



# Continuation of Life Insurance Coverage

## As an Annuitant or Compensationner

### Federal Employees' Group Life Insurance (FEGLI) Program

#### Instructions for Completing this SF 2818

- Read these instructions carefully.
- Complete this form:
  - ❖ When you retire, or
  - ❖ When you are receiving compensation payments from the Office of Workers' Compensation Programs (Department of Labor) and your FEGLI coverage as an employee ends.
- Be sure to sign at the bottom of the election page and return the entire form.
- Your coverage, based on your eligibility and the elections you make, is effective at retirement and may continue for life.
- Detach and keep these instructions for your records.
- Return **both** copies of the completed form to your human resources office (HRO). Your HRO will return a copy to you.
- Premium information can be found at [www.opm.gov/insure/life](http://www.opm.gov/insure/life).
- "You" means the insured employee. "We" and "us" mean the Office of Personnel Management (OPM) or your retirement system, if OPM is not your retirement system.
- Terms of coverage as applicable at retirement described below also apply to coverage in effect at the end of 12 months nonpay status, whichever occurs first.

## 1. Basic Insurance

### What is Basic insurance?

That is the coverage equal to your annual basic pay, rounded up to the next \$1,000, plus \$2,000 (or a minimum of \$10,000).

### Will I have Basic insurance in retirement?

If you are **eligible** and want to carry Basic insurance in retirement, you must mark "**Yes**" in Item 7. If you mark "**No**" in Item 7, you will not have any insurance in retirement. Please sign in item 14 and return to your Human Resources office.

*You cannot newly elect or increase existing life insurance as an annuitant now or after you retire.*

### Who is eligible?

You are eligible to have Basic insurance in retirement if: (1) you retire on an immediate annuity; (2) you were enrolled in Basic insurance for the five years of service immediately before your annuity began or for all opportunities during which it was available to you, if enrolled less than five years; (3) you or the assignee(s), if applicable, do not cancel the coverage; (4) you, the assignee(s), or a power of attorney acting on your behalf, do not convert it to an individual policy; and (5) you did not receive a full Living Benefit. See page 3 for information on compensationers, assignments and Living Benefits.

### How much Basic insurance will I have?

The amount of your Basic insurance will depend on your final annual basic pay, your age, your choice of reduction in Item 8, and whether you elected a Living Benefit. See page 3 for information on Living Benefits.

Your Basic insurance in retirement is equal to your final annual basic pay, rounded up to the next \$1,000, plus \$2,000 (or a minimum of \$10,000). This amount continues until you reach age 65. If you are under age 45, you have an Extra Benefit (see below). Your Basic insurance will reduce after you retire and turn age 65, unless you elect No Reduction in Item 8.

### What is the Extra Benefit?

The Extra Benefit doubles the amount of Basic insurance payable if you die at age 35 or younger. Beginning on your 36th birthday, the Extra Benefit decreases by 10% each year. If you die at age 45 or older, there is no Extra Benefit. You do not pay for the Extra Benefit.

### What if I don't want Basic insurance in retirement?

If you don't want to have Basic insurance in retirement and you have not assigned your coverage, mark "**No**" in Item 7 and sign in Item 14. Do **not** file a *Life Insurance Election* (SF 2817). You will not have **any** life insurance in retirement, but you will be insured for 31 days after your life insurance coverage as an employee stops. You can convert to private coverage.

### Will I have accidental death and dismemberment coverage in retirement?

No. Accidental death and dismemberment coverage stops when your life insurance as an employee stops.

### Will my Basic insurance reduce?

It depends. If you are eligible and choose to have Basic insurance in retirement, you can choose either 75% Reduction, 50% Reduction, or No Reduction in Item 8.

#### What is 75% Reduction?

This means that your Basic insurance will reduce by a fixed amount each month, equal to 2% of the amount of Basic insurance you carried into retirement. Your Basic insurance will continue to reduce until 25% of the original amount remains. You do not pay an extra premium for this choice.

#### What is 50% Reduction?

This means that your Basic insurance will reduce by a fixed amount each month, equal to 1% of the amount of Basic insurance you carried into retirement. Your Basic insurance will continue to reduce until 50% of the original amount remains. You pay an extra premium for this choice.

