

not to renew will become final without further notification.

[57 FR 19374, May 6, 1992]

### Subpart C—Enrollment

#### § 890.301 Opportunities for employees who are not participants in premium conversion to enroll or change enrollment; effective dates.

(a) *Initial opportunity to enroll.* An employee who becomes eligible may elect to enroll or not to enroll within 60 days after becoming eligible.

(b) *Effective date—generally.* Except as otherwise provided, an enrollment or change of enrollment takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request to enroll or change the enrollment and that follows a pay period during any part of which the employee is in pay status.

(c) *Belated enrollment.* When an employing office determines that an employee was unable, for cause beyond his or her control, to enroll or change the enrollment within the time limits prescribed by this section, the employee may enroll or change the enrollment within 60 days after the employing office advises the employee of its determination.

(d) *Enrollment by proxy.* Subject to the discretion of the employing office, an employee's representative, having written authorization to do so, may enroll or change the enrollment for the employee.

(e) *Change to self only.* (1) Subject to two exceptions, an employee may change the enrollment from self and family to self only at any time. *Exceptions:*

(i) An employee participating in health insurance premium conversion may change to self only during an open season or because of and consistent with a qualifying life event as defined in Part 892 of this chapter.

(ii) An employee who is subject to a court or administrative order as discussed in § 890.301(g)(3) may not make this change as long as the court or administrative order is still in effect and the employee has at least one child identified in the order who is still eligible under the FEHB Program, unless

the employee provides documentation to the agency that he or she has other coverage for the child(ren).

(2) A change of enrollment to self only takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request to change the enrollment, except that at the request of the employee and upon a showing satisfactory to the employing office that there was no family member eligible for coverage by the family enrollment, the employing office may make the change effective on the first day of the pay period following the one in which there was no family member.

(f) *Open season.* (1) An open season will be held each year from the Monday of the second full workweek in November through the Monday of the second full workweek in December.

(2) The Director of the Office of Personnel Management may modify the dates specified in paragraph (f)(1) of this section or hold additional open seasons.

(3) With one exception, during an open season, an eligible employee may enroll and an enrolled employee may change his or her existing enrollment from self only to self and family, may change from one plan or option to another, or may make any combination of these changes. *Exception:* An employee who is subject to a court or administrative order as discussed in § 890.301(g)(3) may not cancel his or her enrollment, change to self only, or change to a comprehensive medical plan that does not serve the area where his or her child or children live as long as the court or administrative order is still in effect and the employee has at least one child identified in the order who is still eligible under the FEHB Program, unless the employee provides documentation to the agency that he or she has other coverage for the child(ren).

(4)(i) An open season new enrollment takes effect on the first day of the first pay period that begins in the next following year and which follows a pay period during any part of which the employee is in a pay status.

(ii) An open season change of enrollment takes effect on the first day of

the first pay period which begins in January of the next following year.

(5) When a belated open season enrollment or change of enrollment is accepted by the employing office under paragraph (c) of this section, it takes effect as required by paragraph (f)(4) of this section.

(g) *Change in family status.* (1) An eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the employee's family status changes, including a change in marital status or any other change in family status. The employee must enroll or change the enrollment within the period beginning 31 days before the date of the change in family status, and ending 60 days after the date of the change in family status.

(2) An enrollment or change of enrollment made in conjunction with the birth of a child, or the addition of a child as a new family member in some other manner, takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(3)(i) If an employing office receives a court or administrative order on or after October 30, 2000, requiring an employee to provide health benefits for his or her child or children, the employing office will determine if the employee has a self and family enrollment in a health benefits plan that provides full benefits in the area where the child or children live. If the employee does not have the required enrollment, the agency must notify him or her that it has received the court or administrative order and give the employee until the end of the following pay period to change his or her enrollment or provide documentation to the employing office that he or she has other coverage for the child or children. If the employee does not comply within these time frames, the employing office must enroll the employee involuntarily as stated in paragraph (g)(3)(ii) of this section.

(ii) If the employee is not enrolled or does not enroll, the agency must enroll him or her for self and family coverage in the option that provides the lower

level of coverage in the Service Benefit Plan. If the employee has a self only enrollment, the employing office must change the enrollment to self and family in the same option and plan, as long as the plan provides full benefits in the area where the child or children live. If the employee is enrolled in a comprehensive medical plan that does not serve the area in which the child or children live, the employing office must change the enrollment to self and family in the option that provides the lower level of coverage in the Service Benefit Plan.

(4) Subject to two exceptions, the effective date of an involuntary enrollment under paragraph (g)(3) of this section is the 1st day of the pay period that begins after the date the employing office completes the enrollment request. *Exceptions:*

(i) If the court or administrative order requires an earlier effective date, the effective date will be the 1st day of the pay period that includes that date. Effective dates may not be retroactive to a date more than 2 years earlier, or prior to October 30, 2000.

(ii) If after an involuntary enrollment becomes effective and the employing office finds that circumstances beyond the employee's control prevented him or her from enrolling or changing the enrollment within the time limits in this section, the employee may change the enrollment prospectively within 60 days after the employing office advises the employee of its finding.

(h) *Change in employment status.* An eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the employee's employment status changes. Except as otherwise provided, an employee must enroll or change the enrollment within 60 days after the change in employment status. Employment status changes include, but are not limited to—

(1) A return to pay status following loss of coverage under either—

(i) Section 890.304(a)(1)(v) due to the expiration of 365 days in leave without pay (LWOP) status, or

(ii) Section 890.502(b)(5) due to the termination of coverage during LWOP status.

(2) Reemployment after a break in service of more than 3 days.

(3) Restoration to a civilian position after serving in the uniformed services under conditions that entitle him or her to benefits under part 353 of this chapter, or similar authority.

(4) A change from a temporary appointment in which the employee is eligible to enroll under 5 U.S.C. 8906a, which requires payment of the full premium with no Government contribution, to an appointment that entitles the employee to receive the Government contribution.

(5) Separation from Federal employment when the employee or the employee's spouse is pregnant and the employee supplies medical documentation of the pregnancy. An employee who enrolls or changes the enrollment under this paragraph (h)(5) must do so during his or her final pay period. The effective date of an enrollment or a change of enrollment under this paragraph (h)(5) is the first day of the pay period which the employing office receives an appropriate request to enroll or change the enrollment.

(6) A transfer from a post of duty within a State of the United States or the District of Columbia to a post of duty outside a State of the United States or the District of Columbia, or the reverse. An employee who enrolls or changes the enrollment under this paragraph (h)(6) must do so within the period beginning 31 days before leaving the old post of duty and ending 60 days after arriving at the new post of duty.

(7) A change, without a break in service or after a separation of 3 days or less, to part-time career employment as defined in 5 U.S.C. 3401(2) and 5 CFR part 340, subpart B, or a change from such part-time career employment to full-time employment that entitles the employee to the full Government contribution.

(i) *Loss of coverage under this part or under another group insurance plan.* An eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these

changes when the employee or an eligible family member of the employee loses coverage under this part or another group health benefits plan. Except as otherwise provided, an employee must enroll or change the enrollment within the period beginning 31 days before the date of loss of coverage, and ending 60 days after the date of loss of coverage. Losses of coverage include, but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or a change to self only, of the covering enrollment.

(2) Loss of coverage under another federally-sponsored health benefits program.

(3) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan.

(4) Loss of coverage due to the discontinuance of an FEHB plan in whole or in part. For an employee who loses coverage under this paragraph (i)(4):

(i) If the discontinuance is at the end of a contract year, the employee must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the employee to change the enrollment.

(ii) If the whole plan is discontinued, an employee who does not change the enrollment within the time set is considered to have canceled the plan in which enrolled.

(iii) If one option of a plan that has two options is discontinued, an employee who does not change the enrollment is considered to be enrolled in the remaining option of the plan.

(iv) If the discontinuance of the plan, whether permanent or temporary, is due to a disaster, an employee must change the enrollment within 60 days of the disaster, as announced by OPM. If an employee does not change the enrollment within the time frame announced by OPM, the employee will be considered to be enrolled in the standard option of the Blue Cross and Blue Shield Service Benefit Plan. The effective date of enrollment changes under this provision will be set by OPM when

it makes the announcement allowing such changes.

(5) Loss of coverage under the Medicaid program or similar State-sponsored program of medical assistance for the needy.

(6) Loss of coverage under a non-Federal health plan because an employee moves out of the commuting area to accept another position and the employee's non-federally employed spouse terminates employment to accompany the employee. An employee may enroll or change the enrollment within the period beginning 31 days before the date the employee leaves employment in the old commuting area and ending 180 days after entry on duty at place of employment in the new commuting area.

(7) Loss of coverage under a non-Federal health plan.

(j) *Move from comprehensive medical plan's area.* An employee in a comprehensive medical plan who moves or becomes employed outside the geographic area from which the plan accepts enrollments, or if already outside this area, moves or becomes employed further from this area, may change the enrollment upon notifying the employing office of the move or change of place of employment. Similarly, an employee whose covered family member moves outside the geographic area from which the plan accepts enrollments, or if already outside this area, moves further from this area, may change the enrollment upon notifying the employing office of the family member's move. The change of enrollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(k) *On becoming eligible for Medicare.* An employee may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

(l) *Salary of temporary employee insufficient to pay withholdings.* If the salary of a temporary employee eligible under 5 U.S.C. 8906a is not sufficient to pay

the withholdings for the plan in which the employee is enrolled, the employing office shall notify the employee of the plans available at a cost that does not exceed the employee's salary. The employee may enroll in another plan whose cost is no greater than his or her salary within 60 days after receiving such notification from the employing office. The change of enrollment takes effect immediately upon termination of the prior enrollment.

(m) An employee or eligible family member becomes eligible for premium assistance under Medicaid or a State Children's Health Insurance Program (CHIP). An eligible employee may enroll and an enrolled employee may change his or her enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the employee or an eligible family member of the employee becomes eligible for premium assistance under a Medicaid plan or CHIP. An employee must enroll or change his or her enrollment within 60 days after the date the employee or family member is determined to be eligible for assistance.

[62 FR 38435, July 18, 1997; 62 FR 49557, Sept. 22, 1997, as amended at 65 FR 44646, July 19, 2000; 68 FR 56524, Oct. 1, 2003; 69 FR 56928, Sept. 23, 2004; 72 FR 1912, Jan. 17, 2007; 75 FR 76616, Dec. 9, 2010]

#### § 890.302 Coverage of family members.

(a)(1) An enrollment for self and family includes all family members who are eligible to be covered by the enrollment. Except as provided in paragraphs (a) (2), (3), and (4) of this section, no employee, former employee, annuitant, child, or former spouse may enroll or be covered as a family member if he or she is covered under another person's self and family enrollment in the FEHB Program.

(2) *Dual enrollment—spouse.* (i) To protect the interests of the children, an employee or annuitant may enroll in his or her own right in a self and family enrollment even though his or her spouse also has a self and family enrollment. Generally, such dual enrollments are permitted only where two employees or annuitants are married, each with children from prior marriages who do not live with them, or

are legally separated, with each spouse retaining custody of his or her own children by a prior marriage. To ensure that no person receives benefits under more than one enrollment, each enrollee must tell the insurance carrier which family members are covered under his or her enrollment. These individuals are not covered under the other enrollment.

(ii) To protect the interests of legally separated Federal employees, annuitants and their children, a legally separated employee or annuitant may enroll in his or her own right in a self only or self and family enrollment even though his or her spouse also has a self and family enrollment. To ensure that no person receives benefits under more than one enrollment, each enrollee must tell the insurance carrier which family members are covered under his or her enrollment. These individuals are not covered under the other enrollment.

(3) *Dual enrollment—child.* (i) When natural parents are divorced or legally separated and children are included as family members under the enrollment of both natural parents or of a natural parent and a step-parent, the children are entitled to receive benefits under only one enrollment. Each enrollee must notify his or her insurance carrier of the name(s) of the child(ren) to be covered under his or her enrollment that are not named under the other enrollment.

(ii) When an employee who is under age 22 and covered under a parent's self and family enrollment becomes the parent of a child, the employee may elect to enroll for self and family coverage. Because the employee is entitled to receive benefits under only one enrollment, each enrollee must notify his or her insurance carrier of the names of the persons to be covered under his or her enrollment that are not named under the other enrollment.

(4) *Dual enrollment—spouse and child.* Where a situation such as that in paragraph (a)(2) of this section occurs (that is, two employees or annuitants are married, but each has children from prior marriages who do not live with them) and there are also children who are the issue of the marriage, an employee or annuitant may enroll in his

or her own right in a self and family enrollment even though his or her spouse also has a self and family enrollment. Because no person is entitled to receive benefits under more than one enrollment, each enrollee must notify his or her insurance carrier of the names of the family members to be covered under his or her enrollment that are not covered under the other enrollment.

(b) *Proof of dependency.* (1) A child is considered to be dependent on an enrolled employee or annuitant or a former employee or child enrolled under § 890.1103 of this part if he or she is:

- (i) A legitimate child;
- (ii) An adopted child;
- (iii) A stepchild, foster child, or recognized natural child who lives with the enrollee in a regular parent-child relationship.
- (iv) A recognized natural child for whom a judicial determination of support has been obtained; or
- (v) A recognized natural child to whose support the enrollee makes regular and substantial contributions.

(2) The following are examples of proof of regular and substantial support. More than one of the following proofs may be required to show support of a recognized natural child who does not live with the enrollee in a regular parent-child relationship and for whom a judicial determination of support has not been obtained.

- (i) Evidence of eligibility as a dependent child for benefits under other State or Federal programs;
- (ii) Proof of inclusion of the child as a dependent on the enrollee's income tax returns;
- (iii) Canceled checks, money orders, or receipts for periodic payments from the enrollee for or on behalf of the child.
- (iv) Evidence of goods or services which show regular and substantial contributions of considerable value;
- (v) Any other evidence which OPM shall find to be sufficient proof of support or of paternity or maternity.

(c) *Exceptions.* Coverage as a family member may be denied:

- (1) If evidence shows that the enrollee did not recognize the child as his

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or her own, despite a willingness to support the child, or

(2) If evidence calls the child's paternity or maternity into doubt, despite the enrollee's recognition and support of the child.

(d) *Child incapable of self-support.* When an individual enrolls for a family that includes a child who has become 22 years of age and is incapable of self-support, the employing office must require such enrollee to submit a physician's certificate verifying the child's disability. The certificate must—

(1) State that the child is incapable of self-support because of a physical or mental disability that existed before the child became 22 years of age and that can be expected to continue for more than 1 year;

(2) Include a statement of the name of the child, the nature of the disability, the period of time it has existed, and its probable future course and duration; and,

(3) Be signed by the physician and show the physician's office address. The employing office must require the enrollee to submit the certificate on or before the date the child becomes 22 years of age. However, the employing office may accept otherwise satisfactory evidence of incapacity that is not timely filed.

(e) *Renewal of certificates of incapacity.* The employing office must require an enrollee who has submitted a certificate of incapacity to renew that certificate on the expiration of the minimum period of disability certified.

(f) *Determination of incapacity.* (1) Except as provided in paragraph (f)(2) of this section, the employing office shall make determinations of incapacity.

(2) Either the employing office or the carrier may make a determination of incapacity if a medical condition, as specified by OPM, exists that would cause a child to be incapable of self-support during adulthood.

(g) *Meaning of unmarried.* A child who has never married or whose marriage has been annulled, or a child who is di-

vorced or widowed is considered to be unmarried.

[33 FR 12510, Sept. 4, 1968, as amended at 43 FR 52460, Nov. 13, 1978; 45 FR 76088, Nov. 18, 1980; 46 FR 35082, July 7, 1981; 49 FR 1047, Jan. 9, 1984; 51 FR 15748, Apr. 28, 1986; 53 FR 45070, Nov. 8, 1988; 54 FR 52338, Dec. 21, 1989; 55 FR 22891, June 5, 1990; 59 FR 60296, Nov. 23, 1994; 62 FR 38437, July 18, 1997]

§ 890.303 Continuation of enrollment.

(a) *On transfer or retirement.* (1) Except as otherwise provided by this part, the enrollment of an employee or annuitant eligible to continue enrollment continues without change when he or she moves from one employing office to another, without a break in service of more than 3 days, whether the personnel action is designated as a transfer or not.

(2) In order for an employee to continue an enrollment as an annuitant, he or she must meet the participation requirements set forth at 8905(b) of title 5, United States Code, for continuing an enrollment as an annuitant as of the commencing date of his or her annuity or monthly compensation.

(3) For the purpose of this part, an employee is considered to have enrolled at his or her first opportunity if the employee enrolled during the first of the periods set forth in § 890.301 in which he or she was eligible to enroll or was covered at that time by the enrollment of another employee or annuitant, or whose enrollment was effective not later than December 31, 1964.

(4) Enrollment or eligibility for enrollment under subparts H or K of this part of an individual who is not an employee eligible for coverage under other provisions of this part is not considered in determining whether a retiring employee has met the participation requirements of § 8905(b) of title 5, U.S. Code. Coverage under subparts H or K of this part of an individual who is an employee eligible for coverage under other provisions of this part may be considered in determining whether a retiring employee has met the participation requirements.

(b) *Change of enrolled employees to certain excluded positions.* Employees and annuitants enrolled under this part who move, without a break in service or after a separation of 3 days or less,

to an employment in which they are excluded by § 890.102(c), continue to be enrolled unless excluded by paragraphs (c) (4), (5), (6), or (7) of § 890.102.

(c) *On death.* The enrollment of a deceased employee or annuitant who is enrolled for self and family (as opposed to self only) is transferred automatically to his or her eligible survivor annuitants. The enrollment is considered to be that of (1) the survivor annuitant from whose annuity all or the greatest portion of the withholding for health benefits is made or (2) the surviving spouse entitled to a basic employee death benefit. The enrollment covers members of the family of the deceased employee or annuitant. In those instances in which the annuity is split among surviving family members, multiple enrollments are allowed. A remarried spouse is not a member of the family of the deceased employee or annuitant unless annuity under section 8341 or 8442 of title 5, United States Code, continues after remarriage.

(d)(1) *Survivor annuitants.* If an employee who is entitled to health benefits coverage as a survivor annuitant elects to enroll or to continue to be enrolled under his eligibility as an employee, and is thereafter separated without entitlement to continued enrollment based on his own service, he is entitled to reinstatement of his employee-acquired enrollment on application to his retirement office. Reinstatement is effective immediately after termination of his employee-acquired enrollment if the application is received by the retirement office within 60 days of separation; otherwise reinstatement is effective on the first day of the first pay period after receipt of the application. The retirement office shall withhold from the annuity that the former employee receives as a survivor annuitant, the amounts necessary to pay his share of the cost of the enrollment.

