

Federal Benefits: Insurance Programs



Bureau of Indian Education
Human Resources Office
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What insurance programs are available to employees?

- Federal Employees Group Life Insurance (FGLI)
- Employee Benevolent Fund (EBF)
- Federal Employees Health Benefit (FEHB)
 - Health Reimbursement Arrangement (HRA)
 - Health Savings Account (HSA)
- Federal Employees Dental & Vision Insurance Program (FEDVIP)
- Flexible Spending Accounts (FSA)
- Long Term Care (LTC)

Key points to remember:

- Automatic vs. Voluntary
- Employee share & Government Share
- Open Season(s) & Deadlines
- Forms & Online tools
- Employee and Employer responsibilities

Federal Employees Group Life Insurance (FEGLI)



Benefit program effective since August 1954.

Group Life Insurance policy administered by a unit of Metropolitan Life Insurance Company thru a contract with OPM.

FEGLI: What is it?

- Defined as group term insurance without medical examination to be covered
- Policy has no cash value and does not allow for policyholder to borrow against the policy
- Includes accidental & dismemberment insurance
- Premiums are set according to group rates
(premiums for optional insurance are age-based)

FEGLI: Basic coverage

- ✓ coverage for the employee
- ✓ automatic unless waived in writing
(SF-2817)
- ✓ coverage begins first day in pay status
- ✓ 1/3 paid by Government & 2/3 paid by employee

FEGLI: How does Basic coverage impact my paycheck?

- ✓ coverage= to annual pay (rounded up + \$2000) or \$10,000
- ✓ not age-based
- ✓ bi-weekly cost is .155¢ per \$1,000 of coverage

FEGLI: Basic Coverage has Extra Benefit

- ✓ Applies to those under age 45
- ✓ no additional cost
- ✓ if 35 or younger, it doubles the basic coverage amount, but at age 36, it begins to decrease by 10% per year

FEGLI: Optional Coverage

- Option A – Standard \$10,000 of coverage
- Option B – Multiples of Basic coverage
- Option C – Family coverage (multiples)

- MUST have Basic coverage to elect
- Employee pays 100% of premiums
- Newly eligible employee has 60 days to make election (SF-2817)

FEGLI: Option A and Option B

Option A - Standard Option of additional \$10,000 of coverage & the cost is age-based

Option B – Multiples of coverage based on annual salary (1 to 5 times pay)

The cost is age-based & at a set rate per \$1,000 of additional coverage

FEGLI: Option C

Option C – Family coverage of spouse & eligible children

- Coverage is \$5,000 for spouse and \$2,500 for each eligible child
- Can elect multiples of 1 to 5 times, CAN NOT mix & match
- Can NOT designate other beneficiary for this benefit
- Cost is per multiple and based on employee's age

FEGLI: Who can be an eligible child?

Definition of Eligible Child

- natural, adopted, foster, or step child
- grandchildren can qualify as a foster child if all requirements are met & completed form is signed/filed with HRO
- child is unmarried and under age 22
- if child is over 22, must be incapable of self support due to a physical/mental disability that existed before he/she reached age 22

FEGLI: Accidental Death & Dismemberment

Included as part of Basic or Basic & Option A
at no additional cost

Benefits are payable if death or loss of
limb/eyesight occurs within one year of
accident or as a direct result

FEGLI: Forms and Online Tools

- SF-2817, Election Form
- SF-2823, Designation of Beneficiary form
- www.opm.gov (check out Life Insurance)
- Online calculator to try out different scenarios to see coverage amount and cost

FEGLI: What if I am already an employee?

- Current employees can elect coverage when:
 - ✓ Open Season – rarely happens (change in legislation affecting FEGLI)
 - ✓ Life Event – marriage/divorce, death of spouse/child, birth/adoption of child (applies only to Option B & Option C)
 - ✓ Medical Exam – employee pays for exam & doctor forwards to OFEGLI for approval (applies only to Basic, Option A & Option B – uses SF-2822)

Employee Alert!



