



Benefits Administration Letter

Number: BAL 09- 201

Date: March 13, 2009

Subject: Federal Employees' Group Life Insurance (FEGLI) Handbook

The FEGLI Handbook has been updated to include changes made by Public Law (P.L) 110-181, the National Defense Authorization Act for Fiscal Year 2008, P.L 110-177, Court Security Improvement Act of 2007, and P.L. 110-417, the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009.

We have also made some clarifications and changes based on suggestions from agencies and employees. We have highlighted some of the more important changes below:

- The “Introduction,” “Designation of Beneficiary,” “Living Benefits,” “Claims,” and “Assignment” chapters have been significantly revised for clarification.
- In the “*Introduction*” we have:
 - Clarified the types of insurance FEGLI provides
 - Revised the sections on “Cancellation of Waiver by Providing Medical Information,” “Effect of Separation from Service on Waiver,” and “31-Day Extension of Coverage and Conversion of Insurance” for clarity
 - Added new examples to the “Incontestability” and “Reconsideration Rights” sections
- In the “*Designation of Beneficiary*” chapter we have:
 - Clarified the following sections: “Order of Precedence,” “Who Can Make a Designation,” and “Designation Form”
 - Added two new sections on “Naming Contingent Beneficiaries,” and “Naming Your Estate”
 - Clarified the information on “Receipt Before Death” and “Invalid Designations”
 - Added new examples on how to designate beneficiaries
- In the “*Living Benefits*” chapter we have:
 - Clarified the issue of Living Benefits vs. Viatical settlements
 - Clarified the application process for electing a living benefit
- In the “*Claims*” chapter we have:
 - Added a new section on “Federal income Tax”
 - Expanded the section on “Limitation on Payment”
 - Clarified the section on “Filing a Claim”
 - Expanded the “Certification” section to further explain OFEGLI and Agency responsibilities

- In the “*Assignment*” chapter we have:
 - Clarified coverage affected by an assignment
 - Clarified the instructions for completing the assignment form
 - Clarified the issue of Assignments vs. Viatical Settlements
- We added new, clearer, practical examples throughout the handbook where appropriate.
- We updated items that were no longer relevant to the program, outdated or no longer valid.

The updated handbook is on the FEGLI web site at www.opm.gov/insure/life.

Sincerely,

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