(2) *Employee becomes a survivor annuitant.* (i) If an employee who is entitled to health benefits coverage as a survivor annuitant elects to enroll or to continue to be enrolled under his or her eligibility as an employee, and is thereafter separated without entitlement to continued enrollment based on his or her own service, the employee is

entitled to reinstatement of the enrollment as a survivor annuitant on application to the retirement office. Reinstatement as a survivor annuitant is effective on the day after the termination date of the employee-acquired enrollment if the application is received by the retirement office within 60 days of separation; otherwise, reinstatement is effective on the first day of the first pay period after receipt of the application. The retirement office shall withhold from the annuity that the former employee receives as a survivor annuitant the amounts necessary to pay the health benefits premium.

(ii) If the surviving spouse of a deceased employee or annuitant is enrolled as an employee with a self and family enrollment (or, if both the decedent and the surviving spouse were enrolled in a self only enrollment) at the time the surviving spouse becomes a survivor annuitant and the surviving spouse is thereafter separated without entitlement to continued enrollment as a retiree, the surviving spouse is entitled to enroll as a survivor annuitant. The change from coverage as an employee to coverage as a survivor annuitant must be made with 30 days of separation from service.

(iii) Except for an employee who meets the definition of former spouse under 5 U.S.C. 8901(10) based on an individual's deferred annuity under 5 U.S.C. 8341(h) or 8445(f), the employee survivor of an annuitant receiving deferred retirement benefits is not eligible for FEHB Program enrollment as a survivor annuitant and therefore may not enroll as a survivor annuitant based on coverage obtained as an employee.

(3) *Insurance interest survivor annuity.* A current spouse who is an insurable interest beneficiary under § 831.606(b) or § 842.605(b) of this title is eligible to continue health benefits enrollment as an insurable interest survivor annuitant so long as he or she was covered as a family member at the time of the annuitant's death. This entitlement applies even if the spouse is eligible for continued enrollment as a survivor annuitant under another section of 5 CFR parts 831 or 843. To prevent dual coverage, the spouse must be covered

under only one health benefits enrollment under this part.

(e) *In nonpay status.* (1) Except as otherwise provided by law, the enrollment of an employee continues while he/she is in nonpay status for up to 365 days. The 365 days' nonpay status may be continuous or broken by periods of less than 4 consecutive months in pay status. If an employee has at least 4 consecutive months in pay status after a period of nonpay status he/she is entitled to begin the 365 days' continuation of enrollment anew. For the purposes of this paragraph, 4 consecutive months in pay status means any 4-month period during which the employee is in pay status for at least part of each pay period.

(2) However, in the case of an employee who is employed under an OPM approved career-related work-study program under Schedule B of at least one year's duration and who is expected to be in a pay status during not less than one-third of the total period of time from the date of the first appointment to the completion of the work-study program, his/her enrollment continues while he/she is in nonpay status so long as he/she is participating in the work-study program.

(f) [Reserved]

(g) *Former spouse entitled to coverage as employee or member of family.* An individual entitled to health benefits as a former spouse who also has or becomes entitled to health benefits coverage as a Federal employee or as a family member under another enrollment under this part may defer or suspend coverage as a former spouse and continue his or her coverage as an employee or family member. The former spouse must have established entitlement to the health benefits coverage under § 890.803 of this part and filed all required documents with the employing office responsible for maintaining the former spouse enrollment within the time limits specified in § 890.805 of this part. The employing office shall note in the former spouse's file that the former spouse health benefits enrollment is being deferred or suspended until coverage as a Federal employee or as a family member ends. Upon loss of coverage as a Federal employee or as a family member, the individual is en-

titled to enroll or resume the enrollment as a former spouse, provided he or she remains eligible as such. A former spouse who enrolls because he or she lost coverage under another enrollment under this part for a reason other than cancellation must meet the requirements of § 890.301(g)(2). A former spouse who enrolls because he or she lost coverage under another enrollment under this part as a result of cancellation of the covering enrollment must meet the requirements of § 890.301(g)(4).

(h) *Temporary continuation of coverage.* Certain former employees who lose coverage because of a separation from Federal service, certain children who lose coverage because they cease to meet the requirements for coverage as children, and certain former spouses who lose coverage because their marriage to the enrollee ends and who are not eligible for coverage under subpart H of this part may elect temporary continuation of coverage under the provisions of subpart K of this part.

(i) *Service in the uniformed services.* (1) The enrollment of an individual who separates, enters military furlough, or is placed in nonpay status to serve in the uniformed services under conditions that entitle him or her to benefits under part 353 of this chapter, or similar authority, may continue for the 24-month period beginning on the date that the employee is placed on leave without pay or separated from service to perform active duty in the uniformed services, provided that the individual continues to be entitled to benefits under part 353 of this chapter, or similar authority. As provided for by 5 U.S.C. 8905(a), the continuation of enrollment for up to 24 months applies to employees called or ordered to active duty in support of a contingency operation on or after September 14, 2001. The enrollment of an employee who met the requirements of chapter 43 of title 38, United States Code, on or after December 10, 2004, may continue for the 24-month period beginning on the date that the employee is placed on leave without pay or separated from service to perform active duty in the uniformed services, provided that the employee continues to be entitled to continued coverage under part 353 of this chapter, or similar authority.



(2) An employee in nonpay status is entitled to continued coverage under paragraph (e) of this section if the employee's entitlement to benefits under part 353 of this chapter, or similar authority, ends before the expiration of 365 days in nonpay status.

(3) If the enrollment of an employee had terminated due to the expiration of 365 days in nonpay status or because of the employee's separation from service, it may be reinstated for the remainder of the 24-month period beginning on the date that the employee is placed on leave without pay or separated from service to perform active duty in the uniformed services, provided that the employee continues to be entitled to continued coverage under part 353 of this chapter, or similar authority.

[33 FR 12510, Sept. 4, 1968]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 890.303, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at [www.fdsys.gov](http://www.fdsys.gov).

#### § 890.304 Termination of enrollment.

(a) *Employees.* (1) An employee's enrollment terminates, subject to the temporary extension of coverage for conversion, at midnight of the earliest of the following dates:

(i) The last day of the pay period in which he/she is separated from the service other than by retirement under conditions entitling him/her to continue his/her enrollment.

(ii) The last day of the pay period in which he or she separates after meeting the requirements for an immediate annuity under § 842.204(a)(1) of this chapter, but postpones receipt of annuity as provided by § 842.204(c).

(iii) The last day of the pay period in which his employment status changes so that he is excluded from enrollment.

(iv) The last day of the pay period in which he dies, unless he leaves a member of the family entitled to continue enrollment as a survivor annuitant.

(v) The last day of the pay period which includes the day on which the continuation of enrollment under § 890.303(e) expires, or, if he/she is not entitled to any further continuation because he/she has not had 4 consecutive months of pay status since ex-

hausting his/her 365 days' continuation of coverage in nonpay status, the last day of his/her last pay period in pay status.

(vi) The day he or she is separated, furloughed, or placed on leave of absence to serve in the uniformed services under conditions entitling him or her to benefits under part 353 of this chapter, or similar authority, for the purpose of performing duty not limited to 30 days or less, provided the employee elects in writing to have the enrollment so terminated.

(vii) For an employee who separates to serve in the uniformed services under conditions entitling him or her to benefits under part 353 of this chapter, or similar authority, for the purpose of performing duty not limited to 30 days or less, the date that is 24 months after the date that the employee is placed on leave without pay or separated from service to perform active duty in the uniformed services, or the date entitlement to benefits under part 353 of this chapter, or similar authority, ends, whichever is earlier, unless the enrollment is terminated under paragraph (a)(1)(vi) of this section.

(viii) For an employee who is furloughed or placed on leave of absence under conditions entitling him or her to benefits under part 353 of this chapter, or similar authority, the date that is 24 months after the date that the employee is placed on leave without pay or separated from service to perform active duty to serve in the uniformed services, or the date entitlement to benefits under part 353 of this chapter, or similar authority, ends, whichever is earlier, but not earlier than the date the enrollment would otherwise terminate under paragraph (a)(1)(v) of this section.

(2) If the pay of a temporary employee eligible under 5 U.S.C. 8906a is insufficient to pay the withholdings for the plan in which the employee is enrolled, and the employee does not, or cannot, elect a plan under § 890.301(1) at a cost to him or her not in excess of the pay, the employing office must terminate the employee's enrollment effective as of the end of the last period for which withholding was made. Each temporary employee whose enrollment

is so terminated is entitled to a 31-day extension of coverage for conversion.

(b) *Annuitants.* (1) If the annuity of an annuitant is insufficient to pay the withholdings for the plan in which the annuitant is enrolled, the annuitant may elect one of the two opportunities offered under § 890.306(q) of this part (electing a plan with a withholding not in excess of the annuity; or, paying premiums directly to the retirement system in accordance with § 890.502(f) of this part). The retirement system will send two notices to the annuitant, including one by certified mail return receipt requested. Continuation of coverage rests upon electing direct payment or new coverage within 15 days (45 days for annuitants residing overseas) after receipt of the final notice. Except as provided in paragraph (b)(3) of this section, the enrollment of an individual who fails to make an election within the specified time frame will be terminated. An annuitant whose enrollment is terminated because of failure to make an election may not re-enroll or reinstate coverage, except as provided in paragraph (b)(2) of this section. Each annuitant whose enrollment is so terminated is entitled to a 31-day extension of coverage for conversion.

(2) If the individual was prevented by circumstances beyond his or her control from making an election within the time limit after receipt of the final notice, he or she may request reinstatement of coverage by writing to the retirement system. The retirement system will determine if the individual is eligible for reinstatement of coverage; and, when the determination is affirmative, the individual's coverage may be reinstated retroactively to the date of termination or prospectively. If the determination is negative, the individual may request reconsideration of the decision from OPM.

(3) If the annuitant does not make an election under paragraph (b)(1) of this section and is enrolled in the high option of a plan that has two options, the annuitant is deemed to have elected enrollment in the standard option of the same plan unless the annuity is insufficient to pay the withholdings for the standard option.

(4) An annuitant's enrollment terminates, subject to the temporary exten-

sion of coverage for conversion, at midnight of the last day of the pay period in which he dies, unless he leaves a member of the family entitled to continue enrollment as a survivor annuitant, or, if his enrollment is not terminated by death, at midnight of the earliest of the following dates:

(i) The last day of the last pay period for which he is entitled to annuity, unless he is eligible for continued enrollment as an employee in which case his enrollment continues without change.

(ii) The last day of the pay period in which his title to compensation under subchapter I of chapter 81 of title 5, United States Code, terminates, or in which he is held by the Secretary of Labor to be able to return to duty, unless he is eligible for continued enrollment as an employee or as an annuitant under a retirement system for civilian employees in which case his enrollment continues without change.

(iii) The day he enters on active duty in a uniformed service for the purpose of performing duty not limited to 30 days or less, provided the annuitant elects, in writing, to terminate the enrollment.

(iv) The last day of the month preceding the month in which a survivor annuitant in receipt of basic employee death benefits under 5 U.S.C. 8442(b)(1)(A) remarries before attaining age 55.

(c) *Coverage of family members.* The coverage of a family member of an enrollee terminates, subject to the temporary extension of coverage for conversion, at midnight of the earlier of the following dates:

(1) The day on which he or she ceases to be a family member;

(2) The day the enrollee ceases to be enrolled, unless the family member is entitled, as a survivor annuitant, to continued enrollment, or is entitled to continued coverage under the enrollment of another.

(d) *Cancellation or suspension.* (1)(i) An employee who participates in health insurance premium conversion as provided in part 892 of this chapter may cancel his or her enrollment only during an open season or because of and consistent with a qualifying life event defined in § 892.101 of this chapter.

(ii) Subject to the provisions of paragraph (d)(iii) of this section, an enrollee who does not participate in premium conversion may cancel his or her enrollment at any time by filing an appropriate request with the employing office. The cancellation is effective at the end of the last day of the pay period in which the employing office receives the appropriate request canceling the enrollment.

(iii) An employee who is subject to a court or administrative order as discussed in § 890.301(g)(3), or an annuitant who was subject to such a court or administrative order at the time of his or her retirement, may not cancel or suspend his or her enrollment as long as the court or administrative order is still in effect and the enrollee has at least one child identified in the order who is still eligible under the FEHB Program, unless the employee or annuitant provides documentation to the agency that he or she has other coverage for the child or children.

(2) An annuitant or survivor annuitant may suspend enrollment in FEHB for the purpose of enrolling in a Medicare-sponsored plan under sections 1833, 1876, or 1851 of the Social Security Act, or to enroll in the Medicaid program or a similar State-sponsored program of medical assistance for the needy, or to use Peace Corps or CHAMPVA or TRICARE (including coverage provided by the Uniformed Services Family Health Plan) or TRICARE-for-Life instead of FEHB coverage. To suspend FEHB coverage, documentation of eligibility for coverage under the non-FEHB program must be submitted to the retirement system. If the documentation is received within the period beginning 31 days before and ending 31 days after the effective date of the enrollment in the Medicare-sponsored plan, or the Medicaid or similar program, or within 31 days before or after the day designated by the annuitant or survivor annuitant as the day he or she wants to suspend FEHB coverage to use Peace Corps or CHAMPVA or TRICARE (including the Uniformed Services Family Health Plan) or TRICARE-for-Life instead of FEHB coverage, then suspension will be effective at the end of the day before the effective date of the en-

rollment or the end of the day before the day designated. Otherwise, the suspension is effective the first day of the first pay period that begins after the date the retirement system receives the documentation.

(3) The enrollee and covered family members are not entitled to the temporary extension of coverage for conversion or to convert to an individual contract for health benefits.

(e) *Temporary continuation of coverage.* Employees and family members are entitled to temporary continuation of coverage only as provided under subpart K of this part.

[33 FR 12510, Sept. 4, 1968]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 890.304, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at [www.fdsys.gov](http://www.fdsys.gov).

#### § 890.305 Reinstatement of enrollment after military service.

(a) The enrollment of an employee or annuitant whose enrollment was terminated under § 890.304(a)(1)(vi), (vii), or (viii) or § 890.304(b)(4)(iii) is automatically reinstated on the day the employee is restored to a civilian position under the provisions of part 353 of this chapter, or similar authority, or on the day the annuitant is separated from the uniformed services, as the case may be.

(b) An employee whose employing office terminates his or her enrollment because his or her order to enter on duty in a uniformed service is for a period longer than 30 days, and who retires on an immediate annuity from his or her Federal civilian position while on such duty, may reinstate his or her enrollment by asking to do so within 60 days after retirement. In the absence of such a request, the retirement system automatically reinstates the enrollment on the day the person separates from the uniformed service. For the retirement system to reinstate the enrollment, the individual must have been covered under this part since his or her first opportunity or for the 5 years of civilian service (excluding the

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period of uniformed service) immediately preceding the civilian retirement, whichever is shorter.

[43 FR 52460, Nov. 13, 1978, as amended at 59 FR 60296, Nov. 23, 1994; 60 FR 45658, Sept. 1, 1995; 64 FR 31488, June 11, 1999]

### **§ 890.306 When can annuitants or survivor annuitants change enrollment or reenroll and what are the effective dates?**

#### *(a) Requirements to continue coverage.*

(1) To be eligible to continue coverage in a plan under this part, a former employee in receipt of an annuity must meet the statutory requirements under 5 U.S.C. 8905(b) of having retired on an immediate annuity and having been covered by a plan under this part for the 5 years of service immediately before retirement, or if less than 5 years, for all service since his or her first opportunity to enroll, unless OPM waives the requirement under § 890.108.

(2) To be eligible to continue coverage in a plan under this part, a survivor annuitant must be covered as a family member when the employee or annuitant dies.

*(b) Effective date—generally.* Except as otherwise provided, an annuitant's change of enrollment takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request to change the enrollment.

*(c) Belated enrollment.* When an employing office determines that an annuitant was unable, for cause beyond his or her control, to continue coverage by enrolling in his or her own name or change the enrollment within the time limits prescribed by this section, the annuitant may do so within 60 days after the employing office advises the annuitant of its determination.

*(d) Enrollment by proxy.* Subject to the discretion of the employing office, an annuitant's representative, having written authorization to do so, may continue the annuitant's coverage by enrolling in the annuitant's own name, or change the enrollment for the annuitant.

*(e) Enrollment change to self only.* (1) With one exception, an annuitant may change the enrollment from self and family to self only at any time. *Exception:* An annuitant who, as an em-

ployee, was subject to a court or administrative order as discussed in § 890.301(g)(3) at the time he or she retired may not change to self only after retirement as long as the court or administrative order is still in effect and the annuitant has at least one child identified in the order who is still eligible under the FEHB Program, unless the annuitant provides documentation to the retirement system that he or she has other coverage for the child or children.

(2) A change of enrollment to self only takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request to change the enrollment, except that at the request of the annuitant and upon a showing satisfactory to the employing office that there was no family member eligible for coverage under the family enrollment, the employing office may make the change effective on the first day of the pay period following the one in which there was no family member.

*(f) Open season.* (1) During an open season as provided by § 890.301(f)—

(i) With one exception, an enrolled annuitant may change the enrollment from self only to self and family, may change from one plan or option to another, or may make any combination of these changes. *Exception:* An annuitant who, as an employee, was subject to a court or administrative order as discussed in § 890.301(g)(3) at the time he or she retired may not cancel or suspend his or her enrollment, change to self only, or change to a comprehensive medical plan that does not serve the area where his or her children live after retirement as long as the court or administrative order is still in effect and the annuitant has at least one child identified in the order who is still eligible under the FEHB Program, unless the annuitant provides documentation to the retirement system that he or she has other coverage for the child or children.

(ii) An annuitant or survivor annuitant who suspended enrollment under this part to enroll in a Medicare-sponsored plan under sections 1833, 1876, or 1851 of the Social Security Act, or to enroll in a Medicaid or similar State-

sponsored program of medical assistance for the needy, or to use Peace Corps or CHAMPVA or TRICARE (including the Uniformed Services Family Health Plan) or TRICARE-for-Life coverage instead of FEHB coverage, may reenroll.

(2) An open season reenrollment or change of enrollment takes effect on the first day of the first pay period that begins in January of the next following year.

(3) When a belated open season reenrollment or change of enrollment is accepted by the employing office under paragraph (c) of this section, it takes effect as required by paragraph (f)(2) of this section.

