

# Federal Employees Group Life Insurance

- Issued by Metropolitan Life Insurance Company
- If you drop your coverage as a retiree you can **NOT** get covered under FEGLI again!
- Coverage can be added during open seasons (VERY rare), after providing medical information, or by experiencing a qualifying life event. Retirees can **NOT** add to their coverage.
- In order to continue FEGLI coverage at retirement the employee must have been covered for the last 5 years of employment or the full period available to them if less than 5 years and must retire with an immediate pension benefit.
- Optional insurance may also be continued but is subject to the same requirement above.
- In general, continuing the same level of FEGLI coverage into retirement is not a good idea financially. Private sector insurance can usually be purchased much cheaper.
- You only have one chance to decide how much coverage you will continue into retirement and the decision must be made prior to retirement.

# FEGLI Types- Employee vs. Retiree

Coverage Type	Employee	Retiree
Basic Coverage	<ul style="list-style-type: none"> <li>-Basic pay rounded to the next highest thousand plus \$2,000 with a minimum of \$10,000</li> <li>-Employee pays 2/3 cost and the government pays 1/3 cost.</li> <li><b>-Cost is 15¢ biweekly (32.5¢ monthly) per \$1,000 basic coverage</b></li> <li>-Postal service pays 100% of premium for its employees</li> <li>-Basic coverage includes Accidental Death &amp; Dismemberment. Pays full amount for death or loss of 2 limbs and half amount for loss of 1 limb.</li> </ul>	<ol style="list-style-type: none"> <li>1) NO REDUCTION Coverage remains the same. <b>Cost is \$2.265/month/\$1,000 until 65 and \$1.94/month/\$1,000 thereafter.</b></li> <li>2) 50% REDUCTION Beginning at 65, coverage is reduced by 1%/month until it reaches 50% of the basic value. <b>Cost is \$.965/month/\$1,000 until 65 and \$.64/month/\$1,000 thereafter</b></li> <li>3) 75% REDUCTION Beginning at 65, coverage is reduced by 2%/month until it reaches 75% of the basic value. <b>Cost is \$.325/month/\$1,000 until 65 and free thereafter</b></li> </ol>

\*If no election is made prior to retirement, OPM assumes the 75% reduction.

# FEGLI Types- Employee vs. Retiree

Coverage Type	Employee	Retiree
OPTION A- \$10,000 Extra Coverage	<ul style="list-style-type: none"> <li>-Increases basic coverage and AD&amp;D coverage</li> <li>-<b>Cost depends on age of employee and ranges from 30¢-\$6.00/biweekly/\$1,000</b></li> <li>-At age 65, if coverage is not continued premiums cease and coverage decreases 2%/month until coverage reaches \$2,500.</li> </ul>	<ul style="list-style-type: none"> <li>-<b>Cost depends on age of employee and ranges from 65¢-\$13.00/month/\$1,000</b></li> <li>-At age 65, if coverage is not continued premiums cease and coverage decreases 2%/month until coverage reaches \$2,500.</li> </ul>
OPTION B- Additional Optional Coverage	<ul style="list-style-type: none"> <li>-Does not affect AD&amp;D</li> <li>-Multiples of one, two, three, four, or five times the rate of annual basic pay rounded to the next \$1,000</li> <li>-<b>Cost depends on age of employee and ranges from 2¢-\$2.40/biweekly/\$1,000</b></li> <li>-At age 65, if coverage is not continued premiums cease and coverage decreases 2%/month until coverage reaches 0 (50 months).</li> </ul>	<ul style="list-style-type: none"> <li>-<b>Cost depends on age of employee and ranges from 4.3¢-\$5.20/biweekly/\$1,000</b></li> <li>-At age 65, if coverage is not continued premiums cease and coverage decreases 2%/month until coverage reaches 0 (50 months).</li> </ul>

# FEGLI Types- Employee vs. Retiree

Coverage Type	Employee	Retiree
<p>OPTION C- Family Optional Coverage for spouse &amp; unmarried children under age 22</p>	<p>-Does not affect AD&amp;D -Coverage can be in multiples of 1-5 times:     \$5,000 for a spouse; or     \$2,500 for a child <b>-Cost depends on age of employee and ranges from 22¢-\$6.60/biweekly/\$1,000</b> -At age 65, if coverage is not continued premiums cease and coverage decreases 2%/month until coverage reaches 0 (50 months).</p>	<p><b>-Cost depends on age of employee and ranges from 48¢-\$14.30/month/\$1,000</b> -At age 65, if coverage is not continued premiums cease and coverage decreases 2%/month until coverage reaches 0 (50 months).</p>