- OFEGLI does not contact employees about “upgrading” or “better deals”
- OFEGLI does not call employees to solicit business or visit to conduct medical exams

Employee Benevolent Fund (EBF)

- Voluntary participation
- No government share
- Insurance program provides immediate cash (w/in 24 hours of notification)
- Contract Education employees are NOT eligible to enroll in EBF



Employee Benevolent Fund (EBF)

- 2 coverage options
 - Coverage of \$17,500/cost \$39 annually
 - Coverage of \$35,000/cost \$78.00 annually
- No payroll deduction option, full payment at beginning of year

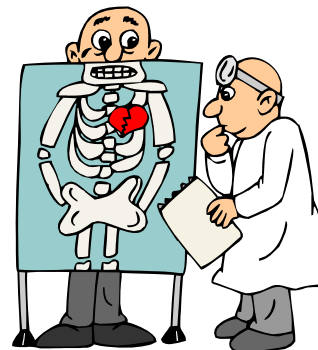
EBF: Forms & Online Tools

- Newly eligible can enroll within 60 days
- Online enrollment (sambaplans.com)
- Current Employees: Open Enrollment periods determined by Department & SambaPlans
 - 1st Open enrollment was January-March 2013
 - 2nd Open enrollment was March 2017

Federal Employees Health Benefit (FEHB)

Government-wide contract with specific providers for Health Care services.

Over 250 health plans – nation-wide and HMOs.



FEHB: What is it?

- Voluntary participation
- Pre-tax benefit
- Enrollment without medical examination or restrictions to current health or pre-existing condition
- Meets Minimum Essential Coverage under Affordable Care Act.

FEHB: How does it impact my paycheck?

- Employee pays about 25% and Gov't pays about 72-75%
- Part-time employees pay a greater share (pro-rated for hours worked)
- Allows the following enrollment options
 - Self
 - Self plus one
 - Self plus family

FEHB: How does it impact my paycheck?

- Pre-tax benefit (aka premium conversion)
- Premium conversion can be waived at initial enrollment or during Open Season
- Pre-tax benefit usually means savings in take-home pay due to lesser amount being taxed
- Pre-tax benefit has limitations on changing or canceling coverage outside an Open Season period or “Qualifying Life Event”

FEHB: Who is eligible?

- School Year & Year Long
- Temporary employees (emergency, temporary or short-term contract) if expected to work at least 90 days
- Intermittent if expectation to work at least 130 hours per month and work at least 90 days

FEHB: Family Members

- An eligible family member may be either your spouse (including a valid common law marriage) and children under age 26, including legally adopted children, recognized natural (born out of wedlock) children and stepchildren .
- To include foster children, **MUST** submit Self Certification form along with SF-2809

FEHB: HRA & HSA

- High deductible plans have options to create a Health Reimbursement Arrangement or Health Savings Account
- Have higher annual deductibles
- Must meet deductible before plan pays
- Portion of premium goes into HRA or HSA which can be used to pay deductible

FEHB: Deadline

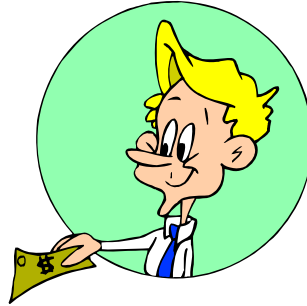
- Newly eligible employees can enroll within 60 days of appointment
 - Must be in Pay & Duty status
- Current employees can enroll during Open Season or according to “QLE” rules
 - QLEs are listed on SF2809
- Annual Open Season is November to December

FEHB: Forms and Online Tools

- SF-2809 to elect coverage
- During Open Season, can enroll online at www.employeeexpress.gov
- **www.opm.gov** (check out Healthcare)
 - Compare Plans tools allows to view multiple providers side-by-side
 - Online access to provider summary booklets
- To include foster children, submit Self Certification form along with SF-2809

Flexible Spending Accounts (FSA)

A benefit program administered by WageWorks, Inc., establishing two types of “savings” accounts to set aside pre-tax dollars for certain expenses.



FSA: What is it?

- Voluntary participation
- Only employee contributes
- Need not be enrolled in FEHB to participate, simply FEHB eligible
- Pre-tax benefit – no change allowed during Plan Year unless a “Qualified Status Change”
- 2 types: healthcare & dependent care

FSA: Who is eligible?

- Need not be enrolled in FEHB to participate, simply FEHB eligible
 - Temporary employees (emergency, temporary or short term contract) over 90 days
 - Intermittent employees with 130-hrs expectation and over 90 days on appt
- Pre-tax benefit – no change allowed during Plan Year unless a “Qualified Status Change”

FSA: How does it work?