(g) *Change in family status.* (1) An enrolled former employee in receipt of an annuity may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the annuitant's family status changes, including a change in marital status or any other change in family status. In the case of an enrolled survivor annuitant, a change in family status based on additional family members occurs only if the additional family members are family members of the deceased employee or annuitant. The annuitant must change the enrollment within the period beginning 31 days before the date of the change in family status, and ending 60 days after the date of the change in family status.

(2) A change of enrollment made in conjunction with the birth of a child, or the addition of a child as a new family member in some other manner, takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(h) *Reenrollment of annuitants or survivor annuitants who suspended enrollment to enroll in a Medicare-sponsored plan, or a Medicaid or similar State-sponsored program; or to use Peace Corps or CHAMPVA or TRICARE (including the Uniformed Services Family Health Plan) or TRICARE-for-Life coverage instead of FEHB coverage.*

(1) An annuitant or survivor annuitant who had been enrolled (or was eligible to enroll) for coverage under this part and suspended the enrollment for the purpose of enrolling in a Medicare

sponsored plan under sections 1833, 1876, or 1851 of the Social Security Act, or to enroll in the Medicaid program or a similar State-sponsored program of medical assistance for the needy, or to use Peace Corps or CHAMPVA or TRICARE (including the Uniformed Services Family Health Plan) or TRICARE-for-Life coverage instead of the FEHB Program (as provided by § 890.304(d)), and who subsequently involuntarily loses coverage under one of these programs, may immediately reenroll in any available FEHB plan under this part at any time beginning 31 days before and ending 60 days after the loss of coverage. A reenrollment under this paragraph (h) of this section takes effect on the date following the effective date of the loss of coverage as shown on the documentation from the non-FEHB coverage. If the request to reenroll is not received by the retirement system within the time period specified, the annuitant must wait until the next available Open Season to reenroll.

(2) An annuitant or survivor annuitant who suspended enrollment in the FEHB Program to enroll in a Medicare sponsored plan or the Medicaid or similar State-sponsored program of medical assistance for the needy, or to use Peace Corps or CHAMPVA or TRICARE (including the Uniformed Services Family Health Plan) or TRICARE-for-Life, but now wants to reenroll in the FEHB Program for any reason other than an involuntary loss of coverage, may do so during the next available Open Season (as provided by paragraph (f) of this section).

(i) [Reserved]

(j) *Annuitants who apply for postponed minimum retirement age plus 10 years of service (MRA plus 10) annuity.* (1) A former employee who meets the requirements for an immediate annuity under 5 U.S.C. 8412(g) and for continuation of coverage under 5 U.S.C. 8905(b) at the time of separation, and whose enrollment is terminated under § 890.304(a)(1)(ii) may enroll in a health benefits plan under this part within 60 days after OPM mails the former employee a notice of eligibility. If such former employee dies before the end of this 60-day election period, a survivor who is entitled to a survivor annuity

may enroll in a health benefits plan under this part within 60 days after OPM mails the survivor a notice of eligibility.

(2) The former employee's enrollment takes effect on the first day of the month following the month in which OPM receives the appropriate request or on the commencing date of annuity, whichever is later. A survivor's enrollment takes effect on the first day of the month following the month in which OPM receives the appropriate request.

(k) *Restoration of annuity or compensation payments.* (1) A disability annuitant who was enrolled in a health benefits plan under this part immediately before his or her disability annuity was terminated because of restoration to earning capacity or recovery from disability, and whose disability annuity is restored under 5 U.S.C. 8337(e) after December 31, 1983, or 8455(b), may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of insurance eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request.

(2) An annuitant who was enrolled in a health benefits plan under this part immediately before his or her compensation was terminated because OWCP determined that he or she had recovered from the job-related injury or disease, and whose compensation is restored due to a recurrence of disability, may enroll in a health benefits plan under this part within 60 days after OWCP mails a notice of insurance eligibility. The enrollment takes effect on the first day of the pay period after the date OWCP receives the appropriate request.

(3) A surviving spouse who was covered by a health benefits enrollment under this part immediately before his or her survivor annuity was terminated because of remarriage, and whose survivor annuity is later restored, may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on either—

(i) The first day of the month after the date OPM receives the appropriate request; or

(ii) The date of restoration of the survivor annuity or October 1, 1976, whichever is later.

(4) A surviving child who was covered by a health benefits enrollment under this part immediately before his or her survivor annuity was terminated because he or she ceased being a student, and whose survivor annuity is later restored, may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request or the date of restoration of the survivor annuity, whichever is later.

(5) A surviving child who was covered by a health benefits enrollment under this part immediately before his or her survivor annuity was terminated because he or she married, and whose survivor annuity is later restored because the marriage ended, may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request or the date of restoration of the survivor annuity, whichever is later.

(6) A surviving spouse who received a basic employee death benefit under 5 U.S.C. 8442(b)(1)(A) and who was covered by a health benefits enrollment under this part immediately before remarriage prior to age 55, may enroll in a health benefits plan under this part upon termination of the remarriage. The survivor must provide OPM with a certified copy of the notice of death or the court order terminating the marriage. The surviving spouse must enroll within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request and the notice of death or court order terminating the remarriage.

(1) *Loss of coverage under this part or under another group insurance plan.* An annuitant who meets the requirements of paragraph (a) of this section, and who is not enrolled but is covered by another enrollment under this part may continue coverage by enrolling in

his or her own name when the annuitant loses coverage under the other enrollment under this part. An enrolled annuitant may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the annuitant or an eligible family member of the annuitant loses coverage under this part or under another group health benefits plan. Except as otherwise provided, an annuitant must enroll or change the enrollment within the period beginning 31 days before the date of loss of coverage and ending 60 days after the date of loss of coverage. Losses of coverage include, but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or a change to self only, of the covering enrollment;

(2) Loss of coverage under another federally-sponsored health benefits program;

(3) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan;

(4) Loss of coverage due to the discontinuance of an FEHB plan in whole or in part. For an annuitant who loses coverage under this paragraph (1)(4)—

(i) If the discontinuance is at the end of a contract year, the annuitant must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the annuitant to change the enrollment;

(ii) If a plan discontinues all of its existing options, an annuitant who does not change his or her enrollment is deemed to have enrolled in the option of the Blue Cross and Blue Shield Service Benefit Plan that OPM determines most closely approximates the terminated plan, except when the annuity is insufficient to pay the withholdings, then paragraph (q) of this section applies.

(iii) If a plan has two options, and one option of the plan is discontinued, an annuitant who does not change the enrollment is considered to be enrolled in the remaining option of the plan, except when the annuity is insufficient to

pay the withholdings, then paragraph (q) of this section applies.

(iv) After an involuntary enrollment under paragraph (1)(4)(ii) or (iii) of this section becomes effective, the annuitant may change the enrollment to the other option of the Blue Cross and Blue Shield Service Benefit Plan or to another health plan of his or her choice retroactively within 90-days after OPM advises the annuitant of the new enrollment;

(v) If the discontinuance of the plan, whether permanent or temporary, is due to a disaster, an annuitant must change the enrollment within 60 days of the disaster, as announced by OPM. If an annuitant does not change the enrollment within the time frame announced by OPM, the annuitant will be considered to be enrolled in the standard option of the Blue Cross and Blue Shield Service Benefit Plan. The effective date of enrollment changes under this provision will be set by OPM when it makes the announcement allowing such changes.

(5) Loss of coverage under the Medicaid program or similar State-sponsored program of medical assistance for the needy.

(6) Loss of coverage under a non-Federal health plan.

(m) *Move from comprehensive medical plan's area.* An annuitant in a comprehensive medical plan who moves or becomes employed outside the geographic area from which the plan accepts enrollments, or, if already outside this area, moves or becomes employed further from this area, may change the enrollment upon notifying the employing office of the move or change of place of employment. Similarly, an annuitant whose covered family member moves outside the geographic area from which the plan accepts enrollments, or if already outside this area, moves further from this area, may change the enrollment upon notifying the employing office of the family member's move. The change of enrollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(n) *Overseas post of duty.* An annuitant may change the enrollment from self only to self and family, from one

plan or option to another, or make any combination of these changes within 60 days after the retirement or death of the employee on whose service title to annuity is based, if the employee was stationed at a post of duty outside a State of the United States or the District of Columbia at the time of retirement or death.

(o) *On return from a uniformed service.* An enrolled annuitant who enters on duty in a uniformed service for 31 days or more may change the enrollment within 60 days after separation from the uniformed service.

(p) *On becoming eligible for Medicare.* An annuitant may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

(q) *Annuity insufficient to pay withholdings.* (1) If an annuity is insufficient to pay the withholdings for the plan that the annuitant is enrolled in, the retirement system must provide the annuitant with information regarding the available plans and written notification of the opportunity to either—

(i) Pay the premium directly to the retirement system in accordance with § 890.502(d); or

(ii) Enroll in any plan in which the annuitant's share of the premium is less than the amount of annuity. If the annuitant elects to change to a lower cost enrollment, the change takes effect immediately upon loss of coverage under the prior enrollment. The exemptions from debt collection procedures that are provided under § 831.1305(d)(2) and § 845.205(d)(2) of this chapter apply to elections under this paragraph (q)(1)(ii).

(2) If the annuitant is enrolled in the high option of a plan that has two options, and does not change the enrollment to a plan in which the annuitant's share of the premium is less than the amount of annuity or does not elect to pay premiums directly, the annuitant is deemed to have enrolled in the standard option of the same plan, unless the annuity is insufficient to

pay the withholdings for the standard option.

(3) An annuitant whose enrollment was terminated because the amount of annuity was insufficient to cover the enrollee's share of the premium may apply to be reinstated in any available plan or option.

(4) An annuitant who can show evidence that he or she previously changed to a lower cost option, plan, or to a self-only enrollment prior to May 29, 1990, because the annuity was insufficient to cover the withholdings for the plan in which he or she was enrolled, may apply to change the enrollment to any available plan or option in which the enrollee's share of the total premium exceeds his or her monthly annuity.

(5) The effective date of the reinstatement of enrollment of an annuitant whose enrollment was terminated, or the change of enrollment of an annuitant who previously changed enrollment because his or her annuity was insufficient to cover the annuitant's share of the total premium, and who elects to pay premiums directly to the retirement system in accordance with § 890.502(f) is either—

(i) The first day of the first pay period that begins after the appropriate request is received by the retirement system; or,

(ii) The later of the date the enrollment was terminated or changed, or May 29, 1990.

(6) Retroactive reinstatement or change of enrollment is contingent upon payment of appropriate contributions retroactive to the effective date of the reinstatement or the change of enrollment. For the purpose of this paragraph (q)(6), a previous cancellation of enrollment because of insufficient annuity to cover the full amount of the withholdings is deemed to be a termination of enrollment.

(r) *Sole survivor.* When an employee or annuitant enrolled for self and family dies, leaving a survivor annuitant who is entitled to continue the enrollment, and it is apparent from available records that the survivor annuitant is the sole survivor entitled to continue



the enrollment, the office of the retirement system which is acting as employing office must change the enrollment from self and family to self only, effective on the commencing date of the survivor annuity. On request of the survivor annuitant made within 31 days after the first installment of annuity is paid, the office of the retirement system which is acting as employing office must rescind the action retroactive to the effective date of the change to self only, with corresponding adjustment in withholdings and contributions.

(s) *Election between survivor annuities.* A surviving spouse, irrespective of whether his or her survivor annuity continued or was terminated upon remarriage, who was covered by an enrollment under this part immediately before the remarriage, may elect to continue an enrollment under this part acquired as a dependent by virtue of the remarriage or to enroll in his or her own right (by virtue of entitlement to the original survivor annuity) in any plan or option under this part within 60 days after the termination of the remarriage and entitlement to a survivor annuity.

[62 FR 38437, July 18, 1997, as amended at 66 FR 49086, Sept. 26, 2001; 67 FR 41306, June 18, 2002; 68 FR 56525, Oct. 1, 2003; 69 FR 31722, June 7, 2004; 69 FR 56928, Sept. 23, 2004; 70 FR 33798, June 10, 2005; 70 FR 71749, Nov. 30, 2005; 72 FR 1912, Jan. 17, 2007]

**§ 890.307 Waiver or suspension of annuity or compensation.**

(a) Except as provided in paragraphs (b) and (f) of this section, when annuity or compensation is entirely waived or suspended, the annuitant's enrollment continues for not more than 3 months (not more than 12 weeks for annuitants whose compensation under subchapter I of chapter 81 of title 5, United States Code, is paid each 4 weeks). If the waiver or suspension continues beyond this period, the employing office will notify the annuitant in writing that the employing office will terminate the enrollment effective at the end of the period, subject to the temporary extension of coverage for conversion, unless the annuitant elects to make payment of the premium directly to the employing office during the period of waiver.

If the annuitant elects to have the enrollment terminated, the employing office automatically reinstates the enrollment on a prospective basis when the annuitant again receives payment of annuity or compensation. The employing office will make the withholding for the period of waiver or suspension during which enrollment was continued (i.e., 3 months or less).

(b) If the annuitant elects to pay premiums directly, he or she must send to the employing office his or her share of the subscription charge for the enrollment for every pay period during which the enrollment continues, exclusive of the 31-day temporary extension of coverage for conversion provided in § 890.401. The annuitant must pay after each pay period he or she is covered in accordance with a schedule established by the employing office. If the employing office does not receive payment by the date due, the employing office must notify the annuitant in writing that continuation of coverage depends upon payment being made within 15 days (45 days for annuitants residing overseas) after receipt of the notice. If no further payments are made, the employing office terminates the enrollment 60 days after the date of the notice (90 days for annuitants residing overseas). The employing office automatically reinstates enrollment on a prospective basis when payment of annuity or compensation resumes.

(c) If the annuitant is prevented by circumstances beyond his or her control from paying within 15 days after receipt of the notice, he or she may request reinstatement of coverage by writing to the employing office. The annuitant must file the request within 30 calendar days from the date of termination, and must include supporting documentation. The employing office will determine if the annuitant is eligible for reinstatement of coverage; and, when the determination is affirmative, reinstate the coverage of the annuitant retroactive to the date of termination. If the determination is negative, the annuitant may request a review of the decision as provided in § 890.104.

(d) Termination of enrollment for failure to pay premiums within the time frame established in accordance with paragraph (b) of this section is

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retroactive to the end of the last pay period for which the employing office timely received payment.

(e) The employing office will submit all direct premium payments along with its regular health benefits premiums to OPM in accordance with procedures established by OPM.

(f) If suspension of annuity or compensation is because of reemployment, the reemploying office must make the withholding currently and enrollment continues during reemployment.

[59 FR 60296, Nov. 23, 1994, as amended at 59 FR 67607, Dec. 30, 1994]

**§ 890.308 Disenrollment.**

(a)(1) Except as otherwise provided in this section, a carrier that cannot reconcile its record of an individual's enrollment with agency enrollment records or does not receive documentation necessary to resolve the discrepancy from the employing office within 31 days of a request must provide written notice to the individual that the employing office of record does not show him or her as enrolled in the carrier's plan and that he or she will be disenrolled 31 calendar days after the date of the notice unless the enrollee provides appropriate documentation to resolve the discrepancy. Appropriate documentation includes, but is not limited to, a copy of the Standard Form 2809 (basic enrollment document) (or a letter confirming an electronic transaction), the Standard Form 2810 transferring the enrollment into the gaining employing office (or the equivalent electronic submission), copies of earnings and leave statements or annuity statements showing withholdings for the health benefits plan, or a document or other credible information from the enrollee's employing office stating that the individual is entitled to continued enrollment in the plan and that the premiums are being paid. After receiving documentation from the enrollee, the carrier must notify both the enrollee and the employing office of record of their decision on the information.

(2) If the carrier does not receive documentation required under paragraph (a)(1) of this section within the specified time frame, the carrier should

disenroll the individual, without further notice.

(3) The enrollee may request his or her employing office to reconsider the carrier's decision to disenroll the individual. The request for reconsideration must be made in writing and must include the enrollee's name, address, Social Security Number or other personal identification number, name of carrier, reason(s) for the request, and, if applicable, retirement claim number. The employing office must notify the carrier when a request for reconsideration of the decision to disenroll the individual is made.

(4) A request for reconsideration of the carrier's decision must be filed within 60 calendar days after the date of the carrier's disenrollment notice. The time limit on filing may be extended when the individual shows that he or she was not notified of the time limit and was not otherwise aware of it, or that he or she was prevented by circumstances beyond his or her control from making the request within the time limit.

(5) After reconsideration, the employing office must issue a written notice of its final decision to the individual and notify the carrier of the decision. The notice must fully set forth the findings and conclusions on which the decision was based. If upon reconsideration the employing office determines the individual is entitled to continued enrollment in the plan, the disenrollment under paragraph (a)(2) of this section is void and coverage is reinstated retroactively.

(6) If, at any time after the disenrollment has occurred, the employing office or OPM determines that another section of this part applies to the individual's enrollment or the carrier discovers or receives appropriate documentation showing that another section of this part applies to the individual's enrollment, the disenrollment under paragraph (a)(2) of this section is void and coverage is reinstated retroactively.

(b) When a carrier receives, from any reliable source, information of the death of an enrollee with a self only enrollment, the carrier may take action to disenroll the individual on the date set forth in § 890.304(a)(1)(iv) or

§ 890.304(b)(4), as appropriate. When the date of death is unknown, the carrier may take action to disenroll the individual on the date which is the last day of the pay period in which information of the death is received. Reliable sources include, but are not limited to, claims for hospital or physician costs incurred at time of death and correspondence returned from the Postal Service noting that the addressee is deceased. If, at any time after the disenrollment has occurred, the employing office or OPM determines that another section of this part applies to the individual's enrollment or the carrier discovers or receives appropriate documentation showing that another section of this part applies to the individual's enrollment, the disenrollment under this paragraph (b) is void and coverage is reinstated retroactively.

(c)(1) When a child survivor annuitant covered under a self only enrollment reaches age 22, the carrier may take action to disenroll the individual effective with the date set forth in § 890.304(c)(1) unless records with the carrier indicate that the child is incapable of self support due to a physical or mental disability. The carrier must provide the enrollee with a written notice of disenrollment prescribed or approved by OPM prior to the date set forth in § 890.304(c)(1).

(2) The child survivor annuitant may request the retirement system to reconsider the carrier's decision to disenroll the individual. The request for reconsideration must be made in writing and include the enrollee's name, address, Social Security Number or other identifier, name of carrier, reason(s) for the request, and the survivor annuity claim number. The retirement system must notify the carrier when a request for reconsideration of the carrier's decision to disenroll the individual is made.

