

Amount and Cost of FEGLI

Basic Insurance: An employee's basic insurance amount (BIA) is the greater of

- his/her annual rate of basic pay, rounded to the next higher multiple of \$1,000, plus \$2,000, or
- \$10,000.

The maximum amount of basic insurance available is tied to the annual pay assigned to Federal executive pay level II. The amount of basic insurance automatically changes whenever annual pay is increased or decreased by an amount sufficient to raise or lower pay to a different \$1,000 bracket. The annual pay is the basic pay rate fixed by law or regulation plus:

- night differential pay for wage employees,
- environmental differential pay,
- standby duty premium pay,
- tropical differential pay for citizen employees on the Isthmus of Panama,
- interim geographic adjustments,
- special pay adjustments for law enforcement officers.

Employees under age 45 covered for basic insurance automatically receive extra coverage without payment of additional premium. This extra coverage doubles the basic insurance amount payable at the time of death if the death occurs prior to the employee's 36th birthday. After age 36, the extra benefit decreases 10 percent each year until, at age 45, there is no extra benefit.

Accidental death and dismemberment benefits are a feature of Basic Life Insurance. These benefits are payable in addition to any death benefits. Accidental Death benefits are equal to the basic insurance amount, but without the extra benefit for employees under age 45. Accidental Dismemberment benefits for the loss of a hand, foot or eye are equal to one-half of the basic insurance amount; however, if two of these are lost, the full amount is payable.

The amount withheld from the biweekly pay for basic insurance is \$0.165 for each \$1,000 of the employee's BIA. The employee's share is two-thirds of the total cost with the Government contributing the other third. The employee pays the full cost of optional insurance coverage.

Option A - Standard Optional Insurance: Generally, the only amount of standard optional insurance available is \$10,000. When the employee's basic insurance plus the \$10,000 is less than the employee's annual basic rate of pay, the standard optional may be increased to an amount which, when combined with the basic insurance, will equal the annual pay.

Standard Optional also includes coverage for accidental death and dismemberment up to the face amount of the insurance coverage. The biweekly cost for \$10,000 of standard optional insurance increases as the employee moves from one 5-year increment age group to another--ranging from \$0.40 for employees under age 35 to \$7.00 for those age 60 or over.

Option B - Additional Optional Insurance: Additional optional insurance is offered in multiples of 1, 2, 3, 4 or 5 times the employee's annual rate of basic pay. Before multiplying, the pay is rounded to the next higher multiple of \$1,000 if the pay is not an exact multiple of \$1,000. The biweekly cost per \$1,000 of additional optional insurance is also based on age from \$0.04 for employees under age 35 to \$0.70 for those age 60 and over.

Option C - Family Optional Insurance: The amount of family optional insurance is \$5,000 payable upon the death of a spouse and \$2,500 payable upon the death of an eligible child. The biweekly cost of family optional insurance increases with the employee's age from \$0.30 for employees under age 35 to \$2.60 for those age 60 and over.