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PERSONNEL AND  
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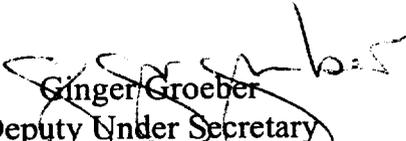
21 APR 2003

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Temporary Continuation of Federal Employees Health Benefits (FEHB)  
Coverage

Section 1103 of the National Defense Authorization Act for Fiscal Year 2003, (Public Law 107-314) extends to October 1, 2006, the authority for the government to pay its share of the FEHB premium (for up to 18 months) after an employee has been involuntarily separated or voluntarily separated from a surplus position due to a reduction in force. Accordingly, the attached policy and procedures are provided for use when extending this authority.

Civilian Personnel Manual subchapter 1704, "Post Separation Entitlement and Benefit Authority," implementing this policy is currently in coordination within the Department.

  
Ginger Groeber  
Deputy Under Secretary  
Civilian Personnel Policy

Attachment:  
As stated



DISTRIBUTION: ASSISTANT G-1 FOR CIVILIAN PERSONNEL POLICY,  
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**Guidance on Temporary Continuation of  
Federal Employees Health Benefits (FEHB)  
Coverage**

1. The Component that last employed the individual is required to pay the government's share of an eligible employee's health insurance premium (and applicable administrative fees) for a period of up to 18 months after involuntary separation from a position or voluntary separation from a surplus position according to 5 U.S.C. 8905a(d)(4). Payment begins on the 32<sup>nd</sup> day after the end of the pay period in which the employee's involuntary separation or voluntary separation from a surplus position due to a Defense Department RIF is effective. For this purpose, a surplus position is a position identified in pre-reduction in force planning as no longer required, and which is expected to be eliminated under formal reduction in force procedures.

2. Temporary continuation of coverage applies to employees who are enrolled in the FEHB Program at the time of their covered separation. It applies to employees who are separated by RIF, resign after receipt of a RIF separation notice, volunteer for reduction in force (VRIF program), or resign from a surplus position. Likewise, employees serving on temporary appointments who receive a government contribution to their FEHB coverage, and whose appointment terminates (or is allowed to expire) as a result of RIF, are eligible. Employees who decline a transfer of function are not eligible. This entitlement is based on the legislative authority contained in title 5, United States Code and may be extended or terminated by future legislative action. For information concerning the duration of the authority, refer to that reference.

3. Employees must continue to pay their share of the premiums during the extended coverage period.

4. The supporting civilian personnel office shall include the following information on the Health Benefits Registration Form (SF 2809):

Self, DoD-RIF, Involuntary Separation, Pub. L. 107-314, 5 USC 8905a(d)(4)(A); separation date: [ENTER DATE]; last day of pay period: [ENTER DATE]; Agency Code: [ENTER FOUR DIGIT CODE]; Appropriations Code: [ENTER NINE DIGIT CODE], or

Self, DoD-RIF, Voluntary Separation from a Surplus Position, Pub. L. 107-314, 5 USC 8905a(d)(4)(A); separation date: [ENTER DATE]; last day of pay period: [ENTER DATE]; Agency Code: [ENTER FOUR DIGIT CODE]; Appropriations Code: [ENTER NINE DIGIT CODE].

5. The employing DoD Component is responsible for funding this entitlement. For closing installations, the relevant DoD Component must furnish pertinent information regarding the designated, successor personnel office to the National Finance Center. (The successor personnel office will provide ongoing support to eligible employees including enrollment advice and information.) This notification must be provided before the first day of the month in which the successor personnel office assumes responsibility. If an employee moves to a temporary position with another DoD Component without a break in service, delaying the beginning date of entitlement to subsidized TCC, the employing DoD Component at the time the employee gains eligibility continues to be responsible for funding the entitlement.