

3 FAM 3620 FEDERAL EMPLOYEES GROUP LIFE INSURANCE PROGRAM

3 FAM 3621 AUTHORITY

3 FAM 3621.1 Legal Authority

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

- 5 U.S.C., Chapter 87
- 5 CFR, Part 870
- FPM Supplement 870-1 (or its replacement when issued by OPM)

3 FAM 3622 PROCEDURES AND GUIDELINES

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

a. Procedures, guidelines, and clarifying information about the Federal Employee's Group Life Insurance Program (FEGLI) are published in FPM Supplement 870-1 (or its replacement when issued by OPM).

b. MOA V-B 501 contains guidelines applicable to USIA Foreign Service employees and MOA, V-A 501 contains guidelines which apply to USIA Civil Service employees.

3 FAM 3623 GENERAL

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

a. The regulations in this subchapter supplement the regulations of the U.S. Office of Personnel Management (OPM) which are governing.

b. The administrative responsibilities and internal procedures described in this subchapter apply to all eligible Foreign Service employees of the Department of State, USAID, USIA, Commerce and the Foreign Service Corps of USDA, and to Civil Service Employees of the Department of State.

3 FAM 3624 RESPONSIBILITIES

3 FAM 3624.1 U.S. Office of Personnel Management

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

The U.S. Office of Personnel Management (OPM) is responsible for the Government-wide administration of the FEGLI program.

3 FAM 3624.2 Office of Federal Employees' Group Life Insurance

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

The Office of Federal Employees' Group Life Insurance (OFEGLI) is the administrative office established by the insurance companies which underwrite the FEGLI program. That office, which among other things, is responsible for settling claims, is located at 200 Park Avenue, New York, NY 10166-0114.

3 FAM 3624.3 Agency Life Insurance Officer

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

a. The agency life insurance officer of each of the participating agencies is:

- Responsible for coordination of the program within the agency; and
- The OPM contact for agency-wide insurance matters.

b. Questions not adequately covered in this subchapter or in the applicable laws, and the regulations, and guidelines published by OPM, should be referred to:

State	PER/ER
USAID	M/HR/PMES
USIA	Offices of Human Resources (M/HR) or Office of Personnel (B/P)
Commerce	USFCS/OFSP

Agriculture FAS: HRD/FSA
 APHIS: IS/RMS

3 FAM 3624.4 Agency Designated Certifying Personnel Officer

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

Each agency designated certifying personnel or administrative officer, whether in the United States or at a post abroad, is responsible to:

- Individually certify an employee's FEGLI status;
- Explaining the FEGLI program to employees and advising them about it; and
- Perform the certifying office responsibilities outlined in FPM Supplement 870-1, Subchapter S1-4d (or its replacement when issued by OPM).

These functions are performed under guidance received from OPM and instructions issued by the life insurance officer of the employee's agency.

3 FAM 3625 TYPE OF INSURANCE

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

FEGLI is term insurance and builds no cash value. However, it can be assigned and BASIC life coverage can be cashed in for those employees who are terminal (nine months or less to live). It is intended as a form of immediate protection against financial hardship or loss in the event of death. A detailed explanation of the types of coverage available is found in section 3 FAM 3626 and FPM Supplement 870-1, Subchapter 8 (or its replacement when issued by OPM).

3 FAM 3626 KINDS OF COVERAGE

3 FAM 3626.1 Basic Coverage

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

a. All eligible employees automatically have basic coverage unless they waive it.

b. The amount of coverage is based on the employee's annual rate of pay. Normally, basic coverage equals the employee's per annum salary rounded up to the next thousand dollars, plus \$2,000 (plus any applicable age multiplication factor).

c. Minimum basic coverage is \$10,000 (see FPM Supplement 870-1, Subchapter S3-1a & b, or its replacement when issued by OPM)

d. Maximum coverage is limited by the amount payable under Federal Executive pay level II (\$136,000 in January 1993) (Contact your agency Insurance Officer for current limit).

e. An employee must elect basic coverage in order to have optional insurance under the FEGLI program.

3 FAM 3626.2 Standard Optional—Option A

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

Standard Optional - Option A is \$10,000 in coverage which an employee can elect in addition to basic insurance.

3 FAM 3626.3 Additional Optional—Option B

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

Additional optional coverage under Option B permits an employee to elect an amount of insurance equal to 1, 2, 3, 4, or 5 times his/her annual rate of pay. If the employee's basic pay is not already an even thousand dollars, the amount of basic pay is rounded to the next highest \$1,000. The maximum amount of pay multiplication is \$136,000. (See your agency Insurance Officer for current maximum.) (See FPM Supplement 870-1, Subchapter S3-5, or its replacement when issued by OPM).

3 FAM 3626.4 Family Optional—Option C

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service employees)

Family optional insurance under Option C permits an employee to insure his/her spouse for \$5,000 and each eligible dependent child for \$2,500. (See FPM Supplement 870-1, Subchapter S3-7 or its replacement when issued by OPM).

3 FAM 3627 LIVING BENEFITS ACT

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

a. The Living Benefits Act (Public Law 103-409) under FEGLI became effective July 25, 1995. It provides that an employee or annuitant who has been diagnosed as terminally ill and how has a life expectancy of 9 months or less, may cash in their BASIC life insurance only.

b. Request applications for Living Benefits directly from OFEGLI at 1-800-633-4542.

c. Additional information is found in FEGLI brochure RI 76-21.

3 FAM 3628 VIATICAL SETTLEMENT ACT

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

Viatical settlement is defined as the sale of insurance to a third party for cash. Effective October 3, 1994, Public Law 103-306 amended the life insurance law to allow employees and annuitants enrolled in FEGLI to assign their insurance to another person, firm, or trust. It is intended to help terminally ill (life expectancy of 24 months or less) employees and annuitants by giving them an influx of cash to finance medical care and improve the quality of their final days of life. The amount of cash received is a percentage of the face value of Basic, Option A and Option B. Once assignments are made they cannot be changed, canceled, or assigned to another person. Additional information is found in the FEGLI brochure RI 76-21.

3 FAM 3629 RECONSIDERATION AND APPEAL

(TL:PER-312; 3-1-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps/USDA)

(Applies to Foreign Service & Civil Service Employees)

The Office of Personnel Management has delegated the authority to agencies to reconsider initial decisions pertaining to life insurance enrollment issues. Reconsideration consists of a review of an initial decision to determine whether laws and regulations were correctly applied. It is the employee's final level of administrative review for enrollment and coverage issues under FEGLI. For information on filing a request for reconsideration and appeal, contact your agency insurance officer (see section 3 FAM 3623.3).