(3) A request for reconsideration of the carrier's decision must be filed with the retirement system within 60 calendar days from the date of the carrier's disenrollment notice. The time limit on filing may be extended when the individual shows that he or she was not notified of the time limit and was not otherwise aware of it, or that he or she was prevented by circumstances be-

yond his or her control from making the request within the time limit.

(4) After reconsideration, the retirement system must issue a written notice of its final decision to the child survivor annuitant and notify the carrier of the decision. The notice must fully set forth the findings and conclusions on which the decision was based. If upon reconsideration the retirement system determines that he or she is entitled to continued enrollment in the plan, the disenrollment under paragraph (c)(1) of this section is void and coverage is reinstated retroactively.

(5) If, at any time after the disenrollment has occurred, the employing office or OPM determines that another provision of this part applies to the individual's enrollment or the carrier discovers or receives appropriate documentation showing that another section of this part applies to the individual's enrollment, the disenrollment under paragraph (c)(1) of this section is void and coverage is reinstated retroactively.

(d) When an enrollee notifies the carrier that he or she has separated from Federal employment and is no longer eligible for enrollment, the carrier must disenroll the individual on the last day of the pay period in which the separation occurred, if known, otherwise the carrier must disenroll the employee on the date the employee provides as the date of separation. The carrier must provide the enrollee with a written notice of disenrollment prescribed or approved by OPM.

[63 FR 59459, Nov. 4, 1998]

#### Subpart D—Temporary Extension of Coverage and Conversion

##### § 890.401 Temporary extension of coverage and conversion.

(a) *Thirty-one day extension and conversion.* (1) An enrollee whose enrollment is terminated other than by cancellation of the enrollment or discontinuance of the plan, in whole or part, and a covered family member whose coverage is terminated other than by cancellation of the enrollment or discontinuance of the plan, in whole or in part, is entitled to a 31-day extension of coverage for self alone or self

and family, as the case may be, without contributions by the enrollee or the Government, during which period he or she is entitled to exercise the right of conversion provided for by this part. The 31-day extension of coverage and the right of conversion for any person ends on the effective date of a new enrollment under this part covering the person.

(2) Termination of an enrollment under this subpart for failure to pay premiums is considered a cancellation of the enrollment for the purposes of this section.

(b) *Continuation of benefits.* (1) Any person who has been granted a 31-day extension of coverage in accordance with paragraph (a) of this section and who is confined in a hospital or other institution for care or treatment on the 31st day of the temporary extension is entitled to continuation of the benefits of the plan during the continuance of the confinement but not beyond the 60th day after the end of the temporary extension.

(2) Except when a plan is discontinued in whole or in part or the Associate Director for Retirement and Insurance orders an enrollment change, a person whose enrollment has been changed from one plan to another, or from one option of a plan to the other option of that plan, and who is confined to a hospital or other institution for care or treatment on the last day of enrollment under the prior plan or option, is entitled to continuation of the benefits of the prior plan or option during the continuance of the confinement. Continuation of benefits shall not extend beyond the 91st day after the last day of enrollment in the prior plan or option. The plan or option to which enrollment has been changed shall not pay benefits with respect to that person while he or she is entitled to any inpatient benefits under the prior plan or option. The gaining plan or option shall begin coverage according to the limits of its FEHB Program contract on the day after the day all inpatient benefits have been exhausted under the prior plan or option or the 92nd day after the last day of enrollment in the prior plan or option, whichever is earlier. For the purposes of this paragraph, "exhausted" means

paid or provided to the maximum benefit available under the contract.

(3) *Exception.* The limit on the number of confinement days allowed to be covered under the continuation of benefits specified by paragraph (b)(2) of this subpart does not apply to confinements in a hospital or other institution when the charges and benefit payments for the services provided are covered by the limit specified in subpart I of this part. In these cases, the benefits continue until the end of the confinement.

(c)(1) The employing agency must notify the enrollee of the termination of the enrollment and of the right to convert to an individual policy within 60 days after the date the enrollment terminates.

(2) The individual whose enrollment terminates must request conversion information from the losing carrier within 31 days of the date of the agency notice of the termination of the enrollment and of the right to convert.

(3) When an agency fails to provide the notification required in paragraph (c)(1) of this section within 60 days of the date the enrollment terminates, or the individual fails for other reasons beyond his or her control to request conversion as required in paragraph (c)(2) of this section, he or she may request conversion to an individual policy by writing directly to the carrier. Such a request must be filed within 6 months after the individual became eligible to convert his or her group coverage and must be accompanied by verification of termination of the enrollment; e.g., an SF 50, showing the individual's separation from the service. In addition, the individual must show that he or she was not notified of the termination of the enrollment and of the right to convert, and was not otherwise aware of it, or that he or she was unable, for cause beyond his or her control, to convert. The carrier will determine if the individual is eligible to convert; and when the determination is affirmative, the individual may convert within 31 days of the determination. If the determination by the carrier is negative, the individual may request a review of the carrier's determination from OPM.

(4) When an individual converts his or her coverage anytime after the

group coverage has ended, the individual plan coverage is retroactive to the day following the day the temporary extension of group coverage ended. The individual must pay the premiums due for the retroactive period.

(5) An individual who fails to exercise his or her rights to convert to an individual policy within 31 days after receiving notice of the right to convert from the carrier is deemed to have declined the right to convert unless the carrier, or, upon review, OPM determines the failure was for cause beyond his or her control.

[33 FR 12510, Sept. 4, 1968, as amended at 52 FR 10217, Mar. 31, 1987; 54 FR 52339, Dec. 21, 1989; 55 FR 22891, June 5, 1990; 57 FR 10609, Mar. 27, 1992; 57 FR 21191, May 19, 1992]

### Subpart E—Contributions and Withholdings

**AUTHORITY:** 5 U.S.C. 8913; Sec. 890.303 also issued under Sec. 50 U.S.C. 403p, 22 U.S.C. 4069c and 4069c-1; Subpart L also issued under Sec. 599C of Public Law 101-513, 104 Stat. 2064, as amended; Sec. 890.102 also issued under Secs. 11202(f), 11232(e), 11246(b) and (c) of Public Law 105-33, 111 Stat. 251; Sec. 721 of Public Law 105-261, 112 Stat. 2061 unless otherwise noted; Sec. 890.111 also issued under Sec. 1622(b) of Public Law 104-106, 110 Stat. 515.

#### § 890.501 Government contributions.

(a) The Government contribution toward subscription charges under all health benefits plans, for each enrolled employee who is paid biweekly, is the amount provided in section 8906 of title 5, United States Code, plus 4 percent of that amount.

(b) In accordance with the provisions of 5 U.S.C. 8906(a) which take effect with the contract year that begins in January 1999, OPM will determine the amounts representing the weighted average of subscription charges in effect for each contract year, for self only enrollments and for self and family enrollments, as follows:

(1) The determination of the weighted average of subscription charges will only include those health benefits plans which are continuing FEHB Program participation from one contract year to the next.

(i) If OPM and the carrier for a plan that will continue participation have closed negotiations on rates for the upcoming contract year by September 1 of the current contract year, i.e., the determination year, OPM will use the plan's negotiated subscription charges for the upcoming contract year in the determination of the weighted average of subscription charges.

(ii) If OPM and the carrier for a plan that applied to continue participation have not closed rate negotiations for the upcoming contract year by September 1 of the determination year, OPM will make a deemed adjustment to such plan's subscription charges for the current contract year for purposes of counting eligible enrollees of the plan in the determination of weighted average charges for the upcoming contract year. The deemed adjustment will equal any increase or decrease OPM finds in its determination of the weighted average of subscription charges for the upcoming contract year for all plans with which OPM has closed rates on September 1 of the determination year.

(iii) There will be no subsequent adjustment in the weighted average charges applicable to the upcoming contract year to reflect rate negotiations closed after September 1 of the determination year.

(2) Except as otherwise specified in paragraphs (b)(2) (i) and (b)(2)(ii) of this section, the weight OPM gives to each subscription charge for purposes of determining the weighted average of subscription charges for the upcoming contract year will be proportionate to the number of individuals who, as of March 31 of the determination year, are enrolled in the plan or benefits option to which such charge applies and are eligible for a Government health benefits contribution in the upcoming contract year.

(i) When a subscription charge for an upcoming contract year applies to a plan that is the result of a merger of two or more plans which contract separately with OPM during the determination year, or applies to a plan which will cease to offer two benefits options, OPM will combine the self only enrollments and the self and family enrollments from the merging plans, or from

the debarring official must determine that:

(1) The preponderance of the evidence in the administrative record as a whole demonstrates that the provider committed a sanctionable violation described in § 890.1061; and

(2) The evidentiary record contains no *bona fide* dispute of any fact material to the proposed financial sanction. A "material fact" is a fact essential to determining whether a provider committed a sanctionable violation for which penalties and assessments may be imposed.

(d) *Final decision without further proceedings.* If the debarring official determines that paragraphs (c)(1) and (c)(2) of this section both apply, a final decision may be issued, imposing financial sanctions in amounts not exceeding those proposed in the notice to the provider described in § 890.1066.

(e) *Insufficient evidence.* If the debarring official determines that a preponderance of the evidence does not demonstrate that the provider committed a sanctionable violation described in § 890.1061, the notice of proposed sanctions described in § 890.1066 must be withdrawn.

(f) *Disputed material facts.* If the debarring official determines that the administrative record contains a *bona fide* dispute about any fact material to the proposed sanction, he must refer the case for a fact-finding hearing to resolve the disputed fact or facts. The provisions of § 890.1027(b) and (c), 890.1028, and 890.1029(a) and (b) will govern such a hearing.

(g) *Final decision after fact-finding hearing.* After receiving the report of the fact-finding hearing, the debarring official must apply the provisions of paragraphs (c), (d), and (e) of this section to reach a final decision on the provider's contest.

**§ 890.1071 Further appeal rights after final decision to impose penalties and assessments.**

If the debarring official's final decision imposes any penalties and assessments, the affected provider may appeal it to the appropriate United States district court under the provisions of 5 U.S.C. 8902a(h)(2).

**§ 890.1072 Collecting penalties and assessments.**

(a) *Agreed-upon payment schedule.* At the time OPM imposes penalties and assessments, or the amounts are settled or compromised, the provider must be afforded the opportunity to arrange an agreed-upon payment schedule.

(b) *No agreed-upon payment schedule.* In the absence of an agreed-upon payment schedule, OPM must collect penalties and assessments under its regular procedures for resolving debts owed to the Employees Health Benefits Fund.

(c) *Offsets.* As part of its debt collection efforts, OPM may request other Federal agencies to offset the penalties and assessments against amounts that the agencies may owe to the provider, including Federal income tax refunds.

(d) *Civil lawsuit.* If necessary to obtain payment of penalties and assessments, the United States may file a civil lawsuit as set forth in 5 U.S.C. 8902(i).

(e) *Crediting payments.* OPM must deposit payments of penalties and assessments into the Employees Health Benefits Fund.

**Subpart K—Temporary Continuation of Coverage**

SOURCE: 54 FR 52339, Dec. 21, 1989, unless otherwise noted.

**§ 890.1101 Purpose.**

This subpart identifies the individuals who may temporarily continue coverage after the coverage would otherwise terminate under this part and sets forth the circumstances of their enrollment.

**§ 890.1102 Definitions.**

In this subpart—

*Gross misconduct* means a flagrant and extreme transgression of law or established rule of action for which an employee is separated and concerning which a judicial or administrative finding of gross misconduct has been made.

*Qualifying event* means any of the following events that qualify an individual for temporary continuation of coverage under subpart K of this part:

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(1) A separation from Government service.

(2) A divorce or annulment.

(3) A change in circumstances that causes an individual to become ineligible to be considered an unmarried dependent child under this part.

**§ 890.1103 Eligibility.**

(a) Except as provided by paragraph (b) of this section, individuals described by this section are eligible to elect temporary continuation of coverage under this subpart. Eligible individuals are as follows:

(1) Former employees whose coverage ends because of a separation from Federal service under any circumstances except an involuntary separation for gross misconduct.

(2) Individuals whose coverage as children under the family enrollment of an employee, former employee, or annuitant ends because they cease meeting the requirements for being considered unmarried dependent children. For the purpose of this section, children who are enrolled under this part as survivors of deceased employees or annuitants are considered to be children under a family enrollment of an employee or annuitant at the time of the qualifying event.

(3) Former spouses of employees, of former employees having continued family coverage under this subpart, or of annuitants, if the former spouse would be eligible for continued coverage under subpart H of this part except for failure to meet the requirement of § 890.803(a) (1) or (3) of this part or the documentation requirements of § 890.806(a) of this part, including former spouses who lose eligibility under subpart H within 36 months after termination of the marriage because they ceased meeting the requirement of § 890.803(a) (1) or (3) of this part.

(b) An individual who is otherwise eligible for benefits under this part (excluding the temporary extension of coverage and conversion privilege set forth in subpart D of this part) is not entitled to continued coverage under this subpart.

**§ 890.1104 Notification by agency.**

(a) In the case of a former employee who is eligible to elect temporary con-

tinuation of coverage under § 890.1103(a)(1), the employing office must notify the former employee concerning his or her rights under this subpart no later than 30 days after the end of the temporary extension of coverage provided under § 890.401.

(b)(1) In the case of a child who is eligible to elect temporary continuation of coverage under § 890.1103(a)(2), the enrollee may, within 60 days after the qualifying event, provide written notice to the employing office of the child's change in status and requesting information about temporary continuation of coverage. The written notice must include the child's name and address and the date of the terminating event.

(2) If the notice described in paragraph (b)(1) is received by the employing office within 60 days after the date on which the child ceased meeting the requirements for being considered an unmarried dependent child, the employing office must notify the child of his or her rights under this subpart within 14 days after receiving the notice.

(3) This paragraph does not preclude the employing office from notifying the child of his or her rights based on oral or written notification by the child, another family member, or any other source that the child no longer meets the requirements for being considered an unmarried dependent child.

(c)(1) In the case of a former spouse who is eligible to elect temporary continuation of coverage under § 890.1103(a)(3), the employee or the former spouse may, within 60 days after the termination of the marriage or the loss of coverage under subpart H of this part, notify the employing office of the terminating event and request information about temporary continuation of coverage. The notice must include the name and address of the former spouse and the date of the terminating event.

(2) The employing office must notify the former spouse of his or her rights under this subpart within 14 days after receiving the notice described in paragraph (c)(1) of this section.

(d) If the employing office cannot give the notice required by this section to the employee, child, or former

spouse directly, it must send the notice by first class mail. A notice that is mailed is deemed to be received 5 days after the date of the notice.

[54 FR 52339, Dec. 21, 1989, as amended at 57 FR 21192, May 19, 1992]

**§ 890.1105 Initial election of temporary continuation of coverage; application time limitations and effective dates.**

(a) The election of temporary continuation of coverage may be in the form of a Standard Form 2809, letter, or written statement to the employing office.

(b) *Former employees.* A former employee's election under this subpart must be submitted to the employing office within 60 days after the later of—

(1) The date of separation; or

(2) The date the former employee received the notice from the employing office.

(c) *Children.* A child's election under this subpart must be submitted to the employing office within 60 days after the later of—

(1) The date of the qualifying event; or

(2) If the employee notified the employing office within the 60-day time period specified under § 890.1104(b)(1) of this part, the date the child received the notice from the employing office. If the employee did not notify the employing office within the specified time period, the child's opportunity to elect continued coverage ends 60 days after the qualifying event.

(d) *Former spouses.* (1) A former spouse's election must be received by the employing office within 60 days after the later of—

(i) The date of the qualifying event; or

(ii) The date coverage under subpart H of this part was lost because of remarriage or loss of qualifying court order, if the loss of coverage under subpart H occurred before the expiration of the 36-month period specified in § 890.1107(c); or

(iii) If the employee, annuitant, or former spouse notified the employing office of the termination of the marriage within the time period specified in § 890.1104(c)(1), the date the former spouse received the notice from the

employing office described in § 890.1104(c)(2). If the employee, annuitant, or former spouse did not notify the employing office within the specified time period, the former spouse's opportunity to elect continued coverage ends 60 days after the qualifying event.

(2) The effective date of former spouse coverage is the later of—

(i) The date determined under paragraph (g) of this section; or

(ii) The date of the divorce or annulment.

(e) If an individual who is eligible for temporary continuation of coverage under this section is unable to file an election on his or her own behalf because of a mental or physical disability, an election may be filed by a court-appointed guardian.

(f) *Belated elections.* Except as provided in paragraphs (c)(2) and (d)(1)(iii) of this section, when an employing office determines that an eligible individual was unable, for cause beyond his or her control, to elect temporary continuation of coverage within the time limits prescribed by this section, that office must accept the election within 60 days after it advises the individual of that determination.

(g) *Effective date of coverage.* Except as provided in paragraph (d)(2)(ii) of this section, the effective date of temporary continuation of coverage is the day after other coverage under this part expires, including the 31-day temporary extension of coverage under § 890.401. If an individual elects temporary continuation of coverage after the 31-day temporary extension of coverage expires, but before the expiration of the applicable election period specified in this section, coverage is restored retroactively, with appropriate contributions and claims, to the same extent and effect as though no break in coverage occurred.

[54 FR 52339, Dec. 21, 1989, as amended at 62 FR 38442, July 18, 1997]

**§ 890.1106 Coverage.**

(a) *Type of enrollment.* An individual who enrolls under this subpart may elect coverage for self alone or self and family.

(1) For an enrollee who is eligible for continued coverage under § 890.1103(a)



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(1) or (2), a covered family member is an individual whose relationship to the enrollee meets the requirements of 5 U.S.C. 8901(5) and who meets any applicable requirements of 5 CFR 890.302 of this part.

(2) For a former spouse who is eligible for continued coverage under § 890.1103(3) of this part, a covered family member is an individual who meets the requirements of § 890.804 of this part.

(b) *Plans and options.* An individual who elects to continue coverage under this subpart may enroll in a plan or option different from the plan or option covering the individual at the time of the qualifying event.

### § 890.1107 Length of temporary continuation of coverage.

(a) In the case of a former employee who is eligible for continued coverage under § 890.1103(a)(1), the temporary continuation of coverage ends on the date that is 18 months after the date of separation, unless it is terminated earlier under the provisions of § 890.1110.

