

Benefits Upon Separation Questions and Answers

The following applies to separating employees from the federal service for any reason except retirement, transfer to another agency, or in receipt of workers compensation benefits.

Federal Employee Health Benefits (FEHB)

What happens to my health insurance when I separate? Your FEHB coverage will terminate effective the last day of the pay period in which you separate. You then have a 31 day temporary extension of coverage during which the insurance continues at no cost to you. During the 31-day period, you may apply to convert to a non-group contract or apply for Temporary Continuation of Coverage (TCC).

How do I convert to a non-group contract? You must write to your health plan within 31 days of the termination of your health insurance coverage and request information on converting to a non-group contract. The plan will provide you with an application for conversion and information on benefits and costs. Additional information on the conversion process may be found in Part B on the reverse side of the SF 2810 (Notice of Change in Health Benefits). Your servicing HR office has included a SF 2810 with this packet.

Under a non-group contract, will my level of coverage change? The benefits offered by the non-group contract will most likely be different in both the level of coverage and the cost. It is important that you closely review the benefits and cost data your health plan will provide.

If I convert to a non-group contract, may I later apply for Temporary Continuation of Coverage (TCC)? No. By the time the conversion process is completed, the time limit for applying for TCC will expire.

What is TCC? TCC allows you to continue the same level of health benefits coverage while employed. The TCC family enrollment covers the same family members as were covered under your plan while employed. Enrollment under TCC is limited to a maximum of 18 months and you will pay both the employee and government shares of the premium, plus an additional 2% administrative fee.

Am I eligible for TCC regardless of the reason for separation from employment? You are not entitled to TCC if your separation from Federal service is involuntary due to gross misconduct. Employees who have lost FEHB coverage after 12 months in a leave without pay status are also not eligible for TCC.

Is there a time limit to apply for TCC and can I continue coverage after TCC expires? You must apply for TCC within 60 days after loss of coverage or within 60 days from the date you are notified of your eligibility to elect TCC, whichever is later. After your TCC coverage ends (except if you cancel or your plan was discontinued), you will be given a 31 day extension of coverage at no cost to you during which you may apply to convert to a non-group contract.

How do I apply for TCC? First, review the online [RI 79-27](#) “Temporary Continuation of Coverage” <https://www.opm.gov/healthcare-insurance/healthcare/temporary-continuation-of-coverage?url=Pamphlet> . Review the [RI 70-5](#) , “Guide to FEHB plans for TCC and former spouse enrollees on the OPM website at <http://www.opm.gov/insure/health/planinfo/guides/index.asp> . You may stay in your current health plan or select another.

For information on cost, go to <https://www.opm.gov/healthcare-insurance/healthcare/plan-information/premiums/>.

Send a completed SF 2809 (Health Benefits Election Form) https://www.opm.gov/forms/pdf_fill/sf2809.pdf:

**USDA APHIS-MRPBS
250 Marquette Ave
Suite 410
Minneapolis, MN 55401**

Our office will reach out confirming your enrollment and outlining the procedures for collecting premiums.

When is my enrollment under TCC effective? Your enrollment is effective at the end of the 31 day temporary extension of coverage.

Federal Employees Dental and Vision Program

Can I continue FEDVIP coverage if I leave Federal Service? No. Under the Federal Employees Dental and Vision Insurance Program, there is no extension of coverage, temporary continuation of coverage, spouse equity coverage, or right to convert to an individual policy.

Who do I contact if I have questions regarding FEDVIP? You can contact BENEFEDS at 1-877-888-3337 or visit FEDVIP FAQs at <https://www.benefeds.gov/>.

Federal Employees Group Life Insurance (FGLI)

What happens to my life insurance when I separate? Your life insurance automatically terminates effective the date of your separation from Federal Employment. You will then have a 31 day extension of coverage during which coverage will continue at no cost to you. During the 31 day period you may apply for conversion to an individual policy.

How much of my life insurance coverage may I convert? You may convert all or any part of your Basic and Optional insurance to an individual policy. However, if you assigned your insurance, only your assignee may apply for conversion. Also, you may not convert the family option if you no longer have eligible family members.

How much will a policy purchased under the conversion privilege cost? The purchase of a policy is a private business transaction between you and the insurance company. The cost is determined by the insurance company and is based on your age and class of risk. A Sample Annual Premium Rate chart is on the SF 2819 (Notice of Conversion Privilege) instructions.

How do I apply to convert to an individual policy? Your servicing HR office has enclosed an SF 2819 (Notice of Conversion Privilege). The SF 2819 represents notice of your loss of group life insurance coverage and the right to convert. In addition, you will receive the SF 2821 (Agency Certification of Insurance Status). After reading Part B, complete Part C and forward the SF 2819 along with the original SF 2821 to the OFEGLI address on the SF 2819.

Is there a time limit on applying for conversion? Yes, your request for conversion must be postmarked within 31 days after the date of your separation or within 31 days of receipt of the SF 2819, whichever is later. If you do not receive the SF 2819 on time or are unable to request conversion on time due to reasons beyond your control, you can request a belated conversion by writing to the OFEGLI address on the SF 2819.

Where can I find additional information? The OPM Website is a good source of additional information at <https://www.opm.gov/healthcare-insurance/life-insurance/reference-materials/publications-forms/fegli-handbook/> and the FAQ page at <https://www.opm.gov/healthcare-insurance/insurance-faqs/life/>.

