will be reduced (through a Federal allotment) by the amount equal to your FEHB premium, which you will allot to your agency. The allotment from salary satisfies the FEHB premium payment requirement of 5 U.S.C. 8906. Your employer is authorized to accept this allotment under § 550.311(a)(8) and § 550.312 of this chapter or, for employers not subject to