Federal Employees Health Benefits (FEHB) Program

Termination of FEHB coverage. Your FEHB enrollment will terminate on the last day of the pay period in which your separation is effective. Your coverage will continue temporarily for 31 days from the effective date of the termination at no cost to you.

You may elect to convert to an individual policy offered by your health insurance carrier. No medical examination is required. There is no Government contribution to the cost of the individual health insurance plan – you pay the full cost. The conversion policy is effective at the end of the 31-day extension of coverage. If this is retroactive, you must pay premiums back to that date.

Temporary Continuation of Coverage (TCC). You may also elect to continue your health insurance under the FEHB program for up to 18 months after your separation date.

You will have 60 days from the date of your separation to enroll in TCC. You may select any plan in the FEHB Program in which to continue your coverage if you are otherwise eligible to enroll in the plan. You may change your enrollment during the annual Open Season. Your TCC enrollment and premiums begin on the day after the 31-day period of free coverage ends.

(Note – as of 10/1/2010, legislation is pending to extend the below benefit to 2015.)

If you are involuntarily separated by Reduction in Force (RIF), resign or separate after receipt of a RIF separation notice, or voluntarily separate from a surplus position, you may receive TCC based on section 1036 of Public Law 104-106. If you are eligible for this special TCC, you pay only the employee share for the FEHB premium. At the end of the 18 months, you will have a 31-day temporary extension of coverage at which time you may convert to a non-group individual policy.


Federal Employees Group Life Insurance (FEGLI)

Your life insurance enrollment will terminate at the end of the day on which you separate. Your coverage will continue (except accidental death and dismemberment) temporarily for 31 days from the effective date of the termination at no cost to you.

You may elect to convert to an individual life insurance policy. No medical examination is required. There is no Government contribution to the cost of the individual policy – you pay the full cost. The conversion policy is effective at the end of the 31-day extension of coverage. If this is retroactive, you must pay premiums back to that date.
Thrift Savings Plan (TSP)

Withdrawals From Your TSP Account. You are eligible to make a withdrawal from your TSP account after you have been separated from federal service for 30 days.

If your account balance is between $5 and $200, TSP will automatically send you a check for your account balance. You cannot choose another withdrawal option or elect to leave your money in the TSP. If you choose to roll over these funds into another account, you have 60 days from the date you receive the payment to complete your rollover and preserve the tax-deferred status of these funds.

You are required to withdraw your account balance in a single payment, begin receiving monthly payments, or begin receiving annuity payments by April 1 of the later of:

- the year following the year you become age 70 1/2, or
- the year following the year you separate from Federal service or the uniformed services.

If you are younger than 70 1/2 years old and not ready to make a withdrawal from your TSP account, you may leave it in the TSP and make a withdrawal decision later. You have many withdrawal options. You can:

- Take just a partial withdrawal if you are eligible, or
- Choose one of the full withdrawal options:
  - Single payment
  - Monthly payments
  - Life annuity
  - A combination of above options

You may also be eligible to transfer all or part of your withdrawal to an IRA or eligible employer plan.

TSP Loans. If you have an outstanding TSP Loan, you may pay the loan in full at separation or take a taxable distribution of the unpaid amount. Taking a taxable distribution means that the portion of the loan that has not been repaid is treated as taxable income. In addition, you may be subject to a 10 percent penalty for early withdrawal.

Federal Long Term Care Insurance Program (FLTCIP)

Your enrollment in FLTCIP continues as long as you pay the premiums. If you are currently paying premiums through payroll allotment, contact Long Term Care Partners at 800-582-3337 to select another payment option.

Federal Flexible Spending Account Program (FSAFEDS)

Your enrollment in the FSAFEDS ends when you separate from federal service. The Health Care Flexible Spending Account (HCFSA) or LEX (Limited Expense) HCFSA will terminate as of the date of your separation. There are no extensions. Any eligible health care expenses incurred prior to the date of separation will still be reimbursed but those incurred after the separation date are not reimbursable. If you used your entire elected amount before FSAFEDS has deducted it from your pay, you will not be responsible for the remaining allotments. You can continue to use the remaining balance in your Dependent Care Flexible Spending Account (DCFSA) to pay for eligible dependent care expenses until the end of the benefit period or until your account balance is used up, whichever comes first.


