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§ 871.604 Reemployed annuitants.

(a)(1) An annuitant appointed to a position in which he/she is not excluded from basic insurance by law or regulation is eligible for standard optional insurance as an employee, unless he/she has on file an uncanceled waiver of basic insurance or declination of standard optional insurance. If he/she has standard optional life insurance as an annuitant, that insurance (and any applicable annuity withholdings) is suspended on the day preceding his/her first day in a pay status under the appointment and, unless he/she files a declination of standard optional insurance (or waiver of basic insurance), he/she acquires standard optional insurance as an employee.

(2) Except as provided in paragraph (b) of this section, the standard optional insurance acquired as an employee stops, with no 31-day extension or right of conversion, on the date reemployment terminates and the amount of suspended standard optional life insurance which remains in force after applicable monthly reductions after age 65 (and corresponding annuity withholdings, if any) is reinstated on the day following termination of the reemployment.

(b) Standard optional life insurance acquired during reemployment may be continued after termination of the reemployment if the annuitant:

(1) Qualifies for a supplemental annuity or acquires a new retirement right,

(2) Continues his/her basic life insurance under paragraph (c)(2), (c)(3), or (c)(4) of § 870.601 of this chapter, and

(3) Has had standard optional insurance in force for the five years of service immediately preceding separation from reemployment or for the full period(s) of service during which it was available to him/her, whichever is less.

If the standard optional life insurance acquired during reemployment is so continued, any suspended standard optional life insurance stops with no 31-day extension of coverage or right of conversion.

§ 871.605 Restored disability annuitants.

(a) An annuitant whose disability annuity is terminated because of restoration to earning capacity or recovery from disability and whose disability annuity is restored under section 8337(e) of title 5, United States Code, after December 31, 1983, may elect to resume the standard optional insurance held immediately before his or her disability annuity was terminated if: (1) He or she has also made an election under § 870.603 of this chapter; and (2) The election is received by OPM within 60 days after OPM mails the notice of insurance eligibility and election form.

(b) The standard optional insurance of an annuitant who meets the requirements of paragraph (a) of this section is effective on the first day of the month after the date OPM receives the election form. Any annuity withholding applicable thereto are also reinstated on the first day of the month after the date OPM receives the election form.

(c) The amount of standard optional insurance reinstated under paragraph (a) of this section is the amount that would have been in force had the individual's annuity not been terminated.

[50 FR 42006, Oct. 17, 1985, and 51 FR 15744, Apr. 28, 1986]

§ 871.606 MRA-plus-10 annuitants.

That standard optional life insurance of an individual whose coverage terminated under § 871.501(a), and who meets the requirements for continuing standard optional insurance after retirement under § 871.501(b), resumes on the commencing date of annuity or on the date the application for annuity is received by OPM, whichever is later.

[55 FR 995, Jan. 11, 1990]

Subpart G—Assignments of Life Insurance

§ 871.701 Assignments.

An insured individual may irrevocably assign ownership of his or her life insurance coverage to one or more individuals, corporations, or trustees. Part 874 of this chapter describes how an insured individual may assign all incidents of ownership (except family optional insurance and accidental dismemberment insurance) to another person, corporation, or trustee. Part