

GLOSSARY OF TERMS

Accidental Death

Bodily injuries sustained solely through violent, external and accidental means, and as a direct result of the bodily injuries, independently of all other causes, and within 90 days afterwards, you lose your life.

Accidental Death & Dismemberment Exclusions

Accidental death and dismemberment benefits will not be paid if your death or loss in any way results from, is caused by, or is contributed to by:

- physical or mental illness;
- the diagnosis of or treatment of a physical or mental illness;
- ptomaine or bacterial infection. However, accidental death and dismemberment benefits will be paid if the loss is caused by an accidentally sustained external wound;
- hernia, no matter how or when sustained;
- a war (declared or undeclared), any act of war, or any armed aggression against the United States, in which nuclear weapons are actually being used;
- a war (declared or undeclared), any act of war, or any armed aggression or insurrection in which you are in actual combat at the time bodily injuries are sustained;
- suicide or attempted suicide;
- injuring yourself on purpose;
- illegal or illegally obtained drugs that you administer to yourself.

Accidental Dismemberment

Bodily injuries sustained solely through violent, external and accidental means, and as a direct result of the bodily injuries, independently of all other causes, and within 90 days afterwards, you lose your limb or eyesight.

- Loss of hand means loss by severance at or above the wrist joint, or equivalent loss, as determined by a physician.
- Loss of foot means loss by severance at or above the ankle joint, or equivalent loss, as determined by a physician.
- Loss of sight means total and permanent loss of sight.

Age Multiplication Factor

A factor used to determine the extra amount of Basic insurance payable at the time of your death, if you die before age 45 (also referred to as the “extra benefit”).

Agency

A department or independent establishment of the executive, legislative, or judicial branch of the United States Government. This includes Government-owned or -controlled corporations, the District of Columbia Government (for certain eligible employees), and Gallaudet College. This term refers to the whole organization, as distinguished from its subdivisions and field installations.

"Independent establishment" includes the Senate, the House of Representatives, the Library of Congress, the Office of the Architect of the Capitol, the Administrative Office of the United States Courts, and the Supreme Court of the United States.

In the executive branch, the Department of Defense, Department of the Army, Department of the Navy, and Department of the Air Force are considered to be separate agencies.

Annuity

A retirement benefit paid on a monthly basis.

Annuitant

A former employee entitled to an annuity under a retirement system established for employees. This includes the retirement system of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard.

Annuity Starting Date

For most types of annuities, the first day of the month following either the date after the day you separate from service or the date after your last day in pay, whichever is earlier. If you were in pay status for three days or less in the month of your retirement, the annuity starting date is the date after either the day you separate from service or your last day in pay and in which you meet age and service requirements, whichever is earlier.

For disability, survivor, discontinued service annuities (except annuities based on involuntary separations for Members of Congress), annuities based on mandatory retirement requirements, and deferred annuities, the annuity starting date is the date after either the day you separate from service or your last day in pay, whichever is earlier. Also called the “Annuity Commencing Date.”

Assign and Assignment

Your irrevocable transfer of all ownership of FEGLI coverage (except Dismemberment coverage and Option C) to another individual, corporation, or trustee.

Assignee

The individual, corporation, or trustee to which you irrevocably transfer ownership of FEGLI coverage (except Dismemberment coverage and Option C).

Automatic Cancellation of Waiver

The automatic entitlement to Basic insurance and ability to elect Optional insurance if you are reinstated after a break in service of at least 180 days.

Basic Insurance

The coverage, based on your annual rate of basic pay, which you automatically have as an eligible employee unless you waive it.

Basic Insurance Amount

The amount of Basic insurance on which you pay premiums. It is determined by:

- Taking your annual rate of basic pay;
- Rounding it up to the next higher thousand (if not already an even thousand dollar amount);
- Adding \$2,000.

Cancellation of Insurance

Your written declaration that you no longer want Basic or all or part of your Optional life insurance coverage.

Cancellation of Waiver

Obtaining Basic or Optional life insurance coverage after you have previously waived or cancelled it.

Child, as used in the definition of family member (for Option C)

Your unmarried dependent:

- legitimate child
- adopted child
- stepchild or foster child who lives with you in a regular parent-child relationship
- recognized natural child

It does *not* include a stillborn child or a grandchild (unless the grandchild qualifies as a foster child).

