

Federal Employees' Group Life Insurance

The Federal Government established the Federal Employees' Group Life Insurance (FEGLI) Program on August 29, 1954. It is the largest group life insurance program in the world, covering over 4 million Federal employees and retirees, as well as many of their family members.

Most employees are eligible for FEGLI coverage. FEGLI provides term life insurance. As such, it does not build up any cash value or paid-up value. It consists of Basic life insurance coverage and three options. In most cases, if you are a new Federal employee, you are automatically covered by Basic life insurance and your payroll office deducts premiums from your paycheck unless you waive the coverage. In addition to the Basic, there are three forms of Optional insurance you can elect. You must have Basic insurance in order to elect any of the options. Unlike Basic, enrollment in Optional insurance is not automatic -- you must take action to elect the options.

The cost of Basic insurance is shared between you and the Government. You pay 2/3 of the total cost and the Government pays 1/3. Your age does not affect the cost of Basic insurance. You pay the full cost of Optional insurance, and the cost depends on your age.

New permanent employees on their initial appointment are automatically covered with basic insurance on the first day in pay status. All new employees need to complete an SF-2817, Life Insurance Election, within 60 days of appointment.

These employees have the following options:

- Elect basic coverage and any or all of the options, or
- Waive all insurance coverage

The Federal Employees Group Life Insurance Booklet, RI 76-21, provides further information and explains premiums and amount of coverage for basic and optional

insurance. To figure out the amount of insurance coverage, use the worksheet in RI 76-21 or go online to <http://www.opm.gov/insure/life/> to the FEGLI calculator.

FEGLI coverage stops upon separation from Federal service unless coverage continues into retirement or through Worker's Compensation. Upon separation, temporary coverage continues for 31 days. During the 31-day period, you may convert to an individual policy as described in the SF-2819, Notice of Conversion Privilege.

If an SF-2823, Designation of Beneficiary, is not on file in your Official Personnel File (OPF), benefits are payable to the surviving person(s) in the following order of precedence:

- To the Widow or Widower,
- If neither of the above, to the child or children, with the share of any deceased child distributed among the descendants of that child,
- If none of the above, to the parents in equal shares or the entire amount to the surviving parent,
- If none of the above, to the executor or administrator of the estate,
- If none of the above, to the other next of kin who are entitled under the laws or the domicile of the insured at the date of death

If you wish to change the above order send a completed SF-2823 to the Human Resources Staff (GP-1250). The beneficiaries listed on the SF-2823 take precedence over a will, but do not take precedence over a court order. It is recommended that you periodically check the beneficiary forms that are on file, especially if you have a change in marital status.
