

Subpart D—Cost of Coverage**§ 894.401 How do I pay premiums?**

(a) *Employees* pay premiums through payroll allotments.

(b) *Annuity* and survivor *annuitants* pay premiums through annuity allotments.

(c) *Compensation*ers pay premiums through allotments from *compensation* payments.

(d) In limited circumstances, individuals may make direct premium payments. See § 894.405.

§ 894.402 Do the premiums I pay reflect the cost of providing benefits?

The premiums you pay shall reasonably and equitably reflect the cost of the benefits provided.

§ 894.403 Are FEDVIP premiums paid on a pre-tax basis?

(a) Your FEDVIP premiums are paid on a pre-tax basis (called premium conversion) if you are an active *employee*, your salary is sufficient to make the premium allotments, and your agency is able to make pre-tax allotments.

(b) Your FEDVIP premiums are *not* paid on a pre-tax basis if:

(1) You are an *employee* in nonpay status or an *employee* whose salary is not high enough to make premium allotments, or your agency is unable to make pre-tax allotments;

(2) You are an *annuitant*, a survivor *annuitant*, or a *compensation*er;

(3) Your enrollment change was made effective retroactively which resulted in additional premium withholdings, unless it is as a result of birth or adoption of a *child*.

(4) You have been approved to pay premiums directly to the *Administrator*.

§ 894.404 May I opt out of premium conversion?

No, all enrolled employees whose salary is sufficient to make premium allotments and whose agency is able to make pre-tax allotments must participate in premium conversion.

§ 894.405 What happens if I go into nonpay status or if my pay/annuity is insufficient to cover the allotments?

(a) If your pay, *annuity*, or *compensation* is too low to cover the premium allotments, or if you go into a nonpay status, contact the *Administrator* to arrange to pay your premiums directly to the *Administrator*.

(b) If you do not make the premium payments, your FEDVIP coverage will stop. You will not be able to reenroll until the next open season after:

(1) You are in pay status; or

(2) Your pay is sufficient to make the premium allotments.

Subpart E—Enrollment and Changing Enrollment**§ 894.501 When may I enroll?**

You may enroll:

(a) During the annual open season;

(b) Within 60 *days* after you first become eligible as:

(1) A new *employee*;

(2) A previously ineligible *employee* who transfers to a covered position; or

(3) A new survivor *annuitant*, if not already covered under FEDVIP.

(c) Within 60 *days* of when you return to service following a break in service of at least 30 days; or

(d) From 31 days before you or an eligible family member loses other dental/vision coverage to 60 days after a QLE that allows you to enroll.

[73 FR 50184, Aug. 26, 2008, as amended at 75 FR 20514, Apr. 20, 2010]

§ 894.502 What are the Qualifying Life Events (QLEs) that allow me to enroll?

(a) You or an eligible *family member* lose other dental/vision coverage;

(b) Your annuity or *compensation* is restored after having been terminated; or

(c) You return to pay status after being on leave without pay due to deployment to active military duty.

§ 894.503 Are belated enrollments or changes allowed?

(a) The time limit for enrolling or changing your enrollment may be extended up to 3 months after the date you became newly eligible or had a

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QLE or after the end of an open season. To qualify, you must demonstrate to the *Administrator* that you were not able to enroll or change your enrollment on time for reasons beyond your control.

(b) If the *Administrator* allows you to make a belated enrollment or enrollment change, you must enroll or change within 30 *days* after the *Administrator* notifies you of its determination.

§ 894.504 When is my enrollment effective?

(a) Open season enrollments are effective on the date set by OPM.

(b) If you enroll when you first become eligible your enrollment is effective the 1st *day* of the pay period following the one in which the *Administrator* receives your enrollment, but no earlier than December 31, 2006.

(c)(1) A belated open season enrollment is effective retroactive to the date it would have been effective if you had made a timely enrollment or request for a change.

(2) Any other belated enrollment or change is effective retroactive to the 1st *day* of the pay period following the one in which you became newly eligible or the date of your *QLE*.

(3) You are responsible for any retroactive premiums due to a belated enrollment or request for a change.

§ 894.505 Are retroactive premiums paid with pre-tax dollars (premium conversion)?

Retroactive premiums are not paid under premium conversion, except when you are changing your enrollment retroactively as a result of birth or adoption of a *child*. Any additional withholdings for retroactive premiums that are due must be made with after-tax dollars. The *Administrator* will bill you directly for any retroactive premiums that must be paid with after-tax dollars.

§ 894.506 How often will there be open seasons?

There will be an annual open season for FEDVIP at the same time as the annual Federal Benefits Open Season.

§ 894.507 After I'm enrolled, may I change from one dental or vision plan or plan option to another?

(a) You may change from one dental and/or vision plan to another plan or one plan option to another option in that same plan during the annual open season.

(b)(1) If you are enrolled in a dental or vision plan with a geographically restricted service area, and you or a covered eligible *family member* move out of the service area, you may change to a different dental or vision plan that serves that area.

(2) You may make this change at any time before or after the move, once you or a covered eligible *family member* has a new address.

(3) The enrollment change is effective the first day of the pay period following the pay period in which you make the change.

(4) You may not change your *type of enrollment* unless you also have a *QLE* that allows you to change your *type of enrollment*.

§ 894.508 When may I increase my type of enrollment?

(a) You may increase your *type of enrollment*:

(1) during the annual open season; or

(2) If you have a *QLE* that is consistent with increasing your *type of enrollment*.

(b) Increasing your *type of enrollment* means going from:

(1) Self only to self plus one;

(2) Self only to self and family; or

(3) Self plus one to self and family.

(c) You may increase your *type of enrollment* during the time period beginning 31 *days* before the *QLE* and ending 60 *days* after the *QLE*.

(d) Your new *type of enrollment* is effective the 1st *day* of the pay period following the pay period in which you make the change.

(e) You may not change from one dental or vision plan to another, except as stated in § 894.507(b).

§ 894.509 What are the QLEs that are consistent with increasing my type of enrollment?

(a) Marriage;

(b) *Acquiring an eligible child*; or