

Office of Personnel Management
Retirement and Insurance Service



1920



1954



1959



1986

Benefits Administration Letter

Number: 95-215

Date: April 21, 1995

**SUBJECT: Federal Employees' Group Life Insurance:
Announcement of a Limited Open Season**

GENERAL INFORMATION

**When Is the
Open Season?**

The open season will be held from May 22, 1995, through July 21, 1995.

**Why Are We
Having an
Open Season?**

We are having an open season because it is required by Public Law 103-409, the FEGLI Living Benefits Act. We will send specific information relating to living benefits in a separate Benefits Administration Letter (BAL).

OPEN SEASON MATERIAL

**Revised FEGLI
Booklet**

The FEGLI Booklet, RI 76-21, has recently been revised. The Office of Federal Employees' Group Life Insurance (OFEGLI) has sent a supply to all agencies, as described in BAL 95-214.

SF 2817

SF 2817, Life Insurance Election, has not been changed. The September 1992 and February 1988 editions may still be used.

This form is available from GSA/FSS using the normal FEDSTRIP/MILSTRIP procedures as specified by your agency's procurement or acquisitions office. The National Stock Number (NSN) is 7540-01-231-4280, and the price is \$3.97 per hundred.

Will There Be Any Special Open Season Material?

There will be no special material prepared for this open season.

Posters, tabletop tent cards, and a video were distributed for the "FEGLI 93" open enrollment period; however, no such material will be available for the 1995 limited open season.

You may wish to stock up on SF 2823, Designation of Beneficiary.

What Must Agencies Do?

Agencies must distribute the revised FEGLI Booklet, RI 76-21, to all eligible employees, whether or not they are enrolled in FEGLI. This includes employees who are within the first 12 months of leave without pay (LWOP).

Agencies must also notify their employees of the limited open season. A sample notice is attached to this BAL.

OPEN SEASON ELECTIONS

Who Is Eligible to Participate in the Open Season?

Only eligible employees who have waived or cancelled all FEGLI coverage may participate in the open season.

Eligible employees means all employees who are not excluded from FEGLI coverage by law or regulation. This includes employees who are within the first 12 months of LWOP (the 12-month limitation does not apply to employees on LWOP while serving in an employee organization, while assigned to a State or local government or to an institution of higher education, or while transferred to an international organization), employees on sick or annual leave, employees within the first 12 months of LWOP while receiving compensation, and reemployed annuitants who are not otherwise excluded from "employee coverage" by virtue of the type of their appointment or a break in service.

Employees who have been on LWOP for more than 12 months are not eligible to participate in this open season.

What Types of Elections Can Employees Make?

The only type of election that employees can make is for Basic coverage.

Employees cannot elect any Optional coverage. Nor can any already-insured employee add or increase any Optional coverage.

Existing waivers of Basic insurance will not be disturbed unless a new election is submitted. Existing designations of beneficiary for currently enrolled employees also will not be affected.

What Is the Effective Date of Open Season Elections?

Open season elections are effective the first day of the first pay period which begins on or after the date the employing office receives the SF 2817.

What about Pay and Duty Status Requirements?

Normally, life insurance elections made during an open enrollment period become effective only after a pay period during which the employee was in pay and duty status for at least 32 hours.

For this open season only, this pay and duty status requirement is waived. Basic insurance will become effective whether or not the employee is in pay and duty status.

Can these Elections Be Carried into Retirement?

These enrollments may be carried into retirement if the employee otherwise meets the five-year/first-opportunity requirement of the FEGLI law.

This open season will not be considered a first opportunity to enroll for purposes of meeting the requirements for continuing FEGLI as an annuitant.

What's Different for Employees on Leave without Pay?

In previous open enrollment periods, employees on LWOP could make a life insurance election; however, that election would not become effective until the employee had returned to work and had been in pay and duty status for 32 hours within one pay period.

For this open season only, life insurance elections made by employees within the first 12 months of LWOP will become effective the first day of the first pay period beginning on or after the employing office receives the SF 2817, regardless of whether the employee returns to pay and duty status.

