



Benefits Administration Letter

Number: 15- 203

Date: August 7, 2015

Subject: Federal Employees' Group Life Insurance Program (FEGLI) Life Insurance Open Season and Premium Changes

Purpose

The purpose of this Benefits Administration Letter (BAL) is to notify agencies of an upcoming Federal Employees' Group Life Insurance Program (FEGLI) Open Season and issue new FEGLI premiums.

FEGLI Open Season

OPM will hold a FEGLI Open Season from September 1, 2016 through September 30, 2016. During this time, eligible employees can elect or increase their FEGLI life insurance by submitting an election to their human resources office. Eligible employees may elect changes by electronic means where this option is available through their employing agency. Subject to FEGLI law and regulation, including applicable pay and duty status requirements, the effective date for changes to FEGLI coverage under an Open Season election will be delayed one full year to the beginning of the first full pay period on or after October 1, 2017.

Annuitants can never increase their FEGLI coverage, even during a FEGLI Open Season. As a reminder, employees and annuitants can reduce or cancel FEGLI at any time. Enrollees who are satisfied with their current FEGLI coverage do not need to make any elections during the FEGLI Open Season.

New FEGLI Premiums

Effective January 1, 2016, FEGLI premium rates will change for some types of coverage. There will be no changes to the premium rates for Basic Insurance for employees. Most premium rates for Option A, Option B, and Option C will decrease. Premium rates for Post-Retirement Basic Insurance with 50% Reduction and No Reduction will increase. Premium rates for older age bands of Options B and C will increase. The full list of FEGLI premium rates effective January 1, 2016 is included in Attachment 1.

Effective Date

The effective date for the new premiums is January 1, 2016. Payroll offices must apply the new premiums the first pay period beginning on or after that date.

Payroll Office Notification

OPM's Financial Reporting and Analysis Staff will notify payroll offices of the new premiums through a BAL in the 300 series.

UPDATED INFORMATION ON THE WEB

A notice describing these changes is available in the Federal Register.

(<https://federalregister.gov/a/2015-19398>) The FEGLI premium rates will be updated on the FEGLI web site (www.opm.gov/insure/life) in January 2016.

We will update the FEGLI Handbook to reflect the new information. Until the updates are ready, employees should be informed of the changes by their agency.

If you have any questions regarding this Benefits Administration Letter please contact Delon Pinto, Senior Policy Analyst, Planning and Policy Analysis at (202) 606-1560 or email Delon.Pinto@opm.gov.

Sincerely,

John O'Brien
Director
Healthcare and Insurance

Attachment 1

Federal Employees' Group Life Insurance Program (FEGLI) Premium Rates

The FEGLI rates effective January 1, 2016 are as follows.

Employee Basic Insurance (per \$1,000 of insurance)

The US Postal Service pays the Employee share plus the Government share for its eligible employees. The premiums for compensationers who are paid every four weeks are two times the biweekly premium.

	Bi-Weekly	Monthly
Employee	\$0.1500	\$0.3250
Government	\$0.0750	\$0.1625
Total	\$0.2250	\$0.4875

Post-Retirement Basic Insurance for Annuitants (Monthly Rate per \$1,000 of insurance)

	Before Age 65	After Age 65
75% Reduction	\$0.3250	No cost
50% Reduction	\$1.0350	\$0.71
No Reduction	\$2.4550	\$2.13

Post-Retirement Basic Insurance for Compensationers (Withholding Every Four Weeks per \$1,000 of insurance)

	Before Age 65	After Age 65
75% Reduction	\$0.30	No cost
50% Reduction	\$0.96	\$0.66
No Reduction	\$2.27	\$1.97

Option A (for \$10,000 of insurance)

The premiums for compensationers who are paid every four weeks are two times the biweekly premium.

Age Band	Bi-Weekly	Monthly
< 35	\$0.20	\$0.43
35 – 39	\$0.30	\$0.65
40 – 44	\$0.40	\$0.87
45 – 49	\$0.70	\$1.52
50 – 54	\$1.10	\$2.38
55 – 59	\$2.00	\$4.33
60 +	\$6.00	\$13.00

Option B (per \$1,000 of insurance)

The premiums for compensationers who are paid every four weeks are two times the biweekly premium.

Age Band	Bi-Weekly	Monthly
< 35	\$0.02	\$0.043
35 – 39	\$0.03	\$0.065
40 – 44	\$0.04	\$0.087
45 – 49	\$0.07	\$0.152
50 – 54	\$0.11	\$0.238
55 – 59	\$0.20	\$0.433
60 – 64	\$0.44	\$0.953
65 – 69	\$0.54	\$1.170
70 – 74	\$0.96	\$2.080

75 – 79	\$1.80	\$3.900
80 +	\$2.64	\$5.720

Option C (per multiple of insurance)

The premiums for compensationers who are paid every four weeks are two times the biweekly premium.

Age Band	Bi-Weekly	Monthly
< 35	\$0.22	\$0.48
35 – 39	\$0.27	\$0.59
40 – 44	\$0.41	\$0.89
45 – 49	\$0.59	\$1.28
50 – 54	\$0.92	\$1.99
55 – 59	\$1.48	\$3.21
60 – 64	\$2.70	\$5.85
65 – 69	\$3.14	\$6.80
70 – 74	\$3.83	\$8.30
75 – 79	\$5.26	\$11.40
80 +	\$7.20	\$15.60