(b)(1) Except as provided in paragraph (b)(2) of this section, in the case of individuals who are eligible for continued coverage under § 890.1103(a)(2) of this part, the temporary continuation of coverage ends on the date that is 36 months after the date the individual first ceases to meet the requirements for being considered an unmarried dependent child, unless it is terminated earlier under the provisions of § 890.1110.

(2) The temporary continuation of coverage ends on the date that is 36 months after the date of the separation from service on which the former employee's continuation of coverage is based, unless it is terminated earlier under the provisions of § 890.1110, in the case of individuals who—

(i) Are eligible for continued coverage under § 890.1103(a)(2); and

(ii) As of the day before ceasing to meet the requirements for being considered unmarried dependent children, were covered family members of a former employee receiving continued coverage under this subpart; and

(iii) Cease meeting the requirements for being considered unmarried dependent children before the end of the 18-

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month period specified in paragraph (a) of this section.

(c)(1) Except as provided in paragraph (c)(2) of this section, in the case of former spouses who are eligible for continued coverage under § 890.1103(a)(3), the temporary continuation of coverage ends on the date that is 36 months after the former spouse ceased meeting the requirements for coverage as a family member, unless it is terminated earlier under the provisions of § 890.1110.

(2) The temporary continuation of coverage ends on the date that is 36 months after the date of the separation from service on which the former employee's continuation of coverage is based, unless it is terminated earlier under the provisions of § 890.1110, in the case of a former spouse—

(i) Who is eligible for continued coverage under § 890.1103(a)(3); and

(ii) Whose marriage to the former employee terminates after the former employee's separation but before the expiration of the 18-month period specified in paragraph (a) of this section.

### § 890.1108 Opportunities to change enrollment; effective dates.

(a) *Effective date—generally.* Except as otherwise provided, a change of enrollment takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request to change the enrollment.

(b) *Belated change of enrollment.* When an employing office determines that an enrollee was unable, for cause beyond his or her control, to change the enrollment within the time limits prescribed by this section, the enrollee may do so within 60 days after the employing office advises the enrollee of its determination.

(c) *Change of enrollment by proxy.* Subject to the discretion of the employing office, an enrollee's representative, having written authorization to do so, may change the enrollment for the enrollee.

(d) *Change to self only.* (1) An enrollee may change the enrollment from self and family to self only at any time.

(2) A change of enrollment to self only takes effect on the first day of the first pay period that begins after the

date the employing office receives an appropriate request to change the enrollment, except that at the request of the enrollee and upon a showing satisfactory to the employing office that there was no family member eligible for coverage under the family enrollment, the employing office may make the change effective on the first day of the pay period following the one in which there was no family member.

(e) *Open season.* (1) During an open season as provided by § 890.301(f), an enrollee (except for a former spouse who is eligible for continued coverage under § 890.1103(a)(3)) may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes. A former spouse who is eligible for continued coverage under § 890.1103(a)(3) may change from one plan or option to another, but may not change from self only to self and family unless the individual to be covered under the family enrollment qualifies as a family member under § 890.1106(a)(2).

(2) An open season change of enrollment takes effect on the first day of the first pay period that begins in January of the next following year.

(3) When a belated open season change of enrollment is accepted by the employing office under paragraph (b) of this section, it takes effect as required by paragraph (e)(2) of this section.

(f) *Change in family status.* (1) Except for a former spouse, an enrollee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the enrollee's family status changes, including a change in marital status or any other change in family status. The enrollee must change the enrollment within the period beginning 31 days before the date of the change in family status, and ending 60 days after the date of the change in family status.

(2) A former spouse who is covered under this section may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes within the period beginning 31 days before and ending 60 days after

the birth or acquisition of a child who qualifies as a covered family member under § 890.1106(a)(2).

(3) A change of enrollment made in conjunction with the birth of a child, or the addition of a child as a new family member in some other manner, takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(g) *Reenrollment of individuals who lose other coverage under this part.* An individual whose continued coverage under this section terminates because of the provisions of § 890.1110(a)(3) (termination due to other coverage under another provision of this part) may reenroll if the coverage that terminated the enrollment under this part ends, but not later than the expiration of the period described in § 890.1107. Coverage does not extend beyond the expiration of the period described in § 890.1107. The effective date of the reenrollment is the day following the termination of the coverage described in § 890.1110(a)(3).

(h) *Loss of coverage under this part or under another group insurance plan.* An enrollee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the enrollee loses coverage under this part or a qualified family member of the enrollee loses coverage under this part or under another group health benefits plan. Except as otherwise provided, an enrollee must change the enrollment within the period beginning 31 days before the date of loss of coverage and ending 60 days after the date of loss of coverage. Losses of coverage include, but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or change to self only, of the covering enrollment.

(2) Loss of coverage under another federally-sponsored health benefits program.

(3) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan.

(4) Loss of coverage due to the discontinuance of an FEHB plan, in whole or in part. For an enrollee who loses coverage under this paragraph (h)(4)—

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(i) If the discontinuance is at the end of a contract year, the enrollee must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the enrollee to change the enrollment.

(ii) If the whole plan is discontinued, an enrollee who does not change the enrollment within the time set is considered to have cancelled the plan in which enrolled.

(iii) If a plan has two options, and one option of the plan is discontinued, an enrollee who does not change the enrollment is considered to be enrolled in the remaining option of the plan.

(iv) If the discontinuance of the plan, whether permanent or temporary, is due to a disaster, the enrollee must change the enrollment within 60 days of the disaster, as announced by OPM. If the enrollee does not change the enrollment within the time frame announced by OPM, the enrollee will be considered to be enrolled in the standard option of the Blue Cross and Blue Shield Service Benefit Plan. The effective date of enrollment changes under this provision will be set by OPM when it makes the announcement allowing such changes.

(5) Loss of coverage under the Medicaid program or similar State-sponsored program of medical assistance for the needy.

(6) Loss of coverage under a non-Federal health plan.

(i) *Move from comprehensive medical plan's area.* An enrollee in a comprehensive medical plan who moves or becomes employed outside the geographic area from which the plan accepts enrollments, or, if already outside this area, moves or becomes employed further from this area, may change the enrollment upon notifying the employing office of the move or change of place of employment. Similarly, an enrollee whose covered family member moves outside the geographic area from which the plan accepts enrollments, or if already outside this area, moves further from this area, may change the enrollment upon notifying the employing office of the family member's move. The change of en-

rollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(j) *On becoming eligible for Medicare.* An enrollee may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

[62 FR 38442, July 18, 1997, as amended at 72 FR 1912, Jan. 17, 2007]

§ 890.1109 Premium payments.

(a) Except as provided in paragraph (b) of this section, the enrollee must pay the full enrollment charge as determined under § 890.503(a), including both the Government contributions and employee withholdings, plus the administrative charge described under § 890.1113, for every pay period during which the enrollment continues, exclusive of the 31-day temporary extension of coverage for conversion provided under § 890.401 of this part.

(b) If the enrollee is not covered under this subpart for the full pay period, he or she pays the premium charge for only the days actually covered. The daily premium rate is an amount equal to the monthly rate (including the administrative charge) multiplied by 12 and divided by 365.

(c) The enrollee must make the payment after the pay period during which he or she is covered in accordance with a schedule established by the employing office. If the employing office does not receive the payment by the date due, the employing office must notify the enrollee in writing that continuation of coverage depends upon payment being made within 15 days (45 days for enrollees residing overseas) after receipt of the notice. If no subsequent payments are made, the employing office terminates the enrollment 60 days (90 days for enrollees residing overseas) after the date of the notice. An enrollee whose coverage terminates because of nonpayment may not re-enroll or reinstate coverage except as provided under paragraph (d) of this section.

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(d)(1) If the enrollee was prevented by circumstances beyond his or her control from making payment within the timeframe specified in paragraph (c) of this section, he or she may request reinstatement of coverage by writing to the employing office. The request must be filed within 30 calendar days from the date of termination and must be accompanied by verification that the enrollee was prevented by circumstances beyond his or her control from paying within the time limit.

(2) The employing office determines whether the individual is eligible for reinstatement of coverage. If the determination is affirmative, coverage is reinstated retroactively to the date of termination. If the determination is negative, the individual may request a review of the decision from the employing agency as provided under § 890.104.

[54 FR 52339, Dec. 21, 1989, as amended at 59 FR 67607, Dec. 30, 1994; 61 FR 37810, July 22, 1996]

### § 890.1110 Termination of enrollment or coverage.

(a) *General.* An enrollment under this subpart terminates at midnight of the earlier of the following dates:

(1) The date the temporary continuation of coverage expires as set forth in § 890.1107, subject to the temporary extension of coverage for conversion.

(2) The last day of the pay period in which the enrollee dies.

(3) The day before the effective date of coverage under another provision of this part.

(4) The date provided under paragraphs (b) or (c) of this section.

(b) *Failure to pay premiums.* Termination of enrollment for failure to pay premiums within the timeframe established under § 890.1109 of this part is retroactive to the end of the last pay period for which payment was timely received. The enrollee and covered family members, if any, are not entitled to the temporary extension of coverage for conversion or to convert to an individual contract for health benefits.

(c) *Cancellation.* An enrollee may cancel his or her enrollment as provided under § 890.304(d) of this part.

(d) *Family member coverage.* The coverage of a family member terminates

under the conditions set forth in § 890.304(c). Covered family members of former employees and former spouses are entitled to temporary continuation of coverage only as set forth under § 890.1103.

### § 890.1111 Employing office responsibilities.

(a) *Providing information to employees.* Employing offices are responsible for providing employees who are eligible to enroll under this part with literature developed by OPM that sets forth their rights under this subpart. This literature must be distributed to employees prior to each open season occurring under § 890.301.

(b) *Administration of the enrollment process.* The employing office must establish procedures for notifying the former employee, child, or former spouse about his or her eligibility to enroll, including what documents are needed to determine eligibility, and for accepting enrollment registrations.

(c) *Collecting premiums.* (1) Collection of the contributions is the responsibility of the employing office of the employee or annuitant at the time of the qualifying event.

(2) The employing office must submit all premium payments collected from enrollees along with its regular health benefits payments to OPM in accordance with procedures established by that Office.

(d) *Health benefits file.* The employing office must maintain a health benefits file for the enrollee as a file separate from the personnel records of the employee or former employee. This file may be destroyed 2 years after the end of the calendar year during which the 18- or 36-month period described in § 890.1107 (a) or (b)(1) expires.

[54 FR 52339, Dec. 21, 1989, as amended at 55 FR 22891, June 5, 1990]

### § 890.1112 Denial of continuation of coverage due to involuntary separation for gross misconduct.

(a) *Notice of denial.* (1) When an employing office determines that the offense for which an employee is being removed constitutes gross misconduct for the purpose of this subpart, the employing office must notify the employee in writing of its intention to

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deny temporary continuation of coverage. The notice must set forth the reason for the denial and give the employee a reasonable amount of time to respond. The notice must be made no later than the date of separation.

(2) If the employee is being removed under the authority of part 752 of this chapter (or other law, Executive Order, or regulation that prescribes procedures for removing employees because of misconduct), the notification requirement of paragraph (a)(1) of this section may be combined with the notification requirement of such authority.

(b) *Employee's response.* (1) The employee must be allowed a reasonable time for response, but not less than 7 days. The employee may respond orally or in writing and is entitled to be represented by an attorney or other representative.

(2) The agency must designate an official to hear the employee's oral answer who has the authority either to make or recommend a final decision on the denial. The right to answer orally does not include the right to a formal hearing with examination of witnesses.

(c) *Final decision.* If the employee responds to the notice of denial, the employing office must issue a final decision in writing that fully sets forth its findings and conclusions. The agency's decision is not subject to reconsideration by OPM.

(d) *Resignation in lieu of involuntary separation.* If an employee resigns after receiving the employing office's notification of intent to separate the employee involuntarily but before the scheduled separation date, his or her separation is considered involuntary for the purpose of this subpart.

§ 890.1113 The administrative charge.

(a) OPM has determined that the administrative charge as provided under 5 U.S.C. 8905a(d)(1)(A)(ii) is 2 percent of the enrollment charge described in § 890.503(a).

(b) It is OPM's responsibility to establish procedures for receiving the administrative payment into the Employees Health Benefits Fund and for making this amount available to the employing office.

[54 FR 52339, Dec. 21, 1989, as amended at 55 FR 22891, June 5, 1990]

Subpart L—Benefits for United States Hostages in Iraq and Kuwait and United States Hostages Captured in Lebanon

SOURCE: 55 FR 50537, Dec. 7, 1990, unless otherwise noted.

§ 890.1201 Purpose.

This subpart sets forth the circumstances under which individuals are covered under this part in accordance with the provisions of section 599C of Public Law 101-513.

§ 890.1202 Definitions.

In this subpart—

*Covered family members* as it applies to individuals covered under this subpart has the same meaning as set forth in § 890.101(a). For eligible survivors of individuals enrolled under this subpart, a family enrollment covers only the survivor or former spouse and unmarried dependent natural or adopted child of both the survivor or former spouse and hostage.

*Hostage and hostage status* have the meaning set forth in section 599C of Public Law 101-513.

*Pay period* for individuals enrolled under this subpart means the pay period established by the U.S. Department of State for paying individuals covered under Public Law 101-513.

*Period of eligibility* means the period beginning on the effective date set forth in § 890.1204 of this subpart and ending 60 months after hostage status ended for hostages in Lebanon and 12 months after hostage status ended for hostages in Iraq and Kuwait.

[55 FR 50537, Dec. 7, 1990, as amended at 57 FR 43132, Sept. 18, 1992]

§ 890.1203 Coverage.

(a) An individual is covered under this subpart when the U.S. Department of State determines that the individual is eligible for coverage under section 599C of Public Law 101-513.

(b) An individual who is covered under this subpart is covered under the Standard Option of the Service Benefit Plan. The individual has a self and family enrollment unless the U.S. Department of State determines that the

## REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(1), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title XVIII of the Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. Parts A and B of title XVIII of the Act are classified generally to part A (§1395c et seq.) and part B (§1395j et seq.), respectively, of subchapter XVIII of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

## AMENDMENTS

1993—Subsec. (b)(1). Pub. L. 103-66, §11003(a)(1), designated existing provisions as subpar. (A) and added subpars. (B) and (C).

Subsec. (b)(3)(B). Pub. L. 103-66, §11003(a)(2), inserted cl. (i) designation and added cl. (ii).

Subsec. (b)(4). Pub. L. 103-66, §11003(a)(3), added par. (4).

1992—Subsec. (a). Pub. L. 102-378 substituted "this subsection" for "this section" in pars. (3) and (4) and in last sentence.

1990—Pub. L. 101-508 designated existing provisions as subsec. (a) and added subsec. (b).

## EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103-66, title XI, §11003(b), Aug. 10, 1993, 107 Stat. 410, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to contract years beginning on or after January 1, 1995."

## EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101-508, title VII, §7002(f)(2), Nov. 5, 1990, 104 Stat. 1388-331, provided that: "The amendments made by this subsection [amending this section] shall apply with respect to contract years beginning on or after January 1, 1992."

## MENTAL HEALTH, ALCOHOLISM, AND DRUG ADDICTION BENEFITS; CONGRESSIONAL FINDINGS; SENSE OF CONGRESS

Pub. L. 99-251, title I, §107, Feb. 27, 1986, 100 Stat. 16, provided that:

"(a) FINDINGS.—The Congress finds that—

"(1) the treatment of mental illness, alcoholism, and drug addiction are basic health care services which are needed by approximately 40,000,000 Americans each year;

"(2) treatment of mental illness, alcoholism, and drug addiction is increasingly successful;

"(3) timely and appropriate treatment of mental illness, alcoholism, and drug addiction is cost effective in terms of restored productivity, reduced utilization of other health services, and reduced social dependence; and

"(4) mental illness is a problem of grave concern to the people of the United States and is widely but unnecessarily feared and misunderstood.

"(b) SENSE OF THE CONGRESS.—It is the sense of the Congress—

"(1) that participants in the Federal employees health benefits program should receive adequate benefits coverage for treatment of mental illness, alcoholism, and drug addiction; and

"(2) that the Office of Personnel Management should encourage participating health benefits plans to provide adequate benefits relating to treatment of mental illness, alcoholism, and drug addiction (including benefits relating to coverage for inpatient and outpatient treatment and catastrophic protection benefits)."

## § 8905. Election of coverage

(a) An employee may enroll in an approved health benefits plan described by section 8903 or

8903a of this title either as an individual or for self and family.

(b) An annuitant who at the time he becomes an annuitant was enrolled in a health benefits plan under this chapter—

(1) as an employee for a period of not less than—

(A) the 5 years of service immediately before retirement;

(B) the full period or periods of service between the last day of the first period, as prescribed by regulations of the Office of Personnel Management, in which he is eligible to enroll in the plan and the date on which he becomes an annuitant; or

(C) the full period or periods of service beginning with the enrollment which became effective before January 1, 1965, and ending with the date on which he becomes an annuitant;

whichever is shortest; or

(2) as a member of the family of an employee or annuitant;

may continue his enrollment under the conditions of eligibility prescribed by regulations of the Office. The Office may, in its sole discretion, waive the requirements of this subsection in the case of an individual who fails to satisfy such requirements if the Office determines that, due to exceptional circumstances, it would be against equity and good conscience not to allow such individual to be enrolled as an annuitant in a health benefits plan under this chapter<sup>1</sup>

(c)(1) A former spouse may—

(A) within 60 days after the dissolution of the marriage, or

(B) in the case of a former spouse of a former employee whose marriage was dissolved after the employee's retirement, within 60 days after the dissolution of the marriage or, if later, within 60 days after an election is made under section 8339(j)(3) or 8417(b) of this title for such former spouse by the retired employee.

enroll in an approved health benefits plan described by section 8903 or 8903a of this title as an individual or for self and family as provided in paragraph (2) of this subsection, subject to agreement to pay the full subscription charge of the enrollment, including the amounts determined by the Office to be necessary for administration and reserves pursuant to section 8909(b) of this title. The former spouse shall submit an enrollment application and make premium payments to the agency which, at the time of divorce or annulment, employed the employee to whom the former spouse was married or, in the case of a former spouse who is receiving annuity payments under section 8341(h), 8345(j), 8445, or 8467 of this title, to the Office of Personnel Management.

(2) Coverage for self and family under this subsection shall be limited to—

(A) the former spouse; and

(B) unmarried dependent natural or adopted children of the former spouse and the employee who are—

(i) under 22 years of age; or

<sup>1</sup> So in original. Probably should be followed by a period.

(ii) incapable of self-support because of mental or physical disability which existed before age 22.