Your child must be under age 22 or, if age 22 or over, must be incapable of self-support because of a mental or physical disability that existed before the child reached age 22.

Child, as used in the order of precedence

- Your legitimate child
- Your adopted child
- Your recognized natural child

It does *not* include a stepchild, a stillborn child, a grandchild, or a foster child.

Life insurance benefits cannot be paid to a minor directly. The age of adulthood for the FEGLI Program is 18, unless the state in which the minor lives has established a lower age. In that case, the lower age applies.

Adopted children do not inherit under the order of precedence from their birth parents, other than as designated beneficiaries, but inherit from their adoptive parents. However, a child who is adopted by the spouse of a birth parent inherits from that birth parent.

Compensation

Compensation under subchapter I of chapter 81 of title 5, United States Code, which is payable because of an on-the-job injury or disease.

Compensation

An employee or former employee who is entitled to compensation and whom the Department of Labor determines is unable to return to duty.

Concurrent Employment

Legally serving in more than one position at the same time.

Contributions

Amounts which each agency is required to pay from its salary appropriations or other available funds as the employer's share of the cost of Basic insurance.

Conversion

The exchange of group insurance for insurance under an individual policy purchased from a private insurance company approved by OPM.

Court Order

A court decree of divorce, annulment, or legal separation, or a court order or court-approved property settlement agreement relating to any court decree of divorce, annulment, or legal separation, the terms of which require FEGLI benefits to be paid to a specific person or persons.

Date of retirement, as used in 5 U.S.C. 8706(b)(1)(A)
The starting date of annuity.

Dependent (for Option C)
Living with or receiving support from you as the insured individual.

Designation of Beneficiary

Notice, signed by you and witnessed by two persons, indicating the person(s) you want to receive your life insurance benefits. The form generally used for life insurance designations is the Designation of Beneficiary form (SF 2823).

Duly Appointed Representative of the Insured's Estate

An individual named in a court order granting the individual the authority to receive, or the right to possess, your property. The order must be issued by a court having jurisdiction over your estate.

Where the law of your legal residence provides for the administration of estates through alternative procedures which do away with the need for a court order, this term also means an individual who shows that he/she is entitled to receive, or possess, your property under the terms of those alternative procedures.

Employee

An individual appointed or elected to a position in or under the executive, legislative, or judicial branch of the United States Government, as defined at 5 U.S.C. 8701(a). This includes Government-owned or -controlled corporations, the District of Columbia Government (for certain eligible employees), and Gallaudet College.

Employing Office

The agency office (or retirement system office) that has responsibility for life insurance actions.

Extension of Coverage

Automatic continuation of your life insurance coverage for 31 days after your life insurance terminates, except by your waiver or cancellation of coverage. Accidental Death & Dismemberment coverage is not included.

Family member (for Option C)

A spouse (including a valid common law marriage) and unmarried dependent eligible child(ren).

Foster Child, as used in the definition of family member (for Option C)

A foster child who:

- Is unmarried and under age 22 (if the child is over age 22, he/she must be incapable of self-support);
- lives with you;
- has a parent-child relationship with you, not the child's biological parent;
- is dependent upon you for his/her primary source of financial support; and
- you expect to raise to adulthood.

Immediate annuity

- An annuity that begins no later than one month after the date the insurance would otherwise stop
- An annuity under 5 CFR 842.204(a)(1) for which the starting date has been postponed under 5 CFR 842.204.

Incontestability

A statutory provision permitting erroneous enrollment that have continued for at least two years to become valid, if you have paid the applicable premiums during the period of erroneous coverage.

Inter Vivos Trust

A trust that you establish during your lifetime.

Living Benefits

Basic insurance benefits (full or partial) paid to you while you are still living, rather than paid to a beneficiary when you die. You must be terminally ill, with a life expectancy of 9 months or less, to qualify for a living benefit.

OFEGLI

The Office of Federal Employees' Group Life Insurance, which makes payments to beneficiaries under the policy. OFEGLI is not a Federal agency. It is staffed by employees of the contracted life insurance carrier. The mailing address for OFEGLI is P.O. Box 2627, Jersey City, NJ 07303-2627; its street address is 2 Montgomery St., Jersey City, NJ 07302-3802.

Open Season

Time period, set by the Office of Personnel Management, in which employees may elect or increase life insurance coverage, regardless of any current waiver of insurance in effect.

OPM

The Office of Personnel Management.