- Plan year is January 1 to December 31
- Re-enroll each year
- Payments are reimbursement for out-of-pocket expenses
 - Paperless reimbursement option available
 - Submit claims via fax, online, or fax

FSA: Health Care FSA

- Covers employee, spouse and children through the year they turn 26
- For health care expenses not paid by HB plan or other insurance
- MUST re-enroll each year
- Can carry over \$500 to following year's FSA account
- Minimum amount \$100, Maximum amount \$2,700 per participant
- Total annual election is available on Day 1

FSA: Limited Expense Health Care FSA

- Enrolled in or covered by High Deductible Health Plan with an HSA
- ONLY for eligible dental and vision expenses not paid by FEHB, FEDVIP or other insurance
- MUST re-enroll each year
- Can carry over \$500 to following year's FSA account
- Minimum amount \$100, Maximum amount \$2,700
- Total annual election is available on Day 1

FSA: Dependent Care FSA

- Eligible child and adult day car
 - Children under age 13
 - Any adult who is
 - Incapable of self support
 - Tax dependent
 - Lives with you for more than half of the year
- Employee or spouse must work, look for work, or attend school full-time
- Employee & spouse must each earn income during the year (exception attending school FT)

FSA: Dependent Care FSA

- Temporary employees can participate
- Grace period – 2 ½ months added to plan year to incur expenses
- Minimum \$100, Maximum \$2,500
- Only current account balance is available for reimbursement

FSA: Forms & Online Tools

- New employees can enroll within 60 days of appointment
- Must re-enroll each year
- Open Season coincides with FEHB Open Season (November – December)
- **www.fsafeds.com**
- 1-877-372-3337

Federal Employees Dental & Vision Insurance Program (FEDVIP)



- Since 2006 program offers dental and vision benefits to Federal employees, annuitants, and dependents
- _____ dental plans
- _____ vision plans

FEDVIP: Who is Eligible?

- Federal employees who are eligible to participate in the FEHB are eligible
 - Do NOT have to be enrolled in FEHB
 - Temporary employees (short term, temporary, or emergency contract) are NOT eligible
 - Intermittent employees are not eligible
- Eligible family members include spouse and unmarried dependent children under age 22

FEDVIP: What is it?

- Offers following enrollment options:
 - Self
 - Self plus one
 - Self plus family

FEDVIP: What is it?

- Dental has 4 levels of service
 - Basic
 - Intermediate
 - Major
 - Orthodontia
- Vision
 - Comprehensive Examinations
 - Lenses
 - Frames or contact lenses

FEDVIP: Forms & Online Tools

- New employees can enroll within 60 days of appointment
- Current employees if experience Qualifying Life Event (return from active military duty or loss of current coverage)
- Open Season coincides with FEHB Open Season (November – December)
- **www.BENEFEDS.com**
- 1-877-888-3337

Long Term Care Insurance Program (LTCIP)

Benefit program provided by a partnership of LTC Partners, Inc. for employees to purchase Term Care Insurance to provide “care services” during extended absences.



LTCIP: What is it?

- Voluntary participation
- Employee pays 100% of premiums
- Care services for individuals unable to care for themselves due to chronic mental or physical condition
- Services such as nursing home, assisted living facilities, adult day care, home health care, etc.

LTC: How does it work?

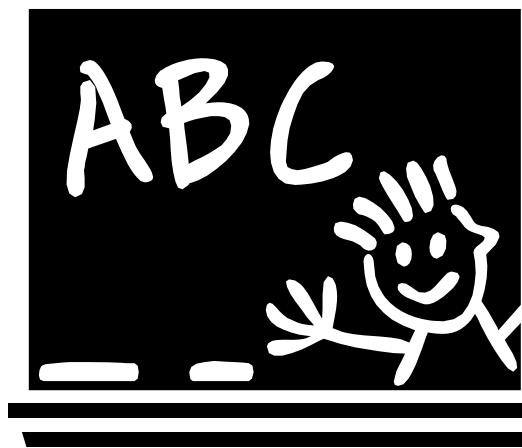
- Covered costs such as diagnostic, rehabilitative, therapeutic, personal care, etc.
- Eligible participants can be the employee, his/her spouse, domestic partner, parents, parents-in-law, step-parents, adult children of at least age 18

LTC: How does it work?

- Plan options define premium amount
 - Facilities only or Comprehensive
 - Daily Benefit
 - Future Purchase Option or Automatic Compound
 - Benefit Period
- Online calculator allows to compare plans
- Online Service Survey allows to determine how much the cost of such services in a particular State

LTC: Forms & Online Tools

- New employees can enroll within 60 days of appointment using “abbreviated underwriting”
- Current employees can enroll using the “full underwriting” application
- No Open Seasons determined at this time
- www.ltcfeds.com



Questions?

Email us at Benefits@bie.edu