



Benefits Administration Letter

Number: BAL 07-203

Date: July 31, 2007

**Subject: Federal Employees' Group Life Insurance Program:
New and Redefined SF 50 Codes**

Background and Purpose

OPM is adding a new code and redefining a current code for use on Standard Form 50, Notification of Personnel Action, for the Federal Employees' Group Life Insurance (FEGLI) Program.

What is the new SF 50 FEGLI code?

The new SF 50 code is A1. The definition for A1 is:

“FEGLI coverage as an employee ended due to completion of 12 months in nonpay status. Applicable even when employee remains in nonpay status with the agency but continues all or some of the FEGLI coverage as a compensationner while in receipt of workers' compensation.”

When should we use this new code?

When an employee has been in a nonpay status for 12 months, you should process a FEGLI change (Nature of Action code 881) to reflect the new SF 50 code A1 at the same time you process the SF 2821 “*Agency Certification of Insurance Status*” and SF 2819 “*Notice of Conversion Privilege*”.

What code is being redefined?

We are redefining code A0. Previously, code A0 was defined as:

“Ineligible for life insurance coverage. An employee excluded from coverage by law or regulation, or who has become ineligible for further continuation of his/her insurance without cost while in a nonpay status (when used in the latter manner code A0 must be coupled with date nonpay status commenced).”

Effective August 1, 2007, the definition of code A0 is:

“An employee in a position excluded from FEGLI coverage by law or regulation.”

This new wording clarifies it is the employee's position, not the employee's pay status, that determines the ineligibility for FEGLI coverage. You should not use code A0 to indicate an employee in nonpay status.

What happens when an employee returns to work at the agency after 12 months in nonpay status?

When an employee returns to work in a pay and duty status after 12 months in nonpay status, he/she gets back the same FEGLI coverage he/she had before FEGLI ended, if any. Return to pay and duty status is not an opportunity to elect new or increase existing coverage. When an employee with prior FEGLI coverage returns to work, you need to process a FEGLI change (Nature of Action code 881) using the SF 50 code that reflects the prior FEGLI coverage before it terminated. You can review prior SF 50s to determine the proper FEGLI coverage.

How do I process a change in FEGLI coverage while the employee is still in nonpay status?

Employees in nonpay status can still reduce or cancel FEGLI coverage. They can also elect or increase optional coverage while in nonpay status based on a qualifying life event. However, Option C is the only increase in coverage that can become effective while the employee is in nonpay status. If an employee in nonpay status reduces or cancels coverage or increases Option C, you will need to process a FEGLI change (Nature of Action code 881) to indicate the applicable FEGLI code that reflects the new level of coverage during the nonpay status.

At the end of 12 months in nonpay status you will still need to process another FEGLI change (Nature of Action code 881) to indicate code A1. For example, an employee has Basic, Option A and Option B (2 multiples). That is code L0. He changes to Basic only. You process a FEGLI change to indicate code C0. He then completes 12 months in nonpay status so you process a FEGLI change to indicate code A1.

Where can we send questions about the SF 50 Codes for FEGLI?

Send questions to the FEGLI Internet mailbox at fegli@opm.gov.

Sincerely,

Robert F. Danbeck
Associate Director
for Human Resources Products and Services