Federal Employees Dental and Vision Insurance Program (FEDVIP)

Your participation in FEDVIP ends when you separate from federal service. There are no provisions for continuing FEDVIP coverage after you separate, unless your separation is a retirement.


Retirement

If you separate from federal service and are not eligible for an immediate annuity, you have options regarding the money you have contributed to the retirement system.

Civil Service Retirement System (CSRS)

1. Refund of Retirement Contributions. You may withdraw your CSRS contributions if you:

   - Have been separated from federal service for at least 31 days, and
   - Are not eligible to receive an annuity within 31 days after filing the application

If you receive a refund of your retirement contributions, you will no longer be eligible to receive monthly payments when you reach retirement age, unless you are later reemployed in a retirement covered position.

You can redeposit the refund of retirement contributions (with interest) only if you return to federal service under CSRS or Federal Employees Retirement System (FERS).

If you return to federal service, refunded service that ended on or after March 1, 1991 will not be used in computing the amount of retirement annuity unless the redeposit is paid.

2. Deferred Retirement. If you have completed at least 5 years of creditable civilian service, you may leave your money in the retirement system and apply directly to OPM for a deferred annuity at age 62. Your annuity would be based on the retirement regulations that are in effect on your 62nd birthday. If you apply for a deferred annuity, you are not eligible to continue the health or life insurance coverage you had while employed and you will not be able to elect a survivor benefit for your spouse.
3. **Disability Retirement.** If you have completed at least 5 years of creditable civilian service and because of injury or illness, you were unable to perform the duties of your government position; you could be eligible for disability retirement. Your disability retirement application must be received by OPM within 1 year of your date of separation.

4. **Retirement Plan Upon Reemployment.** If you are rehired in a retirement covered position within 365 days, you will remain under the CSRS. If you return after 365 days, you will be covered by CSRS with full Social Security (CSRS Offset). You will have 6 months from the date of reemployment in a retirement covered position to elect to transfer to the Federal Employees Retirement System.

**Federal Employees Retirement System (FERS)**

1. **Refund of Retirement Contributions.** You may withdraw your contributions to the basic annuity tier of FERS if you:
   - Have been separated from federal service for at least 31 days, and
   - Are not eligible to receive an annuity within 31 days after filing the application

   If you receive a refund of your retirement contributions, you will no longer be eligible to receive monthly payments when you reach retirement age, unless you are later reemployed in a retirement covered position.

   You can redeposit the refund of retirement contributions (with interest) only if you return to federal service under FERS.

2. **Deferred Retirement.** If you have completed at least 5 years of creditable civilian service, you may leave your money in the retirement system and apply directly to OPM for a deferred annuity at age 62. You may be eligible for a deferred annuity as early as your Minimum Retirement Age (MRA) if you have 10 or more years of creditable service, including 5 years of civilian service.

   If you separate from federal service with at least 10 years of service before reaching your MRA or if you separate from federal service with at least 5, but less than 10 years of service, and apply for a deferred annuity, you are not eligible to continue your health or life insurance coverage you had while employed and you will not be able to elect a survivor benefit for your spouse.

3. **Postponed Retirement.** If you separate from federal service after reaching your MRA with at least 10 years of service, but postpone the commencing date of your annuity to reduce or avoid the age reduction, you are eligible to reenroll in the FEHB and FEGLI programs when the postponed annuity begins, if you participated in the program for the 5 years of service immediately before you separated from federal service or continually from your earliest opportunity.

4. **Disability Retirement.** If you have completed at least 5 years of creditable civilian service and because of injury or illness, you were unable to perform the duties of your government position; you could be eligible for disability retirement. Your disability retirement application must be received by OPM within 1 year of your date of separation.