#### What is No Reduction?

This means that your Basic insurance will not reduce. You pay an extra premium for this choice.

### When do reductions begin?

If you elect 75% Reduction or 50% Reduction in Item 8, your Basic insurance begins to reduce on the first day of the second month after you reach age 65 or on the first day of the second month after you retire, whichever is later.

### What do I pay?

As an annuitant, you will pay the same regular Basic premium, on a monthly basis that active employees pay, until you reach age 65. You probably paid a biweekly premium as an employee. You stop paying the regular premium on the first day of the month after you reach age 65. If you retire after turning 65, you will never pay the regular premium in retirement. If you choose 50% Reduction or No Reduction, you must pay an extra premium. You continue to pay the extra premium for life or until you cancel the coverage or change to 75% Reduction. See [www.opm.gov/insure/life](http://www.opm.gov/insure/life) for information on current rates.

### What if I want to change my reduction election?

You have 30 days from the date you receive your first regular monthly annuity check to change your reduction election. Write to us and tell us what you want to change. After that time you, the assignee(s), or a power of attorney who elected a "partial" Living Benefit on your behalf, may only change to 75% Reduction and not to 50% Reduction or No Reduction. If you or the assignee(s), if applicable, change to 75% Reduction, we will compute the amount of your Basic as if you had originally elected 75% Reduction. Premiums will stop and you will **not** receive a refund of premiums you already paid.

## 2. Optional Insurance

### What is Optional insurance?

There are three types of Optional insurance. Option A (Standard) equals \$10,000. Option B (Additional) equals 1 to 5 multiples of your annual basic pay, after rounding your pay up to the next \$1,000. Option C (Family) is 1 to 5 multiples of coverage for your spouse and eligible children. Each Option C multiple equals \$5,000 for your spouse and \$2,500 for each of your eligible children.

### Will I have Optional insurance in retirement?

If you are *eligible* and want to carry Option A and/or Option B and/or Option C in retirement, you must mark "Yes" and sign for that coverage in items 9, 10, and 12. If you mark "No", you will not have that coverage in retirement.

You cannot newly elect or increase existing life insurance as an annuitant now or after you retire.

### Who is eligible?

You are eligible to have Optional insurance in retirement if: (1) you continue your Basic insurance in retirement (employees who received a full Living Benefit are exempt from this requirement), (2) you were enrolled in the option for the five years of service immediately before your annuity began or for all opportunities during which it was available to you, if enrolled less than five years; (3) you, the assignee(s), or a power of attorney acting on your behalf, if applicable, do not convert it to an individual policy; and (4) you or the assignee(s), if applicable, do not cancel it. See page 3 for information on compensationers. If you cancel your Basic insurance, you cannot continue your Optional insurance.

### How much Option A will I have?

If you are eligible to have Option A in retirement and choose "Yes" in Item 9, you will have \$10,000 of Option A coverage.

### How much Option B will I have?

If you are eligible to have Option B in retirement and choose "Yes" in Item 10, your Option B will equal your annual basic pay at retirement, rounded up to the next higher \$1,000, multiplied by *either* the lower of (1) the number of multiples you are eligible to continue; *or* (2) the number of multiples you elect to continue in Item 11.

### How much Option C will I have?

If you are eligible to have Option C in retirement and choose "Yes" in Item 12, your Option C will be the lower of *either* (1) the number of multiples you are eligible to continue; *or* (2) the number of multiples you elect to continue in Item 13; multiplied by \$5,000 (for your spouse) and \$2,500 (for each of your eligible children).

### How many multiples of Option B and/or Option C can I have?

You may have up to the number of multiples you had during:

- the 5 years of service immediately before your annuity began, or
- all service during which those multiples were available to you, if enrolled less than 5 years.

### Will my Option B and/or Option C reduce?

It depends on what you choose now in Item 11 and Item 13. You may choose Full Reduction or No Reduction. You can mix and match multiples - you can choose either Full Reduction or No Reduction for some or all multiples of the same option. You can also choose something different for Option B than for Option C.

