HRSC Europe Employee Benefits Update

Federal Employees Health Benefits (FEHB) Open Season 12 November – 10 December 2001

The FEHB open season will be held from 12 November through 10 December 2001. During open season, any eligible employee who is not currently registered may enroll, and any eligible enrollee may change from one plan or option to another, from self only to self and family, or make a combination of these changes.

Enrollees who wish to continue their current enrollments do not need to take any action during this open season. However, enrollees whose plans will not be participating in the FEHB Program after 31 December 2001, or whose plans dropped the enrollment code they are enrolled in, MUST enroll in a different plan to continue FEHB coverage in 2002.

FEHB PLAN INFORMATION

If you are considering enrolling or making an enrollment change be sure to review the 2002 Guide to Federal Employees Health Benefits Plans. The FEHB Guide contains a comparison chart that gives general information about each plan and shows the biweekly and monthly premium rates. If, after reviewing the FEHB Guide, you decide you are interested in making an enrollment change, consult the plan's brochure for a complete description of benefits.

If you have access to the Internet, all 2002 FEHB Guides and health plan brochures are available from the OPM web site at http://www.opm.gov/insure/health. Alternatively, plan brochures are available from your Human Resources Office (HRO).

HOW TO ENROLL OR MAKE AN ENROLLMENT CHANGE DURING OPEN SEASON

Using A Computer To Make An Open Season Change. To make an FEHB open season change use the Employee Benefits Information System (EBIS). By using EBIS you can make an FEHB open season change 24 hours a day from any computer with Internet access. FEHB changes made using EBIS automatically flow electronically to the FEHB carrier so new enrollment cards are issued quicker.

You can access EBIS through Department of Navy Civilian Human Resources homepage at http://www.donhr.navy.mil/. Select “Pay and Benefits” then “DON Civilian Benefits Information (EBIS)”. Once you are in the DON Civilian Benefits Information Center, select “EBIS”. To log into EBIS you use your Social Security Number and password. New EBIS users must establish a password. Attachment 1 describes how to create a password. To make an FEHB open season change you must also establish a Personal Identification Number (PIN) if you have not previously created one in EBIS or The Benefits Line. Your initial PIN is your month and year of birth (MMYY). You must change this to a 6-digit PIN.

Open season enrollments and changes will become effective 13 January 2002. If you change plans, any covered expenses incurred between 1 January 2002 and 12 January 2002 will count toward the 2001 deductible of your old plan.

Please note that information you provide by enrolling in the FEHB Program may also be used for computer matching with Federal, state, or local agencies' files to determine whether you qualify for benefits, payments, or eligibility in the FEHB Program, Medicare, or other Government benefits programs.

FEHB PREMIUM CONVERSION

Premiums for health insurance are withheld before federal taxes are calculated so your gross income for tax purposes is reduced (unless you have previously elected not to participate). This is called FEHB Premium Conversion (FEHB-PC). During the FEHB open season you have the opportunity to elect to change previous FEHB-PC decisions. If you have elected to participate in premium conversion, the remarks section of your LES will have the statement "Pretax FEHB exclusion $____."

There are several important aspects of FEHB-PC that you should consider before participating:

1. Paying health insurance premiums with pre-tax money reduces the earnings reported to the Social Security Administration. This may result in a somewhat lower Social Security benefit when you retire.
2. If you participate in FEHB-PC you are not able to deduct health insurance premiums as a medical deduction on your income tax return.
3. By participating in FEHB-PC, you do not have the flexibility to cancel your health insurance coverage or change to a self-only enrollment from a family enrollment any time. You will be able make these changes only in conjunction with a qualifying life event or during the annual FEHB open season.

Employees who want to make a change to a prior FEHB Premium Conversion election must complete Attachment 2 and submit it to the HRSC Europe, PSC 821 Box 121, FPO AE 09421-5000. Employees who do not want to make a change to their election do not need to submit the form. All elections to participate or waive participation must be submitted by 10 December 2001 and will be effective 13 January 2002. Additional information on FEHB premium conversion is available on the OPM homepage at http://www.opm.gov/insure/health/pretaxfehb/index.htm.

TEMPORARY CONTINUATION OF COVERAGE (TCC)

If you lose your FEHB coverage because you separate from Federal service, you may enroll under the TCC provision of the FEHB law to continue your coverage for up to 18 months. Exception: you are not eligible for TCC if your separation is due to gross misconduct.

Your family members who lose coverage because they are no longer eligible family members may enroll under TCC to continue FEHB coverage for up to 36 months. This includes spouses who lose coverage because of divorce and children who lose coverage because they marry or reach age 22.

TCC enrollees must pay the total plan premium (without a Government contribution) plus a 2% charge for administrative expenses. There are specific time frames within which you or your dependent must enroll for TCC. Contact the HRSC Europe for more information about TCC.