(d) An individual whom the Secretary of Defense determines is an eligible beneficiary under subsection (b) of section 1108 of title 10 may enroll, as part of the demonstration project under such section, in a health benefits plan under this chapter in accordance with the agreement under subsection (a) of such section between the Secretary and the Office and applicable regulations under this chapter.

(e) If an employee, annuitant, or other individual eligible to enroll in a health benefits plan under this chapter has a spouse who is also eligible to enroll, either spouse, but not both, may enroll for self and family, or each spouse may enroll as an individual. However, an individual may not be enrolled both as an employee, annuitant, or other individual eligible to enroll and as a member of the family.

(f) An employee, annuitant, former spouse, or person having continued coverage under section 8905a of this title enrolled in a health benefits plan under this chapter may change his coverage or that of himself and members of his family by an application filed within 60 days after a change in family status or at other times and under conditions prescribed by regulations of the Office.

(g)(1) Under regulations prescribed by the Office, the Office shall, before the start of any contract term in which—

(A) an adjustment is made in any of the rates charged or benefits provided under a health benefits plan described by section 8903 or 8903a of this title.

(B) a newly approved health benefits plan is offered, or

(C) an existing plan is terminated,

provide a period of not less than 3 weeks during which any employee, annuitant, former spouse, or person having continued coverage under section 8905a of this title enrolled in a health benefits plan described by such section shall be permitted to transfer that individual's enrollment to another such plan or to cancel such enrollment.

(2) In addition to any opportunity afforded under paragraph (1) of this subsection, an employee, annuitant, former spouse, or person having continued coverage under section 8905a of this title enrolled in a health benefits plan under this chapter shall be permitted to transfer that individual's enrollment to another such plan, or to cancel such enrollment, at such other times and subject to such conditions as the Office may prescribe in regulations.

(3)(A) In addition to any informational requirements otherwise applicable under this chapter, the regulations shall include provisions to ensure that each employee eligible to enroll in a health benefits plan under this chapter (whether actually enrolled or not) is notified in writing as to the rights afforded under section 8905a of this title.

(B) Notification under this paragraph shall be provided by employing agencies at an appropriate point in time before each period under paragraph (1) so that employees may be aware of

their rights under section 8905a of this title when making enrollment decisions during such period.

(h)(1) An unenrolled employee who is required by a court or administrative order to provide health insurance coverage for a child who meets the requirements of section 8901(5) may enroll for self and family coverage in a health benefits plan under this chapter. If such employee fails to enroll for self and family coverage in a health benefits plan that provides full benefits and services in the location in which the child resides, and the employee does not provide documentation showing that such coverage has been provided through other health insurance, the employing agency shall enroll the employee in a self and family enrollment in the option which provides the lower level of coverage under the Service Benefit Plan.

(2) An employee who is enrolled as an individual in a health benefits plan under this chapter and who is required by a court or administrative order to provide health insurance coverage for a child who meets the requirements of section 8901(5) may change to a self and family enrollment in the same or another health benefits plan under this chapter. If such employee fails to change to a self and family enrollment and the employee does not provide documentation showing that such coverage has been provided through other health insurance, the employing agency shall change the enrollment of the employee to a self and family enrollment in the plan in which the employee is enrolled if that plan provides full benefits and services in the location where the child resides. If the plan in which the employee is enrolled does not provide full benefits and services in the location in which the child resides, or, if the employee fails to change to a self and family enrollment in a plan that provides full benefits and services in the location where the child resides, the employing agency shall change the coverage of the employee to a self and family enrollment in the option which provides the lower level of coverage under the Service Benefits Plan.

(3) The employee may not discontinue the self and family enrollment in a plan that provides full benefits and services in the location in which the child resides for so long as the court or administrative order remains in effect and the child continues to meet the requirements of section 8901(5), unless the employee provides documentation showing that such coverage has been provided through other health insurance.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 603; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 98-615, §3(4), Nov. 8, 1984, 98 Stat. 3203; Pub. L. 99-53, §2(a), (c), June 17, 1985, 99 Stat. 94; Pub. L. 99-251, title I, §§103, 104(a), Feb. 27, 1986, 100 Stat. 14; Pub. L. 99-335, title II, §207(m), June 6, 1986, 100 Stat. 598; Pub. L. 100-654, title II, §§201(c), (d), 202(c), Nov. 14, 1988, 102 Stat. 3845; Pub. L. 102-378, §2(77), Oct. 2, 1992, 106 Stat. 1355; Pub. L. 105-261, div. A, title VII, §721(b)(1), Oct. 17, 1998, 112 Stat. 2065; Pub. L. 106-394, §2, Oct. 30, 2000, 114 Stat. 1629.)

## HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 3002(a) (1st sentence, less words between 1st and 4th commas), (b)-(e).	Sept. 28, 1959, Pub. L. 86-382, §3(a) (1st sentence, less words between 1st and 4th commas), (b)-(e), 73 Stat. 710. Mar. 17, 1964, Pub. L. 88-284, §1(5), 78 Stat. 164.

In subsection (b)(1), the words "as an employee" are inserted for clarity.

In subsection (b)(1)(C), the words "before January 1, 1965" are substituted for "not later than December 31, 1964".

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

## AMENDMENTS

2000—Subsec. (h). Pub. L. 106-394 added subsec. (h).  
1998—Subsecs. (d) to (g). Pub. L. 105-261 added subsec. (d) and redesignated former subsecs. (d) to (f) as (e) to (g), respectively.

1992—Subsec. (b). Pub. L. 102-378, §2(77)(A), substituted "this chapter" for "this subchapter," at end.

Subsec. (c)(1). Pub. L. 102-378, §2(77)(B), inserted comma after "§341(h)" in last sentence.

1988—Subsec. (d). Pub. L. 100-654, §202(c), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: "If an employee has a spouse who is an employee, either spouse, but not both, may enroll for self and family, or each spouse may enroll as an individual. However, an individual may not be enrolled both as an employee or annuitant and as a member of the family."

Subsecs. (e), (f)(1), (2). Pub. L. 100-654, §201(c), (d)(1), substituted "former spouse, or person having continued coverage under section 8905a of this title" for "or former spouse".

Subsec. (f)(3). Pub. L. 100-654, §201(d)(2), added par. (3).

1986—Subsec. (b). Pub. L. 99-251, §103, inserted last sentence relating to waiver of the requirements of this subsection if it would be against equity to prohibit enrollment.

Subsec. (c)(1). Pub. L. 99-335 inserted in subpar. (B) "or 8417(b)" and substituted in provision following subpar. (B) "8345(j), 8445, or 8467" for "or 8345(j)".

Subsec. (f). Pub. L. 99-251, §104(a), amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows: "An employee, annuitant, or former spouse enrolled in a health benefits plan under this chapter may change his coverage or that of himself and members of his family by an application filed within 60 days after a change in family status or at other times and under conditions prescribed by regulations of the Office."

1985—Subsecs. (a), (c)(1). Pub. L. 99-53, §2(a), inserted reference to section 8903a of this title.

Subsec. (f). Pub. L. 99-53, §2(a), (c), inserted reference to section 8903a of this title and substituted "such plan" for "plan described by that section".

1984—Subsec. (c). Pub. L. 98-615, §3(4)(A), added subsec. (c). Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 98-615, §3(4)(A), redesignated former subsec. (c) as (d). Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 98-615, §3(4), redesignated former subsec. (d) as (e) and substituted "An employee, annuitant, or former spouse" for "An employee or annuitant". Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 98-615, §3(4), redesignated former subsec. (e) as (f) and substituted "An employee, annuitant, or former spouse" for "An employee or annuitant".

1978—Subsecs. (b), (d), (e). Pub. L. 95-454 substituted "Office of Personnel Management" and "Office" for "Civil Service Commission" and "Commission", respectively, wherever appearing.

## EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-654 applicable with respect to any calendar year beginning, and contracts entered into or renewed for any calendar year beginning, after end of 9-month period beginning Nov. 14, 1988, and with respect to any qualifying event occurring on or after first day of first calendar year beginning after end of such 9-month period, see section 203 of Pub. L. 100-654, set out as a note under section 8902 of this title.

## EFFECTIVE DATE OF 1986 AMENDMENTS

Amendment by Pub. L. 99-335 effective Jan. 1, 1987, see section 702(a) of Pub. L. 99-335, set out as an Effective Date note under section 8401 of this title.

Pub. L. 99-251, title I, §104(b), Feb. 27, 1986, 100 Stat. 15, provided that: "The amendment made by subsection (a) [amending this section] shall be effective with respect to contracts entered into or renewed for calendar years beginning after December 31, 1986."

## EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-615 effective May 7, 1985, with enumerated exceptions, and applicable to any individual who is married to an employee or annuitant on or after that date, see section 4(a)(2) of Pub. L. 98-615, as amended, set out as a note under section 8341 of this title.

## EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-454 effective 90 days after Oct. 13, 1978, see section 907 of Pub. L. 95-454, set out as a note under section 1101 of this title.

## ELECTION OF HEALTH BENEFITS COVERAGE AND ENTITLEMENT TO HEALTH BENEFITS UNDER THIS CHAPTER RATHER THAN UNDER RETIRED FEDERAL EMPLOYEES HEALTH BENEFITS ACT

Pub. L. 93-246, §§2, 4(b), Jan. 31, 1974, 88 Stat. 4, provided that:

"SEC. 2. (a) Notwithstanding any other provision of law, an annuitant, as defined under section 8901(3) of title 5, United States Code, who is participating or who is eligible to participate in the health benefits program offered under the Retired Federal Employees Health Benefits Act (74 Stat. 849; Public Law 86-724), may elect, in accordance with regulations prescribed by the United States Civil Service Commission, to be covered under the provisions of chapter 89 of title 5, United States Code [this chapter], in lieu of coverage under such Act.

"(b) An annuitant who elects to be covered under the provisions of chapter 89 of title 5, United States Code [this chapter], in accordance with subsection (a) of this section, shall be entitled to the benefits under such chapter 89.

"[Sec. 4] (b) Section 2 [set out above] shall take effect on the one hundred and eightieth day following the date of enactment [Jan. 1, 1974] or on such earlier date as the United States Civil Service Commission may prescribe."

## § 8905a. Continued coverage

(a) Any individual described in subsection (b) may elect to continue coverage under this chapter in accordance with the provisions of this section.

(b) This section applies with respect to—  
(1) any employee who—

(A) is separated from service, whether voluntarily or involuntarily, except that if the separation is involuntary, this section shall not apply if the separation is for gross misconduct (as defined under regulations which the Office of Personnel Management shall prescribe); and

(B) would not otherwise be eligible for any benefits under this chapter (determined



without regard to any temporary extension of coverage and without regard to any benefits available under a nongroup contract);

(2) any individual who—

(A) ceases to meet the requirements for being considered an unmarried dependent child under this chapter;

(B) on the day before so ceasing to meet the requirements referred to in subparagraph (A), was covered under a health benefits plan under this chapter as a member of the family of an employee or annuitant; and

(C) would not otherwise be eligible for any benefits under this chapter (determined without regard to any temporary extension of coverage and without regard to any benefits available under a nongroup contract); and

(3) any employee who—

(A) is enrolled in a health benefits plan under this chapter;

(B) is a member of a reserve component of the armed forces;

(C) is called or ordered to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10);

(D) is placed on leave without pay or separated from service to perform active duty; and

(E) serves on active duty for a period of more than 30 consecutive days.

(c)(1) The Office shall prescribe regulations and provide for the inclusion of appropriate terms in contracts with carriers to provide that—

(A) with respect to an employee who becomes (or will become) eligible for continued coverage under this section as a result of separation from service, the separating agency shall, before the end of the 30-day period beginning on the date as of which coverage (including any temporary extensions of coverage) would otherwise end, notify the individual of such individual's rights under this section; and

(B) with respect to a child of an employee or annuitant who becomes eligible for continued coverage under this section as a result of ceasing to meet the requirements for being considered a member of the employee's or annuitant's family—

(i) the employee or annuitant may provide written notice of the child's change in status (complete with the child's name, address, and such other information as the Office may by regulation require)—

(I) to the employee's employing agency; or

(II) in the case of an annuitant, to the Office; and

(ii) if the notice referred to in clause (i) is received within 60 days after the date as of which the child involved first ceases to meet the requirements involved, the employing agency or the Office (as the case may be) must, within 14 days after receiving such notice, notify the child of such child's rights under this section.

(2) In order to obtain continued coverage under this section, an appropriate written elec-

tion (submitted in such manner as the Office by regulation prescribes) must be made—

(A) in the case of an individual seeking continued coverage based on a separation from service, before the end of the 60-day period beginning on the later of—

(i) the effective date of the separation; or

(ii) the date the separated individual receives the notice required under paragraph (1)(A); or

(B) in the case of an individual seeking continued coverage based on a change in circumstances making such individual ineligible for coverage as an unmarried dependent child, before the end of the 60-day period beginning on the later of—

(i) the date as of which such individual first ceases to meet the requirements for being considered an unmarried dependent child; or

(ii) the date such individual receives notice under paragraph (1)(B)(ii);

except that if a parent fails to provide the notice required under paragraph (1)(B)(i) in timely fashion, the 60-day period under this subparagraph shall be based on the date under clause (i), irrespective of whether or not any notice under paragraph (1)(B)(ii) is provided.

(d)(1)(A) Except as provided in paragraphs (4), (5), and (6), an individual receiving continued coverage under this section shall be required to pay currently into the Employees Health Benefits Fund, under arrangements satisfactory to the Office, an amount equal to the sum of—

(i) the employee and agency contributions which would be required in the case of an employee enrolled in the same health benefits plan and level of benefits; and

(ii) an amount, determined under regulations prescribed by the Office, necessary for administrative expenses, but not to exceed 2 percent of the total amount under clause (i).

(B) Payments under this section to the Fund shall—

(i) in the case of an individual whose continued coverage is based on such individual's separation, be made through the agency which last employed such individual; or

(ii) in the case of an individual whose continued coverage is based on a change in circumstances referred to in subsection (c)(2)(B), be made through—

(I) the Office, if, at the time coverage would (but for this section) otherwise have been discontinued, the individual was covered as the child of an annuitant; or

(II) if, at the time referred to in subclause (I), the individual was covered as the child of an employee, the employee's employing agency as of such time.

(2) If an individual elects to continue coverage under this section before the end of the applicable period under subsection (c)(2), but after such individual's coverage under this chapter (including any temporary extensions of coverage) expires, coverage shall be restored retroactively, with appropriate contributions (determined in accordance with paragraph (1), (4), or (5), as the case may be) and claims (if any), to the same ex-

tent and effect as though no break in coverage had occurred.

(3)(A) An individual making an election under subsection (c)(2)(B) may, at such individual's option, elect coverage either as an individual or, if appropriate, for self and family.

(B) For the purpose of this paragraph, members of an individual's family shall be determined in the same way as would apply under this chapter in the case of an enrolled employee.

(C) Nothing in this paragraph shall be considered to limit an individual making an election under subsection (c)(2)(A) to coverage for self alone.

(4)(A) If the basis for continued coverage under this section is an involuntary separation from a position, or a voluntary separation from a surplus position, in or under the Department of Defense due to a reduction in force, or the Department of Energy due to a reduction in force resulting from the establishment of the National Nuclear Security Administration—

(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

(ii) the agency which last employed the individual shall pay the remaining portion of the amount required under paragraph (1)(A).

(B) This paragraph shall apply with respect to any individual whose continued coverage is based on a separation occurring on or after the date of enactment of this paragraph and before—

(i) December 31, 2016; or

(ii) February 1, 2017, if specific notice of such separation was given to such individual before December 31, 2016.

(C) For the purpose of this paragraph, "surplus position" means a position which is identified in pre-reduction-in-force planning as no longer required, and which is expected to be eliminated under formal reduction-in-force procedures.

(5)(A) If the basis for continued coverage under this section is an involuntary separation from a position in or under the Department of Veterans Affairs due to a reduction in force or a title 38 staffing readjustment, or a voluntary or involuntary separation from a Department of Energy position at a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 4421 of the Atomic Energy Defense Act—

(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

(ii) the agency which last employed the individual shall pay the remaining portion of the amount required under paragraph (1)(A).

(B) This paragraph shall only apply with respect to individuals whose continued coverage is based on a separation occurring on or after the date of the enactment of this paragraph.

(6)(A) If the basis for continued coverage under this section is, as a result of the termination of the Space Shuttle Program, an involuntary separation from a position due to a reduction-in-force or declination of a directed reassignment or transfer of function, or a voluntary separation from a surplus position in the National Aeronautics and Space Administration—

(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

(ii) the National Aeronautics and Space Administration shall pay the remaining portion of the amount required under paragraph (1)(A).

(B) This paragraph shall only apply with respect to individuals whose continued coverage is based on a separation occurring on or after the date of enactment of this paragraph and before December 31, 2010.

(C) For purposes of this paragraph, "surplus position" means a position which is—

(i) identified in pre-reduction-in-force planning as no longer required, and which is expected to be eliminated under formal reduction-in-force procedures as a result of the termination of the Space Shuttle Program; or

(ii) encumbered by an employee who has received official certification from the National Aeronautics and Space Administration consistent with the Administration's career transition assistance program regulations that the position is being abolished as a result of the termination of the Space Shuttle Program.

(e)(1) Continued coverage under this section may not extend beyond—

(A) in the case of an individual whose continued coverage is based on separation from service, the date which is 18 months after the effective date of the separation;

(B) in the case of an individual whose continued coverage is based on ceasing to meet the requirements for being considered an unmarried dependent child, the date which is 36 months after the date on which the individual first ceases to meet those requirements, subject to paragraph (2); or

(C) in the case of an employee described in subsection (b)(3), the date which is 24 months after the employee is placed on leave without pay or separated from service to perform active duty.

(2) In the case of an individual who—

(A) ceases to meet the requirements for being considered an unmarried dependent child;

(B) as of the day before so ceasing to meet the requirements referred to in subparagraph (A), was covered as the child of a former employee receiving continued coverage under this section based on the former employee's separation from service; and

(C) so ceases to meet the requirements referred to in subparagraph (A) before the end of the 18-month period beginning on the date of the former employee's separation from service,

extended coverage under this section may not extend beyond the date which is 36 months after the separation date referred to in subparagraph (C).