#### • What is Full Reduction?

This means that for the multiple(s) you elect, your coverage will reduce by a fixed amount each month, equal to 2 percent of the original amount, for 50 months, at which time coverage will end. Reductions start on the first day of the second month after you reach age 65 or the first day of the second month after you retire, if later. Coverage is free starting on the first day of the month after you turn age 65.

#### • What is No Reduction?

This means that for the multiple(s) you elect, your coverage will not reduce. You will continue to pay premiums for the rest of your life, or until you cancel the insurance or change to Full Reduction.

You have 30 days from the date you receive your first regular monthly annuity payment to change your reduction election. After that time, you can only reduce or cancel coverage.

### Can I elect to have both "No Reduction" and "Full Reduction" multiples?

Yes. You may elect to have both reduced and unreduced multiples of Option B and/or Option C. After retirement, you may change your "No Reduction" multiples to "Full Reduction", but you will not be able to change your multiples from "Full Reduction" to "No Reduction".

### What if I elect to have more multiples of Option B and/or Option C than I'm eligible to have?

You will have whichever number is *lower* - the number you *elect* to continue *or* the number you are *eligible* to continue.

### What if I don't want Optional insurance in retirement?

If you don't want to have Optional insurance in retirement, and you have not assigned your coverage, mark "No" in Item 9 for Option A, Item 10 for Option B and/or Item 12 for Option C. Do *not* file a *Life Insurance Election* (SF 2817). You will not have that option in retirement, but you will have it for 31 days after your life insurance coverage as an employee stops. You can convert to private coverage. Your human resources office will provide you with SF 2819 "Notice of Conversion Privilege" so you can convert your coverage to a non-FEGLI policy.

### Will my Option A reduce?

Yes. You do not have a choice. Option A reduces on the first day of the second month after you reach age 65 or the first day of the second month after you retire, whichever is later. Each month the amount reduces by another \$200. Reductions stop when Option A reaches \$2,500.

### Will I have accidental death and dismemberment coverage for Option A in retirement?

No, you will not. Accidental death and dismemberment coverage stops when your life insurance as an employee stops.

### What do I pay for Option A?

As an annuitant you will pay the same premium, monthly, that active employees pay, based on your age. You probably paid a biweekly premium as an employee.

Option A is free starting on the first day of the month after you reach age 65 or starting at retirement if you retire after turning age 65. Premium information can be found at [www.opm.gov/insure/life](http://www.opm.gov/insure/life).

### What do I pay for Options B and C?

As an annuitant, you will pay the same premium, on a monthly basis, that active employees pay, based on your age and the number of multiples you have in retirement. You probably paid a biweekly premium as an employee.

For Full Reduction multiples, coverage is free to you starting on the first day of the month after you reach age 65 or starting at retirement if you retire after turning age 65. For No Reduction multiples, you will continue to pay premiums for the rest of your life, or until you cancel the insurance or change to Full Reduction.

### What if I want to change my reduction election after I retire?

You can write to us at any time and change from No Reduction to Full Reduction or cancel your coverage, (unless you assigned your coverage, in which case only the assignee(s) can change to Full Reduction). However, neither you or an assignee can change from Full Reduction to No Reduction later in retirement.

### 3. General Information

#### **Who can sign this form?**

Only you, the insured employee, may sign this form in item 14. The signature of an assignee, a guardian, conservator or other fiduciary (including, but not limited to, those acting according to a Power of Attorney or a Durable Power of Attorney) is **not** acceptable. Even if your power of attorney previously applied for a living benefit on your behalf, only you can sign the form.

#### **When does my life insurance coverage as an employee stop?**

It stops on the earliest of the date you resign, separate for retirement, or end 12 months in nonpay status.

#### **What if I don't make a choice for one or more coverages or I don't file this form at all?**

Then, if you are eligible to continue the insurance in retirement, you will have the default selection(s). For Basic insurance, that means 75% Reduction. For Option A, that means having it in retirement (it reduces automatically). For Options B and C, that means Full Reduction for all multiples you are eligible to have in retirement.