The insurance elected by an employee on LWOP terminates when the employee has completed 12 months in nonpay status, even if the insurance has been in effect for less than 12 months. It is the length of the nonpay status, not the length of the insurance coverage, that determines when the insurance terminates. These employees would be entitled to the 31-day extension of coverage and the right to convert to a nongroup policy. (This 12-month limitation does not apply to employees who are on LWOP while serving in an employee organization, while assigned to a State or local government or to an institution of higher education, or while transferred to an international organization.)

The amount of insurance acquired by an employee on LWOP is the same amount he/she would have if he/she were in pay status.

**Processing Open
Season Elections**

The employing office must enter the date of receipt on all open season SF 2817s. An authorized agency official must ensure that the employee is eligible for Basic insurance and has elected only Basic and must assign an effective date.

Part 1 of the form must be filed in the employee's Official Personnel Folder or its equivalent. Part 2 of the form is for agency use in determining the life insurance code to enter on SF 50. Part 3 of the form must be returned to the employee.

The numeric code for an open season change is the number "6." Agencies should fill in the number "6" in the box provided on the SF 2817 for all open season changes.

**Belated Open
Season Elections**

Employing offices must receive open season elections by close of business July 21, 1995. However, an employing office may use its authority, within six months after the end of the open season, to make a determination that an employee was unable to file an open season election on time for reasons beyond his/her control. An employing office may accept an election from an employee within 31 days after making such a determination. These belated open season elections and accompanying premium withholdings will be effective retroactive to the first pay period beginning on or after July 21, 1995. Failure on the part of the employee to file a belated election within the 31 days provided will be considered a waiver of the opportunity to file.

NON-OPEN SEASON ELECTIONS MADE DURING THIS TIME

**What about Other
Elections Made
during Open
Season?**

New hires and employees who first become eligible for FEGLI coverage during the May 22 through June 21 open season may elect FEGLI coverage, including Optional coverage, as usual. The usual rules on effective dates and pay and duty status requirements will apply for these individuals, since they will not be making open season changes.

Agencies must carefully review SF 2817s received during the open season to determine whether the election is an open season change or another type of change and apply the proper rules.

Abby L. Block, Chief
Insurance Policy
and Information Division

Attachment

SUGGESTED ANNOUNCEMENT

SUBJECT: Limited Life Insurance Open Season, May 22, 1995, through July 21, 1995

A limited open season under the Federal Employees' Group Life Insurance (FEGLI) Program will be held from May 22, 1995 through July 21, 1995. During this open season, any eligible employee who is not currently enrolled may elect Basic insurance; employees may not elect any Optional insurance. Employees who are already enrolled in FEGLI may not participate in the open season. No physical examination is required. Any existing waiver of Basic insurance will not be disturbed unless a new election is submitted. Similarly, existing designations of beneficiary for currently enrolled employees will not be affected.

You will receive a revised FEGLI Booklet, RI 76-21, which provides information about the FEGLI Program. Please review the Booklet carefully before making your decision about FEGLI coverage. If you are eligible and wish to enroll, complete a Standard Form (SF) 2817, Life Insurance Election. This form is available from *[name and location of appropriate person or office]* and must be submitted to that office in time to be received before the close of business on July 21, 1995. Open season elections and accompanying withholdings will be effective the first day of the first pay period on or after the date the employing office receives the SF 2817.

NOTE: Remember that, in order to carry any newly-elected coverage into retirement, it must be in effect for the five years of service immediately before the date of retirement (or for the entire period(s) of service during which it was available, if this is less than five years). If you are approaching retirement eligibility, you should be aware of the five-year/first-opportunity requirement, so that you will not be surprised if you are not able to take your coverage into retirement. There is no waiver authority under the FEGLI law. If you do not meet the five-year/first-opportunity requirement, you will be eligible to convert to nongroup insurance (without a medical examination).

If you need further information or assistance, contact *[enter name, location, and phone number of installation insurance specialist]*.