Retirement Contributions

What happens to the retirement contributions I have paid into the retirement fund? You may leave the money in the retirement fund if you will be eligible for a Deferred or Postponed retirement benefit in the future. You may also decide to apply for a refund if certain criteria are met, however you may be giving up future rights to a deferred retirement benefit. For additional information on retirement eligibility go to OPM's website at <https://www.opm.gov/retirement-services/fers-information/types-of-retirement/#url=Deferred-Retirement>.

If I take a refund and later become reemployed, may I redeposit the amount refunded? In general, if you are covered under CSRS or FERS, you may redeposit the refund with interest to the Office of Personnel Management upon rehire to Federal Service.

How do I apply for a refund? You may apply for a refund by completing the applicable retirement fund application. For employees who are covered under FERS, you would complete a SF 3106 (Application for Refund of Retirement Deductions). For employees covered under CSRS, you would complete a SF 2802 (Application for Refund of Retirement Deductions).

Where do I obtain the form? These forms are available at <https://www.opm.gov/forms/standard-forms/>.

Am I eligible for the FERS Annuity Supplement? Former employees who apply for/receive a deferred annuity are not eligible for the FERS annuity supplement.

Where can I find additional information? The OPM Website is a good source of additional information at <https://www.opm.gov/retirement-center/fers-information/types-of-retirement/>. Review the [RI 92-19a](#) "Applying for Deferred or Postponed Retirement Under the Federal Employees Retirement System (FERS)".

Thrift Savings Plan (TSP)

What happens to my TSP account upon separation from employment? For additional information about your TSP upon separation from employment read through the [TSPFS 29](#) “Information for TSP Participants Preparing to Leave Employment”

Where can I find information about TSP? Visit the TSP website at www.tsp.gov. You may also call the TSP Thrift Line at 1-877-968-3778, Monday through Friday, 7:00 A.M. to 9:00 P.M.

Separating From Government Service

<https://www.tsp.gov/changes-in-your-career/leaving-the-federal-government/>

Important Tax Information About Payments From Your TSP Account

<https://www.tsp.gov/forms/?topics=Tax-information-and-legal-documents>

Flexible Spending Accounts (FSA)

What happens if I separate or retire before the end of the plan year? The balances in your Health Care FSA (HCFSA), Limited Expense Health Care FSA (LEX HCFSA) and Dependent Care FSA (DCFSA) are treated differently if you separate or retire before the end of the calendar year. Your HCFSA or LEX HCFSA will terminate as of the date of your separation or retirement. 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, even if you accelerated your allotments. If you used your entire elected amount before FSAFEDS has deducted it from your pay, you will not be responsible for the remaining allotments. Your DCFSA remaining balance can continue to be used to pay for [eligible dependent care expenses](#) until your account balance is depleted or the end of the calendar year, whichever comes first. Please note: In order to take advantage of the [grace period](#) for your DCFSA, you must be actively employed and making allotments through December 31 of the benefit period (plan year).

Example: A participant is enrolled in both a HCFSA and DCFSA for the benefit period but retires midway during the benefit year on July 1. The participant may only submit claims for health care expenses which are incurred prior to their July 1 separation date but can continue to incur dependent care expenses through December 31 of that benefit year or until their balance is depleted. The participant would not be eligible for the grace period under their DCFSA.

If I separate or retire from service, can I receive my remaining HCFSA or LEX HCFSA balance? No, you can only be reimbursed for the expenses incurred prior to the date of separation or retirement even if you have accelerated your allotments (FSA contributions).

You are not eligible for reimbursement even if there is still money in your Health Care FSA (HCFSAs) or Limited Expense Health Care FSA (LEX HCFSA) to pay these expenses.

Who do I contact if I have questions regarding FSA? You can contact an FSA Benefits Counselor at 1-877-FSAFEDS (372-3337) or TTY: 1-800-952-0450, Monday through Friday from 9am-9pm Eastern Time. Visit the FSAFEDS website for additional information at <https://www.fsafeds.gov/>.

Federal Long Term Care Insurance Program (FLTCIP)

What happens to my FLTCIP account upon separation from employment? The FLTCIP is completely portable. That means that it will always be your policy even if you leave federal service or retire, so long as you pay your premiums. If you currently pay your premiums through payroll deduction those payments will stop upon separation. Contact the FLTCIP office to inform them of your separation.

Who do I contact if I have question regarding FLTCIP? You can contact the Long Term Care partners at 1-800-LTC-FEDS (582-3337) or TTY at 1-800-843-3557 Monday through Friday from 8am to 7 pm Eastern Time.

Leave

What will happen to my annual leave upon separation? You will be paid in a lump sum for any annual leave you may have earned along with any credit hours and regular compensatory time. If you are re-employed in the Federal Service under the same leave system before the date the leave would be exhausted, you must refund the annual leave lump sum for the overlapping period.

What will happen to my sick leave upon separation? If you had any sick leave to your credit at the time of separation, this amount may be re-credited to you if you re-enter Federal service under a leave-earning appointment. Sick leave is not paid out upon separation.

Do I get paid for my credit time and compensatory time upon separation? Credit hours and regular compensatory time are also paid in a lump sum payment upon separation. However, **travel compensatory time** is NOT paid out and will be forfeited upon separation.

Unemployment Compensation

Can I apply for unemployment upon my separation? Our office cannot approve unemployment compensation. Only your state can make an approval determination. You will receive a copy of the SF 8 (Notice to Federal Employee about Unemployment Insurance). Provide this form to your state unemployment office along with your separation SF 50 (Notification of Personnel Action) which will provide the state office with information to verify your employment.