To avoid confusion, please complete the entire form, as applicable, and return it to your human resources office.

#### **What if I want to change my reduction election?**

You have 30 days from the date you receive your first regular monthly annuity payment to change your reduction election. Write to us and tell us what you want to change. After that time, you or your assignee(s) can only change from No Reduction to Full Reduction, or cancel coverage. Premiums will stop and you will not receive a refund of premiums you already paid.

#### **Can I stop my FEGLI insurance later?**

After you file this form, you (or the assignee(s), if applicable) can cancel any or all life insurance coverage at any time, by writing to us. If you cancel Basic insurance, you will cancel all Optional insurance too. The cancellation will be effective at the end of the month in which OPM receives your letter. You will not be entitled to a refund of premiums paid through the end of the month in which we receive your request, and you cannot get the coverage back. You cannot convert the cancelled coverage.

#### **What if I am receiving Workers' Compensation benefits?**

During your first 12 months in nonpay status while in receipt of compensation, your life insurance coverage is still treated as if you are an employee. At the end of 12 months, to be eligible to have life insurance coverage as a compensationner, you must meet the 5-year/all opportunity requirement as of the date you became eligible for compensation. The Office of Workers' Compensation Programs will withhold applicable premiums from your compensation benefits.

The amounts of Option A and Option C for compensationners are the same as for retiring employees. The amount of your Basic insurance and Option B is based on your annual basic pay at the time your insurance as an employee ended (at separation or the end of 12 months of nonpay status, whichever came first).

If you are eligible to continue coverage as a compensationner, you have the same choices for reduction as if you were retiring.

If the Department of Labor finds you are capable of returning to work, your life insurance coverage as a compensationner will stop. This is still true even if you don't return to work and even if you receive partial compensation payments. If you return to work in a position eligible for FEGLI coverage, you will get life insurance coverage as an employee. Basic premiums will be deducted from your salary (and for Option A and Option C, if enrolled). Your coverage is treated the same as if you are a reemployed annuitant. You are covered for the higher of your Basic insurance, either the Basic you had as a compensationner or the reemployment-acquired Basic.

For Option B, you must choose which coverage to have, either the Option B you have as a compensationner or the reemployment-acquired Option B. Premiums will be withheld according to which Option B coverage you choose.

We cannot reinstate any insurance you cancel while receiving compensation.

#### **What if I assigned my coverage?**

Assignment means giving a person, firm or trust the ownership and control of your life insurance coverage (except Option C), generally by using an RI 76-10 *Assignment* form.

You complete this form (SF 2818). Assignees do not.

If you assigned your life insurance coverage, you **cannot** stop your Basic, Option A or Option B by marking "**No**" in items 7, 9, or 10. You must choose "**Yes**".

If you assigned your life insurance coverage, you elect the Basic insurance reduction (75%, 50% or No Reduction) and the Option B and Option C reduction (Full Reduction or No Reduction). However, only the assignee(s) can later change the Basic reduction to 75%, change the Option B reduction to Full Reduction, or cancel coverage.

#### **What if I received a Living Benefit?**

If you received a **full** Living Benefit, you no longer have any Basic insurance benefits. There is no Basic insurance to continue into retirement. Check "I received a full Living Benefit" in Item 7. Leave Item 8 blank. You may still continue Optional insurance.

If you received a **partial** Living Benefit, your Basic insurance remains the same as it was after your Living Benefit election. If you want to have Basic in retirement, you must check "No Reduction" in Item 8.

#### **Privacy Act Statement**

Chapter 87, title 5, U.S. Code, Federal Employees' Group Life Insurance, authorizes the solicitation of this information. The Office of Personnel Management will use the data you furnish to determine the amount of life insurance coverage you will have in retirement or as a compensationner. This information may be shared and is subject to verification, via paper, electronic media, or through the use of computer matching programs, with national, state, local or other charitable or social security administrative agencies in order to determine benefits under their programs or to obtain information necessary for determination or continuation of benefits under this program.

