



Updated 28 June 2002

Termination, Extension, and Conversion of Your Life Insurance Coverage

(Full Service)

This brochure applies to employees who receive full services from the Benefits and Entitlements Service Team (BEST). Not sure whether you receive full or limited services? Read our article "Full Versus Limited Services - What Does It Mean?" located on the BEST home page.

What happens to my life insurance if I separate from Federal employment? Federal Employees' Group Life Insurance (FEGLI) coverage terminates (stops) at the end of the day on which you separate from Federal service, subject to a 31-day temporary extension of coverage and conversion privilege. Exception: If you are retiring, transferring to another federal agency, or receiving worker's compensation, you may be eligible to continue your coverage.

What happens to my life insurance if I am in a nonpay status? Your life insurance coverage continues, at no cost to you, for the first 12 months of nonpay status. The 12 months may be continuous or broken by periods of less than four consecutive months of pay status. Your coverage will stop at the end of the day on which you complete 12 months of nonpay status, subject to a 31-day temporary extension of coverage and conversion privilege. Exception: if you are in a nonpay status because you are receiving workers compensation benefits, your life insurance coverage will continue, if you are otherwise eligible. In addition, during these 12 months, your continued coverage is not free. The Department of Labor will withhold premiums from your compensation payments.

What is the 31-day temporary extension of coverage? When your life insurance terminates, except when you stop it voluntarily by cancellation, the coverage automatically continues for 31 days, at no cost. Accidental death and dismemberment coverage is not in force during this extension.

I'm receiving workers compensation benefits from the Department of Labor, Office of Workers' Compensation Programs (OWCP). What are the eligibility requirements to continue life insurance? To continue life insurance benefits as an OWCP compensationner, you must have carried FEGLI for the 5 years of service immediately before the beginning date of compensation or, if you had it less than 5 years, for the full period(s) of service during which you were eligible to be insured.

What is a conversion policy, and who is eligible to convert? A conversion policy is an individual (nongroup) life insurance policy that you are entitled to when your life insurance ends, unless it ended because you voluntarily cancelled it. The individual policy may not be a "term" policy; instead, it will be a cash-value type policy, meaning it will build cash value that you can borrow against. Under the conversion privilege, you may convert all or any part of your Basic and Optional insurance to an individual policy. No medical exam is required. However, you may not convert coverage if (1) you continue that same coverage as a retired employee or compensationner; (2) you return to duty within 3 calendar days after your insurance stops; (3) your insurance ends because you voluntarily cancel/waive coverage; or (4) the Government's life insurance contract ends. If you have assigned your insurance, only the assignee(s) may convert your Basic, Option A, and Option B coverage. You may, however, still convert your Option C coverage.

How will I know if I am eligible to convert? If you are separating from employment, your local Civilian Personnel Flight (CPF) will provide you with an SF 2819 (Notice of Conversion Privilege). If your insurance is terminating because you have reached 365 days in a nonpay status, BEST will provide you with SF 2819. The SF 2819 represents notice of the loss of life insurance coverage and the right to convert.

How do I apply for conversion to an individual policy? You will need to complete Part C of the SF-2819, and contact the Benefits and Entitlements Service Team (BEST) to request an SF-2821 (Agency Certification of Insurance Status). Send both the SF-2819 and SF-2821 to the Office of Federal Employees' Group Life Insurance (OFEGLI) at **P. O. Box 2627, Jersey City NJ 07303-2627**. (This is a new address - do not use the one on the back of the form.) You must mail the SF 2819 within 31 days of the date your coverage terminates or the date you receive the SF-2819, whichever gives you more time. In the event you do not receive the completed SF-2821 from our office, you should contact BEST for a status; however, do not delay sending the SF-2819 requesting conversion information to OFEGLI. Send the form anyway while you await the SF-2821.

What happens if I do not receive an SF 2819? Can I still convert my FEGLI coverage? Yes. If you do not receive an SF 2819, you can request a conversion policy by writing directly to OFEGLI at P.O. Box 2627, Jersey City NJ 07303-2627. The request must be postmarked within 31 days after the date of the terminating event. If you are unable to mail the request within 31 days, you may qualify for a belated election. You must mail the request to OFEGLI within six months after the date you first became eligible to convert. Your request must show that you were not notified of the loss of coverage and the right to convert or you weren't able to convert for reasons beyond your control.

When is the conversion policy effective? Conversions are effective at the end of the 31-day temporary extension of coverage. Belated conversions are effective retroactive to the end of the 31-day extension of coverage and you must pay the retroactive premiums.

Can I convert Option C if I no longer have any eligible family members? No. You cannot convert Option C when family members lose eligibility.

Can my eligible family members convert Option C? If you do not wish to convert Option C coverage, your family members covered under Option C are eligible to convert their coverage to an individual policy. If this is the case, and you are separating from employment, you should ask your local CPF to provide each eligible family member an SF 2819. If your insurance is terminating due to 365 days in a nonpay status, you may ask BEST to provide each of your family members with an SF 2819. Family members may apply for conversion by sending the completed SF 2819 to OFEGLI at the above address. They do not need an SF 2821. Family members do not have the right to convert Option C coverage under other circumstances in which coverage ends, such as divorce, your child's marriage, or your child's attaining age 22.

May I "port" my Option B coverage? No. The portability provision was a 3-year demonstration project. It expired 24 April 2002, and is no longer available.

How may I obtain additional information or assistance? Additional information regarding termination, extension, and conversion of life insurance may be found in the FEGLI Handbook, and FEGLI Frequently Asked Questions (FAQs). These documents are located on the Office of Personnel Management (OPM) web site at <http://www.opm.gov/insure/life/handbook/index.htm>, and <http://www.opm.gov/insure/life/FEGLI-FAQs.htm>, respectively.

If you have questions, you may speak with a benefits counselor, before separation, at 1-800-997-2378 (commercial 527-2378 if calling within the San Antonio area). *After* separation, you may dial 1-800-540-4047 (commercial 527-2399 within the San Antonio area). Overseas employees will call toll-free by dialing an AT&T or MCI number for the country in which located, available from your local CPF. Hearing impaired employees with access to TDD equipment can reach a counselor at any time by calling 1-800-382-0893 (commercial 565-2276 within the San Antonio area), or if overseas, a toll-free MCI or AT&T direct access TDD number, available from the CPF.

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BEST Phone Line: 1-800-997-2378 Local: (Commercial) 527-2378
Toll-Free TDD Number: 1-800-382-0893 Local: (Commercial) 565-2276
Overseas: Dial a Toll-Free Access Number (obtain from CPF)
Fax Number: DSN 665-2936 or (210) 565-2936

BEST Home Page: <http://www.afpc.randolph.af.mil/dpc/BEST/menu.htm>

OPM Web Site: <http://www.opm.gov>

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