

The Federal Employees' Group Life Insurance (FEGLI) Program Booklet provides U.S. Postal Service employees with comprehensive information regarding their life insurance options, which include Basic life insurance, automatically provided unless waived, and three types of Optional insurance: Option A (Standard), Option B (Additional), and Option C (Family). Basic insurance coverage equals the employee's salary rounded up to the next even thousand plus an additional \$2,000, with the U.S. Postal Service covering the entire cost. Optional insurance requires an election within 31 days of appointment to an eligible position, with employees responsible for the full cost. Eligibility generally includes most Postal Service employees, and coverage begins on the first day in a pay and duty status unless waived. The booklet details costs associated with each option, including age-based rates for Optional A and B, and highlights an Extra Benefit for employees under 45, which doubles the Basic insurance amount if death occurs at age 35 or younger, decreasing incrementally until age 45. Employees are encouraged to periodically assess their life insurance needs using a provided worksheet and are informed about the claims process and conditions under which insurance may cease, such as retirement or voluntary cancellation.

Accidental Death and Dismemberment (AD&D) insurance is included automatically with Basic insurance at no extra cost, covering fatal accidents or loss of limbs or eyesight, with exclusions for death resulting from illness or illegal activities. Coverage ceases upon employment termination and does not extend into retirement. Employees can change their coverage during Open Seasons, by providing medical information, or following life events like marriage or childbirth, and must submit a Life Insurance Election form to their local personnel office for changes. Life insurance coverage stops under conditions such as separation from the Postal Service, transfer to an excluded position, or after 12 months in nonpay status. Employees are entitled to a temporary extension of coverage for 31 days after termination, excluding AD&D insurance, and can voluntarily cancel any form of insurance by completing the appropriate election form. If Option C is canceled due to loss of eligible family members, the cancellation is retroactive to the end of the pay period when eligibility was lost, with no temporary extension or conversion rights.

Upon retirement, life insurance coverage continues automatically if the employee retires on an immediate annuity and meets specific service requirements. The Basic Insurance Amount (BIA) at the time of separation remains until age 65, after which it may reduce based on the selected reduction option. Optional insurance amounts depend on the options selected at separation, with similar reduction choices available. Assignment of coverage allows transfer of ownership, but Option C cannot be assigned. If coverage stops, employees may convert it to an individual policy within 31 days without medical questions, unless certain conditions apply. The Incontestability provision states that erroneous coverage becomes valid if not discovered before a claim. Living benefits allow for a lump sum payment of Basic insurance if the insured is terminally ill, with specific eligibility criteria.

Policyholders can request reconsideration of denied insurance elections within 30 days. Continued group coverage while receiving workers' compensation is contingent on prior coverage duration. Upon the insured's death, benefits are paid in a specific order, and claims for death benefits must be filed using the appropriate forms. The U.S. Postal Service pays the full cost of Basic insurance, while Optional insurance is fully paid by the employee. The policy emphasizes the importance of understanding coverage amounts, start and end dates, and beneficiary designations. The booklet also outlines changes from previous versions, including reduced premiums and new age bands effective January 1, 2003, and clarifies exclusions for AD&D benefits. It stresses the need for timely elections and conversions of insurance and provides resources for further assistance, directing inquiries regarding enrollment and beneficiary designations to local personnel offices.