

RE: CERTAIN NONCAREER EMPLOYEES ENROLLING IN A FEDERAL EMPLOYEES HEALTH BENEFITS (FEHB) PLAN (INCLUDES DES/ACT: 519, 580, 740, 780, 790, 812, 813, 814, 818, 819, 834, 835, 851, 852, 853, 866, 867, 868 and 869)

Below are FEHB enrollment guidelines established by the Office of Personnel Management (OPM) for noncareer employees. **To be eligible, noncareer employees must meet three (3) requirements:**

1. Complete one full year (365 calendar days) of continuous employment with no breaks in service of more than five (5) days;
2. Have a regularly scheduled tour of duty, arranged in advance and expected to last for at least six (6) months, and
3. Maintain sufficient earnings each biweekly pay period to have the total cost of premiums withheld from pay after mandatory deductions for Social Security, Medicare and federal tax.

Newly eligible noncareer employees may enroll in a health plan **within 60 days** of becoming eligible. Eligible noncareer employees whether currently enrolled or not enrolled have an opportunity to select or change plans during FEHB Open Season. Eligible noncareer employees whether currently enrolled or not enrolled have an opportunity to select or change plans when certain qualifying life events (QLE) occur if the request is submitted to the HR Shared Service Center (HRSSC) **within 60 days** of the QLE. Certain QLEs allow enrollment beginning 31 days before the event. See the Table of Permissible Changes in FEHB Enrollment and Pre-Tax/After-Tax Premium Payment in the RI 70-8PS, *Guide to Benefits for Certain Temporary (Non-Career) United States Postal Service Employees* for details.

If you meet the above criteria and wish to enroll or change your health plan enrollment, mail the following items to the HRSSC at the following address for processing within 60 days of becoming eligible for FEHB or within 60 days of your QLE or during FEHB open season:

USPS/HR SHARED SERVICE CENTER
BENEFITS AND COMPENSATION
PO Box 970400
GREENSBORO NC 27497-0400

1. Sign and date the "Employee Cost Acknowledgment" statement below and return both pages of this letter;
2. Complete the *PostalEASE* FEHB Worksheet;
3. Complete PS Form 8141, *Notice to Noncareer Employees Eligible to Enroll in FEHBP*; and
4. If you wish to make a change in how you pay premiums, also complete PS Form 8202, *Pre-Tax Health Insurance Premium Election/Waiver Form for Noncareer Employees*.

After-tax vs. Pre-tax Payment of Premiums. Premium payments for noncareer employees are automatically withheld on an after-tax basis. Paying premiums after-tax allows you to cancel your FEHB enrollment, or to reduce your coverage from Self and Family to Self Only, even if it's not FEHB open season and if you don't have a qualifying life event (QLE). If you prefer to save money on taxes by paying your premiums pre-tax, you may do so by completing PS Form 8202, *Pre-Tax Health Insurance Premium Election/Waiver Form for Noncareer Employees*. Two possible disadvantages of paying your premiums pre-tax are: 1) You may receive a lower Social Security benefit if/when you begin collecting Social Security because paying your FEHB premiums pre-tax reduces the earnings reported to the Social Security Administration. 2) You may not cancel your FEHB enrollment, or reduce your coverage from Self and Family to Self Only, outside of FEHB open season (unless you have a QLE that permits such a change and you act within 60 days of the QLE).

Requirement to Pay Premiums. Once enrolled in a health benefits plan, if you fail to earn sufficient pay to allow for health benefits premium withholdings in one pay period, the Egan Accounting Service Center (ASC) will withhold the unpaid premium in the following pay period, provided you have sufficient earnings to cover the unpaid premium. When two adjustments for insufficient earnings for FEHB purposes have occurred, the ASC will send you an invoice for the total amount due. You must pay the total amount billed within 30 days of the date of the invoice. *If payment is not received by the ASC within this*

timeframe, your health benefits enrollment will be terminated retroactive to the date the initial unpaid premium was due. You may be required to reimburse the health plan and/or provider for any benefits that were provided but now are not available to you because of the plan's retroactive termination. Once you lose FEHB coverage because of insufficient earnings, you will not be eligible to renew your enrollment until the next FEHB open season or the occurrence of some other qualifying life event (such as, conversion to career) which provides you an opportunity to enroll in FEHB.

Employee Cost Acknowledgment

I am aware of my bi-weekly premium cost if I enroll in Plan _____, which will be \$ _____ per pay period. I wish to enroll in the FEHB program.

I understand that if I decide to pay my FEHB premiums with pre-tax money, the earnings reported to the Social Security Administration will be reduced. Therefore, if I begin to collect Social Security when I retire (which normally occurs at age 62 at the earliest), I may receive a lower Social Security benefit. My Medicare will not be affected.

I also understand that if I am invoiced for premium payments due to insufficient pay for premium deductions, and I do not pay the invoice within 30 days, my FEHB will be terminated retroactive to the date the initial unpaid premium was due. Therefore, I may be required to reimburse the health plan and/or provider for services provided during that time when services were previously covered. Once my FEHB has been terminated, I will not be able to re-enroll until open season or a qualifying life event provides an enrollment opportunity and I meet all other enrollment requirements.

Employee Printed Name: _____

Employee Signature: _____ **Date:** _____

If further assistance is required, contact HRSSC at 1-877-477-3273, option 5, (TTY 1-866-260-7507) and mention the reference number above.
HR Shared Service Center

Enclosure(s): *PostalEASE* FEHB Worksheet, PS Form 8202 and PS Form 8141