§ 870.502

(3) When an employee of the District of Columbia Financial Responsibility and Management Assistance Authority elects to be considered a Federal employee under section 153 of Pub. L. 104–134 (110 Stat. 1321), he/she is automatically insured on (i) the date the employee enters on duty in pay status with the Authority, or (ii) the date the Authority receives the employee’s election to be considered a Federal employee, whichever is later.

(b) An employee who returns to pay and duty status after a period of more than 12 months of nonpay status is automatically insured at the time he/she actually enters on duty in pay status, unless, before the end of the first pay period, the employee files a waiver of Basic insurance coverage with the employing office or had previously filed a waiver which remains in effect.

(c) For an employee who serves in cooperation with a non-Federal agency and who is paid in whole or in part from non-Federal funds, OPM sets the effective date. This date must be part of an agreement between OPM and the non-Federal agency. The agreement must provide either:

(1) That the required withholdings and contributions be made from Federally controlled funds and deposited into the Employees’ Life Insurance Fund on a timely basis, or

(2) That the cooperating non-Federal agency, by written agreement with the Federal agency, make the required withholdings and contributions from non-Federal funds and transmit that amount to the Federal agency for deposit into the Employees’ Life Insurance Fund on a timely basis.

(d) If an employee waived Basic insurance on or before February 28, 1981, the waiver was automatically cancelled effective on the 1st day the employee entered on duty in pay status on or after April 1, 1981. Basic insurance coverage was automatically effective on the date of the waiver’s cancellation, unless the employee filed a new waiver of Basic insurance with the employing office before the end of the pay period during which the coverage became effective.

§ 870.502 Basic insurance: Waiver/cancellation of insurance.

(a) An insured individual may cancel his/her Basic insurance at any time by filing a waiver of Basic insurance coverage. An employee files with the employing office. An annuitant files with OPM or other office that administers his/her retirement system. If still employed, a compensationer files with the employing office, and if not still employed, with OPM. The waiver is effective, and the insurance stops, at the end of the pay period in which the waiver is properly filed. Exception: an individual who has assigned his/her insurance under subpart I of this part cannot cancel the insurance.

(b) An individual who cancels his/her Basic insurance automatically cancels all forms of Optional insurance.

§ 870.503 Basic insurance: Cancelling a waiver.

(a) An annuitant or compensationer who has filed a waiver of Basic insurance cannot cancel the waiver.

(b) An employee who has filed a waiver of Basic insurance may cancel the waiver and become insured if:

(1) At least 1 year has passed since the effective date of the waiver, and

(2) He/she provides satisfactory medical evidence of insurability.

(c) OFEGLI reviews the Request for Insurance filed by an employee who has compiled with paragraph (b) of this section and decides whether to approve it. The insurance is effective when, after OFEGLI’s approval, the employee actually enters on duty in pay status in a position in which he/she is eligible for insurance. If the employee doesn’t enter on duty in pay status within 31 days following the date of OFEGLI’s approval, the approval is automatically revoked and the employee is not insured.

(d) When an employee who has been separated from service for at least 180 days is reinstated on or after April 1, 1981, a previous waiver of Basic insurance is automatically cancelled. Unless the employee files a new waiver, Basic insurance becomes effective on the 1st day he/she actually enters on duty in pay status in a position in which he/she is eligible for coverage. Exception: for employees who waived Basic insurance
after February 28, 1981, separated, and
returned to Federal service before De-
cember 9, 1983, the waiver remained in
effect; these employees were permitted
to elect Basic insurance by applying to
their employing office before March 7,
1984.

§ 870.504 Optional insurance: Election.
(a)(1) Each employee must elect or
waive Option A, Option B, and Option C
coverage, in a manner designated by
OPM, within 31 days after becoming el-
igible unless during earlier employ-
ment he/she filed an election or waiver
which remains in effect. The 31–day
time limit for Option B or Option C be-
gins on the 1st day after February 28,
1981, on which an individual meets the
definition of an employee.
(2) An employee of the District of Co-
lumbia Financial Responsibility and
Management Assistance Authority who
elects to be considered a Federal em-
ployee under section 153 of Pub. L. 104–
134 (110 Stat. 1321) must elect or waive
Option A, Option B, and Option C cov-
erage within 31 days after the later of:
(i) The date his/her employment with
the Authority begins, or
(ii) The date the Authority receives
his/her election to be considered a Fed-
eral employee.
(3) Within 6 months after an em-
ployee becomes eligible, an employing
office may determine that the em-
ployee was unable, for reasons beyond
his/her control, to elect any type of Op-
tional insurance within the time limit.
In this case, the employee must elect
or waive that type of Optional insur-
ance within 31 days after the later of:
(i) The date his/her employment with
the Authority begins, or
(ii) The date the Authority receives
his/her election to be considered a Fed-
eral employee.
(b) Any employee who doesn’t file a
Life Insurance Election with his/her
employing office, in a manner des-
ignated by OPM, specifically electing
any type of Optional insurance is con-
sidered to have waived it and does not
have that type of Optional insurance.

§ 870.505 Optional insurance: Waiver/
cancellation of insurance.
(a) An insured individual may cancel
entirely any type of Optional insur-
ance, or reduce the number of mul-
tiples of his/her Option B insurance, at
any time by filing a waiver of Optional
insurance coverage. An employee files
with the employing office. An annu-
itant files with OPM or other office
that administers his/her retirement
system. If still employed, a
compensationer files with the employ-

(c) For the purpose of having Option
A as an employee, an election of this
insurance filed on or before February
28, 1981, is considered to have been can-
celled effective at the end of the pay
period which included March 31, 1981,
unless the employee didn’t actually
enter on duty in pay status during the
1st pay period which began on or after
April 1, 1981. In that case the election
is considered to have been cancelled on
the first day after the end of the next
pay period in which the employee actu-
ally entered on duty in pay status. In
order to have Option A as an employee
after the date of this cancellation, an
employee must specifically elect the
coverage by filing the Life Insurance
Election with his/her employing office
subject to the provisions of §870.504(a)
or §870.506(b).
(d) Optional insurance is effective the
1st day an employee actually enters on
duty in pay status on or after the day
the employing office receives the elec-
tion.
(e) For an employee whose Optional
insurance stopped for a reason other
than a waiver, the insurance is rein-
stated on the 1st day he/she actually
enters on duty in pay status in a posi-
tion in which he/she again becomes eli-
gible.
6, 1997]