



*Retirement and Insurance Service
Payroll Office Letter*

Number: P-00-17

Date: August 14, 2000

**SUBJECT: FEDERAL ERRONEOUS RETIREMENT COVERAGE CORRECTIONS
ACT (FERCCA)**

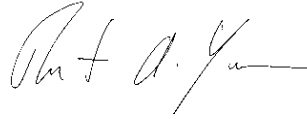
As you may already know, the Senate's version of the bill to provide relief to employees placed in the wrong retirement system, the "Federal Erroneous Retirement Coverage Corrections Act" (FERCCA), was recently added to the House's long-term care insurance bill (the "Long-Term Care Security Act"). The combined bill, H.R. 4040, was passed by the House and Senate on July 27, and will be sent to the President for signature.

The FERCCA will give many employees and annuitants placed in the wrong retirement system an opportunity to choose between the Federal Employees Retirement System and the offset provisions of the Civil Service Retirement System. It also requires the Office of Personnel Management to issue regulations no later than 6-months after enactment. We expect that many employees will come to you seeking detailed information. While it will take some time to work out the details necessary to implement any new legislation, you may assure employees that any time lag between enactment and full implementation will not adversely affect the choices available to them. For your information, a brief description of the new coverage options contemplated in FERCCA is attached to this Payroll Office Letter.

Since FERCCA will provide many individuals a choice they do not now have, we ask that you immediately stop processing retirement coverage correction cases that are described in the attachment. This will avoid unnecessary reprocessing once FERCCA becomes law.

You can find more information about FERCCA on the OPM website at www.opm.gov/benefits/correction.

On August 29, 2000, from 9:30 AM until 11:30 AM in the OPM Auditorium, we will hold a joint meeting of headquarters-level benefits officers and payroll officials. While the primary emphasis of the meeting will be Health Benefits Premium Conversion, we will also discuss FERCCA, and the Long-Term Care Security Act. Space will be limited, so please coordinate your attendance with your personnel office counterparts.



**Robert A. Yuran, Chief
Financial Policy Staff
Retirement and Insurance Service**

Attachment

*Civil Service
Retirement
System*

*Federal Employees
Group Life
Insurance*

*Federal Employees
Health Benefits
Program*

*Federal Employees
Retirement
System*