(f)(1) The Office shall prescribe regulations under which, in addition to any individual otherwise eligible for continued coverage under this section, and to the extent practicable, continued coverage may also, upon appropriate written application, be afforded under this section—

(A) to any individual who—

(i) if subparagraphs (A) and (C) of paragraph (10) of section 8901 were disregarded, would be eligible to be considered a former spouse within the meaning of such paragraph; but

(ii) would not, but for this subsection, be eligible to be so considered; and

(B) to any individual whose coverage as a family member would otherwise terminate as a result of a legal separation.

(2) The terms and conditions for coverage under the regulations shall include—

(A) consistent with subsection (c), any necessary notification provisions, and provisions under which an election period of at least 60 days' duration is afforded;

(B) terms and conditions identical to those under subsection (d), except that contributions to the Employees Health Benefits Fund shall be made through such agency as the Office by regulation prescribes;

(C) provisions relating to the termination of continued coverage, except that continued coverage under this section may not (subject to paragraph (3)) extend beyond the date which is 36 months after the date on which the qualifying event under this subsection (the date of divorce, annulment, or legal separation, as the case may be) occurs; and

(D) provisions designed to ensure that any coverage pursuant to this subsection does not adversely affect any eligibility for coverage which the individual involved might otherwise have under this chapter (including as a result of any change in personal circumstances) if this subsection had not been enacted.

(3) In the case of an individual—

(A) who becomes eligible for continued coverage under this subsection based on a divorce, annulment, or legal separation from a person who, as of the day before the date of the divorce, annulment, or legal separation (as the case may be) was receiving continued coverage under this section for self and family based on such person's separation from service; and

(B) whose divorce, annulment, or legal separation (as the case may be) occurs before the end of the 18-month period beginning on the date of the separation from service referred to in subparagraph (A).

extended coverage under this section may not extend beyond the date which is 36 months after the date of the separation from service, as referred to in subparagraph (A).

(Added Pub. L. 100-654, title II, §201(a)(1), Nov. 14, 1988, 102 Stat. 3841; amended Pub. L. 102-484, div. D, title XLIV, §4438(a), Oct. 23, 1992, 106 Stat. 2725; Pub. L. 103-337, div. A, title III, §341(d), Oct. 5, 1994, 108 Stat. 2720; Pub. L. 104-106, div. A, title X, §1036, Feb. 10, 1996, 110 Stat. 431; Pub. L. 106-65, div. A, title XI, §1104(c), div. C, title XXXII, §3244, Oct. 5, 1999, 113 Stat. 777, 965; Pub. L. 106-117, title XI, §1106, Nov. 30, 1999, 113 Stat. 1598; Pub. L. 107-314, div. A, title XI, §1103, Dec. 2, 2002, 116 Stat. 2661; Pub. L. 107-314, div. D, title XLVI, §4603(h), formerly Pub. L. 106-398, §1 [div. C, title XXXI, §3136(h)], Oct. 30, 2000, 114 Stat. 1654, 1654A-459, renu-

bered §4603(h) of Pub. L. 107-314 by Pub. L. 108-136, div. C, title XXXI, §3141(i)(4)(A)-(C), Nov. 24, 2003, 117 Stat. 1777; Pub. L. 108-136, div. C, title XXXI, §3141(m)(3), Nov. 24, 2003, 117 Stat. 1787; Pub. L. 108-375, div. A, title XI, §1101(a), Oct. 28, 2004, 118 Stat. 2072; Pub. L. 109-163, div. A, title XI, §1101, Jan. 6, 2006, 119 Stat. 3447; Pub. L. 110-422, title VI, §615, Oct. 15, 2008, 122 Stat. 4800; Pub. L. 111-242, §151, as added Pub. L. 111-322, title I, §1(a)(2), Dec. 22, 2010, 124 Stat. 3519; Pub. L. 112-81, div. A, title XI, §1123, Dec. 31, 2011, 125 Stat. 1617.)

#### REFERENCES IN TEXT

The date of enactment of this paragraph, referred to in subsec. (d)(4)(B), is the date of enactment of Pub. L. 102-484, which was approved Oct. 23, 1992.

Section 4421 of the Atomic Energy Defense Act, referred to in subsec. (d)(5)(A), is classified to section 2601 of Title 50, War and National Defense.

The date of the enactment of this paragraph, referred to in subsec. (d)(5)(B), is the date of enactment of Pub. L. 106-117, which was approved Nov. 30, 1999.

The date of enactment of this paragraph, referred to in subsec. (d)(6)(B), is the date of enactment of Pub. L. 110-422, which was approved Oct. 15, 2008.

#### AMENDMENTS

2011—Subsec. (d)(4)(B). Pub. L. 112-81 substituted “December 31, 2016” for “December 31, 2011” in cls. (i) and (ii) and substituted “February 1, 2017” for “February 1, 2012” in cl. (ii).

2010—Subsec. (d)(4)(B)(i). Pub. L. 111-242, §151(1), as added by Pub. L. 111-322, substituted “December 31, 2011” for “October 1, 2010”.

Subsec. (d)(4)(B)(ii). Pub. L. 111-242, §151(2), as added by Pub. L. 111-322, substituted “February 1, 2012” for “February 1, 2011” and “December 31, 2011” for “October 1, 2010”.

2008—Subsec. (d)(1)(A). Pub. L. 110-422, §615(b), substituted “(4), (5), and (6)” for “(4) and (5)” in introductory provisions.

Subsec. (d)(6). Pub. L. 110-422, §615(a), added par. (6). 2006—Subsec. (d)(4)(B)(i). Pub. L. 109-163, §1101(1), substituted “October 1, 2010” for “October 1, 2006”.

Subsec. (d)(4)(B)(ii). Pub. L. 109-163, §1101(2), substituted “February 1, 2011” for “February 1, 2007” and “October 1, 2010” for “October 1, 2006”.

2004—Subsec. (a). Pub. L. 108-375, §1101(a)(1), struck out “paragraph (1) or (2) of” after “Any individual described in”.

Subsec. (b)(3). Pub. L. 108-375, §1101(a)(2), added par. (3).

Subsec. (e)(1)(C). Pub. L. 108-375, §1101(a)(4), added subpar. (C).

2003—Subsec. (d)(5)(A). Pub. L. 108-136, §3141(m)(3), substituted “section 4421 of the Atomic Energy Defense Act” for “section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n)”.

2002—Subsec. (d)(4)(B)(i). Pub. L. 107-314, §1103(1), substituted “2006” for “2003”.

Subsec. (d)(4)(B)(ii). Pub. L. 107-314, §1103(2), substituted “2007” and “2006” for “2004” and “2003”, respectively.

2000—Subsec. (d)(5)(A). Pub. L. 107-314, §4603(h), formerly Pub. L. 106-398, §1 [div. C, title XXXI, §3136(h)], as renumbered by Pub. L. 108-136, §3141(i)(4)(A)-(C), in introductory provisions, inserted “, or a voluntary or involuntary separation from a Department of Energy position at a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n)” after “readjustment”.

1999—Subsec. (d)(1)(A). Pub. L. 106-117, §1106(1), substituted “paragraphs (4) and (5)” for “paragraph (4)” in introductory provisions.

Subsec. (d)(2). Pub. L. 106-117, §1106(2), substituted “(1), (4), or (5)” for “(1) or (4)”.

Subsec. (d)(4)(A). Pub. L. 106-65, § 3244, inserted “, or the Department of Energy due to a reduction in force resulting from the establishment of the National Nuclear Security Administration” after “reduction in force” in introductory provisions.

Subsec. (d)(4)(B). Pub. L. 106-65, § 1104(c), added cls. (i) and (ii) and struck out former cls. (i) and (ii) which read as follows:

“(i) October 1, 1999; or

“(ii) February 1, 2000, if specific notice of such separation was given to such individual before October 1, 1999.”

Subsec. (d)(5). Pub. L. 106-117, § 1106(3), added par. (5). 1996—Subsec. (d)(4)(A). Pub. L. 104-106, § 1036(1), inserted “, or a voluntary separation from a surplus position,” after “an involuntary separation from a position” in introductory provisions.

Subsec. (d)(4)(C). Pub. L. 104-106, § 1036(2), added subpar. (C).

1994—Subsec. (d)(4)(B). Pub. L. 103-337 substituted “October 1, 1999” for “October 1, 1997” in cls. (i) and (ii) and “February 1, 2000” for “February 1, 1998” in cl. (ii).

1992—Subsec. (d)(1)(A). Pub. L. 102-484, § 4438(a)(1), substituted “Except as provided in paragraph (4), an individual” for “An individual”.

Subsec. (d)(2). Pub. L. 102-484, § 4438(a)(2), substituted “in accordance with paragraph (1) or (4), as the case may be” for “in accordance with paragraph (1)”.

Subsec. (d)(4). Pub. L. 102-484, § 4438(a)(3), added par. (4).

#### EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-375, div. A, title XI, § 1101(c), Oct. 28, 2004, 118 Stat. 2072, provided that: “The amendments made by this section [amending this section and section 8906 of this title] shall apply with respect to Federal employees called or ordered to active duty on or after September 14, 2001.”

#### EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by section 3244 of Pub. L. 106-65 effective Mar. 1, 2000, see section 3299 of Pub. L. 106-65, set out as an Effective Date note under section 2401 of Title 50, War and National Defense.

#### EFFECTIVE DATE

Section applicable with respect to any calendar year beginning, and contracts entered into or renewed for any calendar year beginning, after the end of the 9-month period beginning Nov. 14, 1988, and with respect to any qualifying event occurring on or after the first day of the first calendar year beginning after the end of such 9-month period, see section 203 of Pub. L. 100-654, set out as an Effective Date of 1988 Amendment note under section 8902 of this title.

#### SOURCE OF PAYMENTS

Pub. L. 102-484, div. D, title XLIV, § 4438(b)(1), Oct. 23, 1992, 106 Stat. 2725, provided that: “Any amount which becomes payable by an agency as a result of the enactment of subsection (a) [amending this section] shall be paid out of funds or appropriations available for salaries and expenses of such agency.”

#### § 8906. Contributions

(a)(1) Not later than October 1 of each year, the Office of Personnel Management shall determine the weighted average of the subscription charges that will be in effect during the following contract year with respect to—

(A) enrollments under this chapter for self alone; and

(B) enrollments under this chapter for self and family.

(2) In determining each weighted average under paragraph (1), the weight to be given to a

particular subscription charge shall, with respect to each plan (and option) to which it is to apply, be commensurate with the number of enrollees enrolled in such plan (and option) as of March 31 of the year in which the determination is being made.

(3) For purposes of paragraph (2), the term “enrollee” means any individual who, during the contract year for which the weighted average is to be used under this section, will be eligible for a Government contribution for health benefits.

(b)(1) Except as provided in paragraphs (2), (3), and (4), the biweekly Government contribution for health benefits for an employee or annuitant enrolled in a health benefits plan under this chapter is adjusted to an amount equal to 72 percent of the weighted average under subsection (a)(1)(A) or (B), as applicable. For an employee, the adjustment begins on the first day of the employee’s first pay period of each year. For an annuitant, the adjustment begins on the first day of the first period of each year for which an annuity payment is made.

(2) The biweekly Government contribution for an employee or annuitant enrolled in a plan under this chapter shall not exceed 75 percent of the subscription charge.

(3) In the case of an employee who is occupying a position on a part-time career employment basis (as defined in section 3401(2) of this title), the biweekly Government contribution shall be equal to the percentage which bears the same ratio to the percentage determined under this subsection (without regard to this paragraph) as the average number of hours of such employee’s regularly scheduled workweek bears to the average number of hours in the regularly scheduled workweek of an employee serving in a comparable position on a full-time career basis (as determined under regulations prescribed by the Office).

(4) In the case of persons who are enrolled in a health benefits plan as part of the demonstration project under section 1108 of title 10, the Government contribution shall be subject to the limitation set forth in subsection (i) of that section.

(c) There shall be withheld from the pay of each enrolled employee and (except as provided in subsection (i) of this section) the annuity of each enrolled annuitant and there shall be contributed by the Government, amounts, in the same ratio as the contributions of the employee or annuitant and the Government under subsection (b) of this section, which are necessary for the administrative costs and the reserves provided for by section 8909(b) of this title.

(d) The amount necessary to pay the total charge for enrollment, after the Government contribution is deducted, shall be withheld from the pay of each enrolled employee and (except as provided in subsection (i) of this section) from the annuity of each enrolled annuitant. The withholding for an annuitant shall be the same as that for an employee enrolled in the same health benefits plan and level of benefits.

(e)(1)(A) An employee enrolled in a health benefits plan under this chapter who is placed in a leave without pay status may have his coverage and the coverage of members of his family con-

tinued under the plan for not to exceed 1 year under regulations prescribed by the Office.

(B) During each pay period in which an enrollment continues under subparagraph (A)—

(i) employee and Government contributions required by this section shall be paid on a current basis; and

(ii) if necessary, the head of the employing agency shall approve advance payment, recoverable in the same manner as under section 5524a(c), of a portion of basic pay sufficient to pay current employee contributions.

(C) Each agency shall establish procedures for accepting direct payments of employee contributions for the purposes of this paragraph.

(2) An employee who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of employees as defined by section 8901 of this title, within 60 days after entering on that leave without pay, may file with his employing agency an election to continue his health benefits enrollment and arrange to pay currently into the Employees Health Benefits Fund, through his employing agency, both employee and agency contributions from the beginning of leave without pay. The employing agency shall forward the enrollment charges so paid to the Fund. If the employee does not so elect, his enrollment will continue during nonpay status and end as provided by paragraph (1) of this subsection and implementing regulations.

(3)(A) An employing agency may pay both the employee and Government contributions, and any additional administrative expenses otherwise chargeable to the employee, with respect to health care coverage for an employee described in subparagraph (B) and the family of such employee.

(B) An employee referred to in subparagraph (A) is an employee who—

(i) is enrolled in a health benefits plan under this chapter;

(ii) is a member of a reserve component of the armed forces;

(iii) is called or ordered to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10);

(iv) is placed on leave without pay or separated from service to perform active duty; and

(v) serves on active duty for a period of more than 30 consecutive days.

(C) Notwithstanding the one-year limitation on coverage described in paragraph (1)(A), payment may be made under this paragraph for a period not to exceed 24 months.

(f) The Government contribution, and any additional payments under subsection (e)(3)(A), for health benefits for an employee shall be paid—

(1) in the case of employees generally, from the appropriation or fund which is used to pay the employee;

(2) in the case of an elected official, from an appropriation or fund available for payment of other salaries of the same office or establishment;

(3) in the case of an employee of the legislative branch who is paid by the Chief Administrative Officer of the House of Representatives, from the applicable accounts of the House of Representatives; and

(4) in the case of an employee in a leave without pay status, from the appropriation or fund which would be used to pay the employee if he were in a pay status.

(g)(1) Except as provided in paragraphs (2) and (3), the Government contributions authorized by this section for health benefits for an annuitant shall be paid from annual appropriations which are authorized to be made for that purpose and which may be made available until expended.

(2)(A) The Government contributions authorized by this section for health benefits for an individual who first becomes an annuitant by reason of retirement from employment with the United States Postal Service on or after July 1, 1971, or for a survivor of such an individual or of an individual who died on or after July 1, 1971, while employed by the United States Postal Service, shall through September 30, 2016, be paid by the United States Postal Service, and thereafter shall be paid first from the Postal Service Retiree Health Benefits Fund up to the amount contained in the Fund, with any remaining amount paid by the United States Postal Service.

(B) In determining any amount for which the Postal Service is liable under this paragraph, the amount of the liability shall be prorated to reflect only that portion of total service which is attributable to civilian service performed (by the former postal employee or by the deceased individual referred to in subparagraph (A), as the case may be) after June 30, 1971, as estimated by the Office of Personnel Management.

(3) The Government contribution for persons enrolled in a health benefits plan as part of the demonstration project under section 1108 of title 10 shall be paid as provided in subsection (i) of that section.

(h) The Office shall provide for conversion of biweekly rates of contribution specified by this section to rates for employees and annuitants paid on other than a biweekly basis, and for this purpose may provide for the adjustment of the converted rate to the nearest cent.

(i) An annuitant whose annuity is insufficient to cover the withholdings required for enrollment in a particular health benefits plan may enroll (or remain enrolled) in such plan, notwithstanding any other provision of this section, if the annuitant elects, under conditions prescribed by regulations of the Office, to pay currently into the Employees Health Benefits Fund, through the retirement system that administers the annuitant's health benefits enrollment, an amount equal to the withholdings that would otherwise be required under this section.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 604; Pub. L. 90-83, §1(96), Sept. 11, 1967, 81 Stat. 219; Pub. L. 91-418, §1(a), Sept. 25, 1970, 84 Stat. 869; Pub. L. 93-246, §1, Jan. 31, 1974, 88 Stat. 3; Pub. L. 94-310, §3(a), June 15, 1976, 90 Stat. 687; Pub. L. 95-437, §4(c)(2)(A), Oct. 10, 1978, 92 Stat. 1059; Pub. L. 95-454, title IX, §906(a)(15), (c)(2)(F), Oct. 13, 1978, 92 Stat. 1226, 1227; Pub. L. 96-54, §2(a)(53), Aug. 14, 1979, 93 Stat. 384; Pub. L. 99-272, title XV, §15202(b), Apr. 7, 1986, 100 Stat. 334; Pub. L. 101-239, title IV, §4003(a), Dec. 19, 1989, 103 Stat. 2135; Pub. L. 101-303, §1(a), (b), May 29, 1990, 104 Stat. 250; Pub. L. 101-508, title VII, §7102(a), (b),

Nov. 5, 1990, 104 Stat. 1388–333; Pub. L. 102–378, § 2(78), Oct. 2, 1992, 106 Stat. 1355; Pub. L. 104–186, title II, § 215(19), Aug. 20, 1996, 110 Stat. 1747; Pub. L. 104–208, div. A, title I, § 101(f) [title IV, § 422], Sept. 30, 1996, 110 Stat. 3009–314, 3009–343; Pub. L. 105–33, title VII, § 7002(a), Aug. 5, 1997, 111 Stat. 662; Pub. L. 105–261, div. A, title VII, § 721(b)(2), (3), Oct. 17, 1998, 112 Stat. 2065; Pub. L. 107–107, div. A, title V, § 519(a), (b), Dec. 28, 2001, 115 Stat. 1096; Pub. L. 108–375, div. A, title XI, § 1101(b), Oct. 28, 2004, 118 Stat. 2072; Pub. L. 109–435, title VIII, § 803(a)(1)(A), Dec. 20, 2006, 120 Stat. 3251.)