It may also be shared and verified, as noted above, with law enforcement agencies when they are investigating a violation or potential violation of civil or criminal law. Public Law 104-134 (April 26, 1996) requires that any person doing business with the Federal government furnish a Social Security number or tax identification number. This is an amendment to title 31, Section 7701. If you don't furnish the requested information, you may not have the level of insurance protection you want.



**Continuation of Life Insurance Coverage**  
*As an Annuitant or Compensationier*  
 Federal Employees' Group Life Insurance (FEGLI) Program

**Important:**  
 Read instructions on pages 1 - 3  
 before completing this form.

**Identifying Information**

1. Employee's name ( <i>last, first, middle</i> )	2. Date of birth ( <i>mm/dd/yyyy</i> )	3. Social Security number
4. Employing department/agency	5. Work location ( <i>city, state, ZIP code</i> )	6. Compensation claim number ( <i>if applicable</i> )

**Basic Life Insurance**

7. Do you want to have Basic Life insurance in retirement/compensation if you are eligible?

Yes (*If yes, complete item 8.*)       No       I received a full Living Benefit. (*skip to Item 9*)

8. What level of Basic do you want in retirement/compensation? *Check only one box. If you received a partial Living Benefit, you must check No Reduction.*

75% Reduction       50% Reduction       No Reduction

**Option A — Standard Optional Insurance**

9. Do you want to have Option A in retirement/compensation if you are eligible? To continue Option A, you must also continue Basic. (*Check "yes" only if you currently have as an employee*)

Yes       No       I don't have Option A.

**Option B — Additional Optional Insurance**

10. Do you want to have Option B in retirement/compensation if you are eligible? To continue Option B, you must also continue Basic. (*Check "yes" only if you currently have as an employee*)

Yes (*If yes, complete item 11.*)       No       I don't have Option B.

11. How many multiples of Option B do you want to have in retirement/compensation? You can elect up to the number of multiples you are eligible to continue in retirement. Put a number on each line to indicate how many multiples you want for NO REDUCTION and FULL REDUCTION. If the number is "zero", "0" should be written on that line. The total of both No and Full Reduction multiples cannot exceed 5. See the instructions.

\_\_\_\_\_ (*number of NO REDUCTION multiples*)      \_\_\_\_\_ (*number of FULL REDUCTION multiples*)

**Option C — Family Optional Insurance**

12. Do you want to have Option C in retirement/compensation if you are eligible? To continue Option C, you must also continue Basic. (*Check "yes" only if you currently have as an employee.*)

Yes (*If yes, complete item 13.*)       No       I don't have Option C.

13. How many multiples of Option C do you want to have in retirement/compensation? You can elect up to the number of multiples you are eligible to continue in retirement. Put a number on each line to indicate how many multiples you want for NO REDUCTION and FULL REDUCTION. If the number is "zero", "0" should be written on that line. The total of both No and Full Reduction multiples cannot exceed 5. See the instructions.

\_\_\_\_\_ (*number of NO REDUCTION multiples*)      \_\_\_\_\_ (*number of FULL REDUCTION multiples*)

**Signature**

14. **Signature (Do not print.)** Only the insured may sign. Signatures by guardians, conservators, or through a power of attorney are not acceptable.      Date (*mm/dd/yyyy*)

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## Instructions for Human Resources Offices

- ❖ Give this form to each employee who is enrolled in the FEGLI Program and is either:
  - (1) Retiring; or
  - (2) Receiving compensation payments from the Department of Labor and is either
    - a. Separating from the agency; or
    - b. Ending 12 months in nonpay status period.
- ❖ If you have already completed the *Agency Certification of Insurance Status* (SF 2821), give the employee his/her copy of the SF 2821 so s/he can complete this SF 2818 correctly.
- ❖ After the employee completes and returns this form, review it to make sure the employee filled it out correctly and completely. If correct and complete, give Copy 2 to the employee. Attach this original to the original of the *Agency Certification of Insurance Status* (SF 2821).
- ❖ Completing this form accurately helps OPM process the employee's retirement more quickly and avoid unnecessary delays.

### **Important**

***Inform the employee that rates may change in the future.  
Rates can be found at [www.opm.gov/insure/life](http://www.opm.gov/insure/life).***