

The Federal Employees Group Life Insurance Program (FEGLI) was established to help protect employees and their families in the event of the employee or family member's death. No one is prepared for the devastating emotional loss of a family member and if they were the main financial contributor then the economic loss can be catastrophic.

OPM has a contract with the Metropolitan Life Insurance Company (MetLife) to provide this life insurance. MetLife has an administrative office called the Office of Federal Employees' Group Life Insurance (OFEGLI). OFEGLI is the contractor that adjudicates claims under the FEGLI Program.

FEGLI Topics

1. Eligibility
2. Enrollment
3. Basic Insurance and Options A, B & C
4. Cancellation or Reduction of FEGLI
5. Designating a Beneficiary
6. Costs
7. Death Claims

Eligibility

Most federal employees are eligible for FEGLI unless their position is excluded by law or regulation. Employees are automatically enrolled in BASIC insurance when they start their job. The premium is paid pre-tax and taken from the employee's pay.

Enrollment

Eligible employees have 60 days from entering their position to decide if they want to elect Optional Insurance in addition to their Basic Insurance. They can also enroll in Basic or Optional Insurance, or make changes within 60 days after a life event (marriage, divorce, death of a spouse, acquiring a new child, etc.)

Employees can enroll or change their elections during a FEGLI Open Season however, FEGLI Open Seasons are held very infrequently. The last Open Season was held in September 2016 and the one before was in 2004. If an employee does not make life insurance elections within 60 days of coming on board, waives their Basic Insurance or does not enroll or change their coverage within 60 days of a life event they must provide a SF 2817 to their human resources office and undergo a physical exam to request coverage.

Basic Insurance and Options A, B & C

Basic: An employee is automatically enrolled in Basic Insurance unless they waive coverage. The Government pays one-third of the premium cost for Basic and the employee pays two-thirds. BASIC insurance is equal to the greater of (a) your annual rate of basic pay rounded up to the next even \$1000 plus \$2,000 or (b) \$10,000.

Basic insurance also provides an Extra Benefit to employees under age 45, at no additional cost. This Extra Benefit doubles the amount of Basic insurance payable if you die when you are age 35 or younger. The Extra Benefit decreases 10% each year until there is no Extra Benefit if you die at age 45 or older.

Option A: This Option provides a flat \$10,000 in coverage. Sometimes this is considered insurance to cover the cost of a funeral or cremation. However, the beneficiary will receive the \$10,000 and may use it as they choose.

Option B: Option B coverage is an employee's salary, rounded up to the next thousand and multiplied by 1 to 5 times.

Option C: This Option is life insurance coverage for a spouse and children.

It is \$5,000 for a spouse and \$2,500 for children. The employee also has the ability to elect multiples from 1 to 5 times the base amount. The maximum amount would be \$25,000 for a spouse and \$12,500 for children.

Employees may select any number of options however, they must be enrolled in the Basic insurance program to take advantage of these offers.

Cancellation or Reduction of FEGLI

Employees

An employee can cancel, waive, or reduce their insurance coverage at any time. Employees can use their agency's electronic enrollment system or submit form SF 2817 to their human resources office.

An employee can revoke a waiver and obtain Basic insurance and/or Options A, B, and C if they have a Qualifying Life Event (QLE). To cancel the waiver and obtain Basic insurance and/or Options A and B outside of a QLE the employee must provide satisfactory medical information at their own expense and at least one year must have passed since the effective date of the waiver. The employee can do this by completing a Request of Insurance (SF 2822).

If OFGELI approves the request the employee will automatically get Basic insurance (unless of course they already have Basic). The employee will have 31 days from the approved date to elect Option A and/or Option B. Employees cannot elect Option C or increase Option C multiples by providing medical information. Employees can only enroll in Option C based on a qualifying life event.

Retirees

A retiree can cancel or reduce their insurance coverage at any time. The cancellation or reduction must be in writing and have an original signature by the insured retiree. The letter must include the retiree's retirement claim number (CSA) or Social Security Number (SSN) and specify what action to take. Retirees cannot increase their coverage after retirement and once the insurance coverage is cancelled they cannot get it back.

An election must be in writing and mailed to:

U.S. Office of Personnel Management
Retirement Operations Center
P.O. Box 45
Boyers, PA 16017-0045

Designating a Beneficiary

It is extremely important that FEGLI participants complete the Designation of Beneficiary Form (SF 2823) and make sure to review the form periodically to ensure that their life insurance will be distributed as intended. If a Designation of Beneficiary Form is not completed then the insurance funds will be distributed in accordance with the order of precedence.

The order of precedence is:

To a designee in accordance with a court order or to an assigned entity;

to the widow or widower;

if none, to the child or children in equal shares, with the share of any deceased child distributed among that child's descendants;

if none, to the parents in equal shares or the entire amount to the surviving parent;

if none, to the executor or administrator of your estate;

if none, to the next of kin under the laws of the State where the deceased lived at the time of their death.

Completing the SF 2823 is important if the insured wants the benefits paid to a trust established for minor children, if they want the benefits paid in a different order than listed, or if they want the benefits paid to a person or organization not listed in the order of precedence.

The SF 2823 must be signed and witnessed (signed) by two persons who are not named as beneficiaries. The employee must provide the form to their employing office, and retiree and employees receiving workers' compensation must submit their form to OPM.

Costs

The cost of Basic insurance is shared between the employee and the Government. The employee pays 2/3 of the total cost and the Government pays 1/3. Age does not affect the cost of Basic insurance. However, age does effect the cost of Optional Insurance and the employee pays the full premium.

The [FEGLI Calculator](#) on the OPM website allows employees to determine the face value of various combinations of FEGLI coverage; calculate premiums for the various combinations of coverage; see how choosing different Options can change the amount of life insurance and the premium withholdings; and see how the life insurance carried into retirement will change over time.