Option A

\$10,000 in coverage that you can elect in addition to Basic insurance. Also called standard optional insurance.

Option B

Coverage, equal to up to 5 multiples of your annual basic rate of pay, that you can elect in addition to Basic insurance. Also called additional optional insurance.

Option C

Coverage, to insure your spouse and eligible child(ren), that you can elect in addition to Basic insurance. You can elect up to 5 multiples of the coverage amounts (each multiple equals \$5,000 for a spouse and \$2,500 for an eligible child). Also called family optional insurance.

Optional Insurance

Insurance that you can elect in addition to Basic insurance. There are three types of Optional insurance: Option A (standard optional insurance), Option B (additional optional insurance), and Option C (family optional insurance).

Order of Precedence

By law, the order in which life insurance benefits are paid to your survivors:

If you assigned ownership of your insurance (usually by filing an RI 76-10, Assignment of Life Insurance), OFEGLI will pay:

First to the beneficiary(ies) the assignee(s) validly designated;

Second, if none, to the assignee(s).

If you did not assign ownership and there is a valid court order on file with your agency or OPM, as appropriate, OFEGLI will pay benefits according to the court order.

If you did not assign ownership and there is no valid court order on file with your agency or OPM, as appropriate, then OFEGLI will pay:

First, to the beneficiary(ies) you validly designated;

Second, if none, to your widow or widower;

Third, if none of the above, to your child or children and the descendants of any deceased children (a court will usually have to appoint a guardian to receive payment for a minor child);

Fourth, if none of the above, to your parents in equal shares, or the entire amount to the surviving parent;

Fifth, if none of the above, to the court-appointed executor or administrator of your estate;

Sixth, if none of the above, to your other next of kin entitled under the laws of the State where you lived.

OWCP

The Office of Workers' Compensation Programs, U.S. Department of Labor, which administers subchapter I of chapter 81 of title 5, United States Code.

Parent

- The mother or father of a legitimate child or an adopted child
- The mother of a recognized natural child
- The father of a recognized natural child, if the child meets the definition of a recognized natural child.

Pay and Duty Status

Time when you are actually at work; it does not include time on annual or sick leave, leave without pay, excused absence or other absence from duty.

Post-65 Reduction in Insurance

The amount by which Basic insurance coverage reduces after your 65th birthday (or retirement, if later). For Basic insurance, the choices are 75% Reduction, 50% Reduction, and No Reduction.

For Option B and Option C, the choices are Full Reduction and No Reduction. There is no choice for Option A; it reduces by 75%.

Recognized Natural Child

A child for whom the father:

- Has acknowledged paternity in writing;
- Was ordered by a court to provide support;
- Before his death, was pronounced by a court to be the father;
- Was established as the father by a certified copy of the public record of birth or church record of baptism, if he was the informant and named himself as the father of the child; or
- Established paternity on public records, such as records of schools or social welfare agencies,

which show that with his knowledge he was named as the father of the child.

If paternity is not established by one of the above means, other evidence such as the child's eligibility as a recognized natural child under other State or Federal programs or proof that the father included the child as a dependent child on his income tax returns may be considered.

Reconsideration

The final level of administrative review of an agency's initial decision to determine if the employing office followed the law and regulations correctly in making the initial decision.

Service

Civilian service which is creditable under subchapter III of chapter 83 or subchapter II of chapter 84 of title 5, United States Code. This includes service under a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard for an individual who elected to remain under a retirement system established for employees described in Section 2105(c) of title 5.

Terminal Leave

Leave taken immediately prior to separation. Terminal leave is generally prohibited except with specific authority.

Terminally Ill

For purposes of qualifying for a living benefit, having a medical prognosis of a life expectancy of 9 months or less.

Testamentary Trust

A trust that is created by your will at your death.

Underdeduction

A failure to withhold the required amount of life insurance deductions from your pay, annuity, or compensation. This includes nondeductions (when none of the required amount is withheld) and partial deductions (when only part of the required amount is withheld). If there is no pay during a pay period, there is no underdeduction.

Viatical Settlement Firm

A private company that exchanges cash for assignment of life insurance to a terminally or chronically ill person.

Waiver of Insurance

Your written decision upon your employment or reemployment that you do not want any life insurance coverage.

Withholdings

Amounts deducted from your pay, annuity, or compensation for the full cost of Optional life insurance and your share of the cost of Basic insurance.