HISTORICAL AND REVISION NOTES  
1966 ACT

Derivation	U.S. Code	Revised Statutes and Statutes at Large
.....	5 U.S.C. 3006.	Sept. 28, 1959, Pub. L. 86–382, § 7, 73 Stat. 713. Mar. 17, 1964, Pub. L. 88–284, § 1(10), (11), 78 Stat. 165.

In subsection (f)(1), the words “in the case of employees generally” are inserted for clarity.

In subsection (h), the word “biweekly” is inserted for clarity.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

1967 ACT

Section of title 5	Source (U.S. Code)	Source (Statutes at Large)
8906(a) .....	5 App.: 3006(a)(1).	July 18, 1966, Pub. L. 89–504,
8906(b) .....	5 App.: 3006(a)(2).	§§ 406(b), 602, 80 Stat. 298,
8906(e)(2) ...	5 App.: 3006(b)(2).	303.

In subsection (a), the words “subsection (b) of this section”, “this chapter”, and “subsection (c) of this section” are substituted for “paragraph (2) of this subsection”, “this Act”, and “paragraph (3)”, respectively, to reflect the codification of title 5, United States Code.

In subsection (e)(2), the words “as defined by section 8901 of this title” are substituted for “as defined in section 2 of this Act” to reflect the codification of that section in 5 U.S.C. 8901. The words “Employees Health Benefits Fund” and “Fund” are substituted for “fund” and “fund”, respectively. In the penultimate sentence, the words “will continue during nonpay status and end” are substituted for “will terminate” for clarity and on authority of 5 U.S.C. 8906(e)(1).

AMENDMENTS

2006—Subsec. (g)(2)(A), Pub. L. 109–435 substituted “shall through September 30, 2016, be paid by the United States Postal Service, and thereafter shall be paid first from the Postal Service Retiree Health Benefits Fund up to the amount contained in the Fund, with any remaining amount paid by the United States Postal Service” for “shall be paid by the United States Postal Service”.

2004—Subsec. (e)(3)(C), Pub. L. 108–375 substituted “24 months” for “18 months”.

2001—Subsec. (e)(3), Pub. L. 107–107, § 519(a), added par. (3).

Subsec. (f), Pub. L. 107–107, § 519(b), amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: “The Government contributions for health benefits for an employee shall be paid—”.

1998—Subsec. (b)(1), Pub. L. 105–261, § 721(b)(2)(A), substituted “paragraphs (2), (3), and (4)” for “paragraphs (2) and (3)”.

Subsec. (b)(4), Pub. L. 105–261, § 721(b)(2)(B), added par. (4).

Subsec. (g)(1), Pub. L. 105–261, § 721(b)(3)(A), substituted “paragraphs (2) and (3)” for “paragraph (2)”.

Subsec. (g)(3), Pub. L. 105–261, § 721(b)(3)(B), added par. (3).

1997—Subsec. (a), Pub. L. 105–33 added subsec. (a) and struck out former subsec. (a) which read as follows: “The Office of Personnel Management shall determine the average of the subscription charges in effect on the beginning date of each contract year with respect to self alone or self and family enrollments under this chapter, as applicable, for the highest level of benefits offered by—

“(1) the service benefit plan;

“(2) the indemnity benefit plan;

“(3) the two employee organization plans with the largest number of enrollments, as determined by the Office; and

“(4) the two comprehensive medical plans with the largest number of enrollments, as determined by the Office.”

Subsec. (b)(1), Pub. L. 105–33 added par. (1) and struck out former par. (1) which read as follows: “Except as provided by paragraphs (2) and (3) of this subsection, the biweekly Government contribution for health benefits for an employee or annuitant enrolled in a health benefits plan under this chapter is adjusted to an amount equal to 60 percent of the average subscription charge determined under subsection (a) of this section. For an employee, the adjustment begins on the first day of the employee’s first pay period of each year. For an annuitant, the adjustment begins on the first day of the first period of each year for which an annuity payment is made.”

1996—Subsec. (e)(1), Pub. L. 104–208 struck out at end “The regulations may provide for the waiving of contributions by the employee and the Government.”, inserted subpar. (A) designation, and added subpars. (B) and (C).

Subsec. (f)(3), Pub. L. 104–186 substituted “Chief Administrative Officer of the House of Representatives, from the applicable accounts of the House of Representatives” for “Clerk of the House of Representatives, from the contingent fund of the House”.

1992—Subsec. (b)(3), Pub. L. 102–378, § 2(78)(A), inserted period after “Office”.

Subsec. (c), Pub. L. 102–378, § 2(78)(B), substituted “and (except)” for “and except”.

1990—Subsec. (c), Pub. L. 101–303, § 1(b)(1), inserted “except as provided in subsection (i) of this section)” after “enrolled employee and”.

Subsec. (d), Pub. L. 101–303, § 1(b)(2), inserted “(except as provided in subsection (i) of this section)” after “enrolled employee and”.

Subsec. (g)(2), Pub. L. 101–508 designated existing provisions as subpar. (A), substituted “July 1, 1971,” for “October 1, 1986,” in two places, and added subpar. (B).

Subsec. (i), Pub. L. 101–303, § 1(a), added subsec. (i).

1989—Subsec. (g)(2), Pub. L. 101–239 inserted “or for a survivor of such an individual or of an individual who died on or after October 1, 1986, while employed by the United States Postal Service,” after “1986.”.

1986—Subsec. (g), Pub. L. 99–272 designated existing provisions as par. (1) and added par. (2).

1979—Subsec. (b)(1), Pub. L. 96–54 substituted provisions setting forth adjustment amount of the Government contribution of equal to 60 percent of the average subscription charge under subsec. (a) and determinations respecting the commencement date of the adjustment, for provisions setting forth adjustment amounts of the Government contribution of equal to 50 percent of the average subscription charge under subsec. (a) for applicable pay periods beginning in 1974, and equal to 60 percent for pay periods beginning in 1975 and after, and determinations respecting the commencement date of the adjustment.

1978—Subsec. (a), Pub. L. 95–454, § 906(a)(15), substituted “Office of Personnel Management” for “Commission” in introductory material, and “Office” for “Commission” in cls. (3) and (4).

Subsec. (b)(1), Pub. L. 95–437, § 4(c)(2)(A)(i), substituted “paragraphs (2) and (3)” for “paragraph (2)”.

Subsec. (b)(3), Pub. L. 95–454, § 906(a)(15), (c)(2)(F), substituted “Office” for “Commission”, and “3391” for “3391”.

Pub. L. 95-437, §4(c)(2)(A)(ii), added par. (3).

Subsecs. (e)(1), (h). Pub. L. 95-454, §906(a)(15), substituted "Office" for "Commission".

1976—Subsec. (g). Pub. L. 94-310 provided for payment of Government contributions from annual appropriations which may be made available until expended.

1974—Subsec. (a). Pub. L. 93-246, §1(a), struck out introductory text "Except as provided by subsection (b) of this section, the biweekly Government contribution for health benefits for employees or annuitants enrolled in health benefits plans under this chapter shall be adjusted", now incorporated in subsec. (b)(1) of this section, required Commission determination of average of subscription charges, and reenacted remainder of existing provisions, substituting "beginning date of each contract year" for "beginning date of the adjustment".

Subsec. (b)(1). Pub. L. 93-246, §1(a), incorporated introductory text of former subsec. (a) reading "Except as provided by subsection (b) of this section, the biweekly Government contribution for health benefits for employees or annuitants enrolled in health benefits plans under this chapter shall be adjusted", as initial text of provisions designated as subsec. (b)(1), substituted provision for amount of biweekly Government contribution equal to 50 percent of average subscription charge for applicable pay periods commencing in 1974 and 60 percent for applicable pay periods commencing in 1975, and annually thereafter, for former subsec. (a) provision for an amount equal to 40 percent of average of subscription charges and former subsec. (b) provision for 50 percent of subscription charge where the biweekly subscription charge was less than twice the Government contribution.

Subsec. (b)(2). Pub. L. 93-246, §1(a), added par. (2).

Subsec. (c). Pub. L. 93-246, §1(b), struck out reference to subsec. (a).

Subsec. (g). Pub. L. 93-246, §1(c), substituted "by this section" for "by subsection (a) of this section".

1970—Subsec. (a). Pub. L. 91-418, in increasing the Government contribution to the cost of health benefits insurance, substituted provision for adjustment of such contribution, beginning on the first day of the first pay period of each year, to an amount equal to 40 percent of the adjustment, with respect to self alone or self and family enrollments, as applicable, for the highest level of benefits offered by the service benefit plan, the indemnity benefit plan, the two employee organization plans, and the two comprehensive medical plans, for prior provision for a contribution, in addition to requirement of subsec. (c) of this section, of \$1.62 if the enrollment is for self or \$3.94 if the enrollment is for self and family.

#### EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-435 effective Oct. 1, 2006, see section 805(a) of Pub. L. 109-435, set out as a note under section 8334 of this title.

#### EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-375 applicable with respect to Federal employees called or ordered to active duty on or after Sept. 14, 2001, see section 1101(c) of Pub. L. 108-375, set out as a note under section 8905a of this title.

#### EFFECTIVE DATE OF 2001 AMENDMENT

Pub. L. 107-107, div. A, title V, §519(c), Dec. 28, 2001, 115 Stat. 1096, provided that: "The amendments made by this section [amending this section] apply with respect to employees called to active duty on or after December 8, 1995, and an agency may make retroactive payments to such employees for premiums paid on or after such date."

#### EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105-33, title VII, §7002(b), Aug. 5, 1997, 111 Stat. 662, provided that: "This section [amending this section] shall take effect on the first day of the contract year that begins in 1999. Nothing in this sub-

section shall prevent the Office of Personnel Management from taking any action, before such first day, which it considers necessary in order to ensure the timely implementation of this section."

#### EFFECTIVE DATE OF 1990 AMENDMENTS

Pub. L. 101-508, title VII, §7102(c), Nov. 5, 1990, 104 Stat. 1388-333, provided that: "The amendments made by this section [amending this section] shall take effect on October 1, 1990, and shall apply with respect to amounts payable for periods beginning on or after that date."

Pub. L. 101-303, §1(c), May 29, 1990, 104 Stat. 250, provided that: "The amendments made by this section [amending this section] shall take effect on the date of enactment of this Act [May 29, 1990]. Any annuitant whose enrollment was terminated at any time before such date on account of such annuitant's annuity being insufficient to cover the amount of the required withholdings may, under regulations prescribed by the Office of Personnel Management, be prospectively reinstated in any available health benefits plan upon application of the annuitant."

#### EFFECTIVE DATE OF 1989 AMENDMENT

Pub. L. 101-239, title IV, §4003(b), Dec. 19, 1989, 103 Stat. 2135, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on October 1, 1989, and shall apply with respect to amounts payable for periods beginning on or after that date."

#### EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-54 effective July 12, 1979, see section 2(b) of Pub. L. 96-54, set out as a note under section 305 of this title.

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-454 effective 90 days after Oct. 13, 1978, see section 907 of Pub. L. 95-454, set out as a note under section 1101 of this title.

#### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-310 effective Oct. 1, 1976, see section 4 of Pub. L. 94-310, set out as a note under section 130b of Title 2, The Congress.

#### EFFECTIVE DATE OF 1974 AMENDMENT

Pub. L. 93-246, §4(a), Jan. 31, 1974, 88 Stat. 4, provided that: "The first section of this Act [amending this section] shall take effect on the first day of the first applicable pay period which begins on or after January 1, 1974."

Pub. L. 93-246, §4(d), Jan. 31, 1974, 88 Stat. 4, provided that: "The determination of the average of subscription charges and the adjustment of the Government contributions for 1973, under section 8906 of title 5, United States Code, as amended by the first section of this Act [amending this section], shall take effect on the first day of the first applicable pay period which begins on or after the thirtieth day following the date of enactment of this Act [Jan. 31, 1974]."

#### EFFECTIVE DATE OF 1970 AMENDMENT

Pub. L. 91-418, §1(b), Sept. 25, 1970, 84 Stat. 869, provided that: "The amendment made by subsection (a) of this section [amending this section] shall become effective at the beginning of the first applicable pay period which commences after December 31, 1970."

#### PAYMENTS BY POSTAL SERVICE RELATING TO CORRECTED CALCULATIONS FOR PAST HEALTH BENEFITS

Pub. L. 103-66, title XI, §11101(b), Aug. 10, 1993, 107 Stat. 413, provided that: "In addition to any other payments required under section 8906(g)(2) of title 5, United States Code, or any other provision of law, the United States Postal Service shall pay into the Employees Health Benefits Fund a total of \$348,000,000, of which—

“(1) at least one-third shall be paid not later than September 30, 1996;

“(2) at least two-thirds shall be paid not later than September 30, 1997; and

“(3) any remaining balance shall be paid not later than September 30, 1998.”

**COMPUTATION OF GOVERNMENT CONTRIBUTIONS TO FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM FOR 1990 THROUGH 1993**

Pub. L. 101-76, Aug. 11, 1989, 103 Stat. 556, as amended by Pub. L. 101-508, title VII, § 7002(e), Nov. 5, 1990, 104 Stat. 1388-330; Pub. L. 103-66, title XI, § 11005, Aug. 10, 1993, 107 Stat. 412, provided: “That (a)(1) in the administration of chapter 89 of title 5, United States Code, for each of contract years 1990 through 1998 (inclusive), in order to compute the average subscription charges under section 8906(a) of such title for such contract years, the subscription charges in effect for the indemnity benefit plan on the beginning date of each such contract year—

“(A) shall be deemed to be the subscription charges which were in effect for such plan on the beginning date of the preceding contract year as adjusted under paragraph (2); or

“(B) if subparagraph (A) does not apply, shall be deemed to be—

“(i) the subscription charges which were deemed under this Act to have been in effect for such plan with respect to the preceding contract year as adjusted under paragraph (2), except as provided in clause (ii); or

“(ii) for each of contract years 1997 and 1998, the subscription charges which would be derived by applying the terms of clause (i), reduced by 1 percent.

“(2) The subscription charges under paragraph (1) shall be increased or decreased (as appropriate) by the average percentage by which the respective subscription charges taken into account under paragraphs (1), (3), and (4) of such section 8906(a) for that contract year increased or decreased from the subscription charges taken into account under such paragraphs (1), (3), and (4) for the preceding contract year.

“(b) Separate percentages shall be computed under subsection (a)(2) with respect to enrollments for self alone and enrollments for self and family, respectively.

“(c) The provisions of this Act shall not apply to a contract year (or any period thereafter), if comprehensive reform legislation is enacted to amend section 8906 of title 5, United States Code, and such amendment is required to be implemented by the commencement of negotiations pertaining to rates and benefits for such contract year.

“(d) Any reference in this Act to a ‘contract year’ shall be considered to be a reference to a contract year under chapter 89 of title 5, United States Code.

“(e) No later than 180 days after the date of the enactment of this Act [Aug. 11, 1989], the Director of the Office of Personnel Management shall transmit recommendations to the Congress for comprehensive reform of the Federal Employee Health Benefits Program.”

**CONTRIBUTIONS BY UNITED STATES POSTAL SERVICE TO EMPLOYEES HEALTH BENEFITS FUND**

Pub. L. 100-203, title VI, § 6003, Dec. 22, 1987, 101 Stat. 1330-277, directed Postal Service to pay \$160,000,000 in fiscal year 1988 and \$270,000,000 in fiscal year 1989 into Employee Health Benefits Fund in addition to any amount deposited into Fund pursuant to this section in each such fiscal year.

**EMPLOYEES SERVING ON PART-TIME CAREER EMPLOYMENT BASIS ON OCTOBER 10, 1978**

Pub. L. 95-437, § 4(c)(2)(B), Oct. 10, 1978, 92 Stat. 1059, provided that: “The amendments made by subparagraph (A) [amending subsec. (b)(1) and (3) of this section] shall not apply with respect to any employee serving in a position on a part-time career employment basis on the date of the enactment of this Act [Oct. 10,

1978] for such period as the employee continues to serve without a break in service in that or any other position on such part-time basis.”

**CALCULATION AND PAYMENT BY GOVERNMENT OF CONTRIBUTIONS TO CONTINGENCY RESERVES OF ALL HEALTH BENEFIT PLANS**

Pub. L. 97-346, § 4, Oct. 15, 1982, 96 Stat. 1650, directed Office of Personnel Management to determine amount by which Government contribution under 5 U.S.C. 8906(b) for the 1983 contract year was less than the Government contribution which would have been determined under such section for such contract year if Government contribution had been calculated by using the two employee organization plans which in 1981 satisfied the standard set forth in 5 U.S.C. 8906(a)(3) directed Government to pay amount of difference thus determined to contingency reserves of all health benefits plans for contract year 1983 in proportion to estimated number of individuals enrolled in such plans during 1983, and directed such payments be paid by appropriate agencies (including Postal Service and Postal Rate Commission) from appropriations referred to in 5 U.S.C. 8906(f) and (g) in same manner as if such payments were Government contributions, and in amounts determined appropriate by Office of Personnel Management.

**ELECTION OF HEALTH BENEFITS DURING PERIOD OF SERVICE AS OFFICER OR EMPLOYEE OF AN EMPLOYEE ORGANIZATION; CONTRIBUTIONS INTO EMPLOYEES HEALTH BENEFITS FUND; NON-ELECTION; REGULATIONS**

Election of health benefits within sixty days after July 18, 1966, by certain employees on leave without pay for service as officer or employee of an employee organization, contributions into Fund, effect of non-election of benefits, and regulations, see note set out under section 8706 of this title.

**§ 8906a. Temporary employees**

(a)(1) The Office of Personnel Management shall prescribe regulations to provide for offering health benefits plans to temporary employees (who meet the requirements of paragraph (2)) under the provisions of this chapter.

(2) To be eligible to participate in a health benefits plan offered under this section a temporary employee shall have completed 1 year of current continuous employment, excluding any break in service of 5 days or less.

(b) Notwithstanding the provisions of section 8906—

(1) any temporary employee enrolled in a health benefits plan under this section shall have an amount withheld from the pay of such employee, as determined by the Office of Personnel Management, equal to—

(A) the amount withheld from the pay of an employee under the provisions of section 8906; and

(B) the amount of the Government contribution for an employee under section 8906; and

(2) the employing agency of any such temporary employee shall not pay the Government contribution under the provisions of section 8906.

(Added Pub. L. 100-654, title III, § 301(a), Nov. 14, 1988, 102 Stat. 3846.)

**EFFECTIVE DATE**

Pub. L. 100-654, title III, § 301(d), Nov. 14, 1988, 102 Stat. 3847, provided that: “The amendments made by