

FEHB

Health Benefits Coverage for Noncareer Employees

Notice 426
September 2005

The Federal Employees Health Benefits (FEHB) Program permits certain noncareer (temporary) employees to obtain health insurance, if they meet certain eligibility requirements.

Who is eligible for noncareer FEHB coverage?

If you are a noncareer employee, you are eligible to enroll in the FEHB Program if you meet all of the following requirements:

1. Complete 1 year of current continuous employment without a break in service of more than 5 days. (If you are a casual or transitional employee, you do not meet the 1-year requirement; therefore, you are not eligible for noncareer FEHB coverage.)
2. Have a predetermined, regular scheduled tour of duty.
3. Earn enough to have the full cost of the health insurance premium withheld from your biweekly pay.

How are eligibility criteria defined?

- *Current* means beginning the day you apply and counting back 1 full year (365 calendar days).
- *Continuous* means employment with no break in service of more than 5 days. A break in service occurs when you are off Postal Service rolls. Leave without pay is not considered a break in service. Days on which a part-time employee is not scheduled to work are not considered a break in service.
- *Regular tour of duty* means a work schedule that is prescribed in advance (with consistent hours each pay period) and is expected to continue for at least 6 months.
- *Sufficient earnings* means that in each pay period you must earn enough to cover all of your mandatory deductions in addition to your health insurance premium. As an eligible, noncareer employee, you are expected to maintain sufficient earnings for at least 6 months. Mandatory deductions will be withheld from your gross pay before health insurance premiums are withheld, in the following order: (1) FICA (Social Security); (2) Medicare; (3) federal, state, and local income taxes; and (4) involuntary deductions.
- *Total health insurance premium* means the full cost of the group health insurance premium. The Postal Service does not contribute toward the cost of health insurance for noncareer employees.

Who pays the premiums?

You are expected to pay the total cost of your health insurance premiums, which must be withheld from your earnings. The Postal Service will not pay any portion of the premium cost.

If you do not earn enough in any one pay period to allow for withholding of your health insurance premium, the unpaid premium is withheld in the next pay period. However, if you don't earn enough in the second pay period, you may lose coverage. When two adjustments for insufficient earnings have been made, you will receive an invoice (Form 1903-DZ, *Invoice and Statement*) for the total amount due. You must pay the total amount billed within 30 days of the invoice date, or your FEHB enrollment will be terminated retroactive to the date the initial unpaid health insurance premium was due. This means that you — not your health insurance plan — will be responsible for paying for any medical services received after the due date of the first missed premium payment.

If you lose coverage for nonpayment of premiums, you cannot renew your enrollment until (1) the next open season, or (2) the FEHB program offers another opportunity to enroll.

What is the time limit for election?

If you are eligible and wish to enroll, you must submit your FEHB election to your personnel office within 31 days after the first day you become eligible. If you do not enroll when you first become eligible, you will have an opportunity to enroll during the next regularly scheduled health benefits open season or you have a qualifying life event that permits enrollment.

As an interested, eligible employee, how do I enroll for coverage?

Obtain FEHB Booklet RI 70-8PS, *Enrollment Information Guide and Plan Comparison Chart for Certain Temporary Employees*, from your personnel office. It contains detailed information about enrollment, total premium rates, and the major features of each participating plan. Review the booklet, individual plan brochures, and other information that may help you to choose a health insurance plan.

To register for FEHB health insurance coverage, you must complete a *PostalEASE* FEHB Worksheet (located in FEHB Booklet RI-70-8PS). Enroll in *PostalEASE* by following the directions on the worksheet.

Premium payments for noncareer employees are automatically withheld on an after-tax basis. If you wish to have your premiums withheld with pre-tax money, see the section titled Pre-Tax Payment of Premium Contributions in FEHB Booklet RI 70-8PS for guidelines.

What is the effective date of my coverage?

The effective date of an enrollment, outside a regular FEHB Health Benefits Open Season, is the first day of the pay period that begins

1. After your personnel office receives your completed registration forms; and
2. Follows a pay period during which you were in a pay status of any length.

When may I change enrollment?

You may change enrollment during the FEHB Open Season, or when a qualifying life event occurs that allows you to change enrollment. Your enrollment may be changed from Self and Family to Self Only at any time. Family members who lose coverage because you change to Self Only are entitled to a 31-day extension of coverage for conversion to an individual (nongroup) contract.

How can my enrollment be terminated?

Your enrollment will end if you leave the Postal Service, cancel your enrollment, or fail to pay health insurance premiums within 30 days of the date of an invoice stating the total amount due. Nonpayment of health insurance premiums is considered to be a voluntary cancellation of enrollment.

When I leave the Postal Service, can I continue my coverage?

Yes. You and members of your family who lose coverage other than by cancellation (including cancellation by nonpayment of premiums) have a 31-day period of extended coverage, at no cost, for the purpose of converting to an individual (nongroup) contract with your health benefits plan. This applies whether or not you have the right to elect Temporary Continuation of Coverage (TCC).

Also, when you separate from the Postal Service, you may be able to elect TCC of health benefits for up to 18 months. Children of employees enrolled in FEHB who lose their status as family members, and certain former spouses of employees enrolled in FEHB, may be able to elect TCC for up to 36 months. Notice 423, *FEHB Temporary Continuation of Coverage*, provides information concerning TCC and is available from your personnel office.

If you elect TCC instead of the conversion policy, you will have another 31-day period of extended coverage (at no cost) and another opportunity to convert to an individual (nongroup) contract when the TCC ends for any reason other than cancellation.

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If I am converted to career status, how will that affect my enrollment?

Your conversion to career status is considered to be an event that permits you to continue the same coverage or to change plans, options, or types of enrollment.

If I am converted to career status and then retire, will it affect my eligibility for health coverage in retirement if I have not elected coverage as a noncareer employee?

A prior decision not to enroll in the FEHB Program under the temporary provisions will not affect future eligibility to qualify for FEHB coverage during retirement. Generally, an employee cannot continue FEHB coverage into retirement unless the employee has been enrolled since the first opportunity, or for the 5 years of service immediately before retirement. However, the opportunity to enroll in the FEHB Program as a temporary (noncareer) employee is not considered the first opportunity for purposes of determining eligibility for postretirement FEHB coverage.

Where can I obtain more information?

Personnel offices can provide additional information concerning noncareer FEHB coverage.

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