SPECIAL INFORMATION FOR THOSE CONSIDERING RETIREMENT

Employees nearing retirement age are reminded that to continue FEHB into retirement you must be enrolled in an FEHB plan at the time of retirement and must have been covered under the FEHB program (as an employee or family member) for the 5 years of service immediately preceding retirement. The 5-year requirement is based on 5 years in the FEHB program, not a particular plan. An important note is that TRICARE Standard (formerly CHAMPUS) coverage can be included in meeting this 5-year requirement. For example, if an employee is currently covered by TRICARE Standard and plans to retire 31 January 2002 he or she can enroll in FEHB during open season and meet the 5-year requirement for continued coverage.

QUESTIONS REGARDING FEHB AND/OR EBIS

If you have any questions, please call Ms. Judy Kearns during office hours on DSN: 235-5159 or commercial 020-385-5159.

ATTACHMENT 1

HOW TO CREATE A PASSWORD FOR EBIS

You can access EBIS through the Department of Navy Civilian Human Resources web site at http://www.donhr.navy.mil/. Select "Pay and Benefits" then DON Civilian Benefits Information (EBIS). You will be connected to the Department of Navy Civilian Benefits Information Center. From there you can select the EBIS module.

Once you are in the EBIS module, you must create a password. Select the "Set Password" button. EBIS must verify your identify before you can create a password. You will complete the information listed below based on your most recent SF 50, Notification of Personnel Action or Leave and Earnings Statement (LES).

Social Security Number
Service Computation Date for leave (MM/DD/YYYY)
Date of Birth (MM/DD/YYYY)
Civilian Pay Plan
Grade
Step

The password must:

- Contain 8 – 10 characters
- Cannot match any portion of your social security number
- Contain at least 3 of the following 4 characters:
  - An upper case letter (A, B, C,…Z)
  - A lower case letter (a, b, c,…z)
  - A number (0, 1, 2, 3,…9)
  - A special character (exclamation point (!), at sign (@), number sign (#), etc.).
    DO NOT USE apostrophes ('), commas (,), pipes (|), or periods(.)

Examples of valid passwords:

- October8 (uppercase/lowercase/numeric)
- 090971Tm (numeric/uppercase/lowercase)
- adnoM@30 (lowercase/uppercase/special character)
- 082597Hd (numeric/uppercase/lowercase)
- IuAMears! (uppercase/lowercase/special characters)

In compliance with DoD security measures, there is an eight-day waiting period between password changes. You cannot use the same password within a six-month period. Passwords must be changed every 90 days.

ATTACHMENT 2

Human Resources Service Center Europe Retirements and Benefits Section PSC 821 Box 121 FPO AE 09421-5000	**Federal Employees Health Benefits (FEHB) Program Premium Conversion Waiver/Election**

This form is used to elect or waive pre-tax treatment of employee premium contributions to the FEHB Program. Pre-tax treatment is automatic. You do not need to complete this form unless you elect not to have your FEHB premium contributions deducted on a pre-tax basis, or you previously waived this benefit and now elect to participate.

I. PARTICIPANT INFORMATION

Last Name:	First Name:	MI:	SSN:
Agency: Department of the Navy	Agency Address:		Office Phone:

II. ELECTION TO WAIVE PARTICIPATION IN PREMIUM CONVERSION

I elect to waive participation in premium conversion and the pre-tax treatment of my FEHB premiums. I would like to have my FEHB premium contributions deducted from my pay on an after-tax basis.

- ❑ This is my initial opportunity to waive participation in premium conversion.
- ❑ I am making this election to waive participation during FEHB Open Season.
- ❑ I wish to waive participation in premium conversion on account of and in accordance with a Qualifying Life Event.

Signature	Date

III. ELECTION TO RESTORE PARTICIPATION IN PREMIUM CONVERSION

I elect to have my FEHB premiums deducted from my pay on a pre-tax basis. I understand that I may only change my FEHB premium deductions to an after-tax basis during a subsequent Open Season or upon a Qualifying Life Event. See instructions on back for acceptable events.

- ❑ I am making this election to participate during FEHB Open Season.
- ❑ I wish to participate in premium conversion on account of and in accordance with a Qualifying Life Event.

Signature	Date

IV. TO BE COMPLETED BY PAYROLL/PERSONNEL STAFF

❑ Approved ❑ Disapproved	Effective Date
Authorized Agency Official Signature	Date

Privacy Act Statement: This information is collected under 5 C.F.R. § 892 and will be used to process your decision to waive or restore the pre-tax treatment of your FEHB premiums. This information may also be used pursuant to routine uses promulgated by OPM under 5 U.S.C. § 552a(b)(3). Completion of this form is voluntary. However, if this information is not provided, we will be unable to process your waiver or restoration of premium conversion.