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TABLE OF OPTIONAL CHANGES—Continued

Change permitted	Type of election from which changing	Effective date of change
(4) Change to self and family in same plan.	Election for self alone for uniform or private health benefits plan.	First day of fourth month following the month in which notice is received by retirement system. Changes in withholdings and contributions are effective for annuity or compensation accruing for the third month following month in which notice is received by the retirement system.
(5) Change to self alone or self and family for uniform plan or private health benefits plan.	Election not to participate	Do.

[33 FR 12516, Sept. 4, 1968, as amended at 43 FR 35018, Aug. 8, 1978]

Subpart C—Suspension and Termination

§ 891.301 Suspension and termination.

(a) When used in this section, ''month'' includes the 4-week period for which a retired employee (other than a survivor) receives compensation.

(b) When compensation is entirely suspended or annuity is entirely waived or suspended, Government contributions are suspended. If the election is to subscribe to the uniform plan, and the annuity or compensation is suspended, or the annuity is waived to the extent that the retired employee's share of the cost cannot be withheld, withholdings and Government contributions are suspended, but the subscription continues.

(c) If the waiver or suspension covers 3 months or less, Government contributions and withholdings for the period of waiver or suspension shall be made when annuity payment is resumed. If the waiver or suspension covers more than 3 months, the retired employee's election is terminated effective at the end of the third month of waiver or suspension. A terminated election is renewed when annuity or compensation payment is resumed. When a terminated election is renewed pursuant to this paragraph, withholdings and Government contributions shall be made for the first 3 months of the waiver or suspension. Withholdings and Government contributions shall be made for annuity or compensation accruing after the election is renewed.

(d) If title of a retired employee to annuity or compensation is terminated, his eligibility under this part is terminated.

(e) If the eligibility of a retired employee is terminated and other members of the same family continue to be eligible under this part, the election of the former retired employee continues for the remainder of the family unless and until changed in accordance with § 891.202.

Subpart D—Contributions and Withholdings

§ 891.401 Government contributions.

(a) *For retired employees and survivors receiving an annuity.* (1) Each month, an amount equal to the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) for such month shall be paid by the Office of Personnel Management, through the appropriate retirement office, to each retired employee or survivor who:

(i) Is in receipt of annuity for such month;

(ii) Is eligible for coverage under this part; and

(iii) Elects to receive a Government contribution toward his or her cost of coverage for:

(A) A private health insurance plan in which he or she is a subscriber for self-only; or

(B) Supplementary medical insurance under Medicare.

(2) Each month, an amount equal to the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) for such

month shall be contributed, by the Office of Personnel Management, for each retired employee or survivor who is in receipt of annuity and who has elected to enroll for self-only in the uniform plan.

(3) Each month, an amount equal to twice the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) for such month shall be paid by the Office of Personnel Management, through the appropriate retirement office, for each retired employee or survivor who:

(i) Is in receipt of an annuity for such month;

(ii) Is eligible for coverage under this part; and

(iii) Elects to receive a Government contribution toward the cost of coverage for self and family under:

(A) A private plan or plans; or

(B) Supplementary medical insurance under Medicare.

(4) Each month, an amount equal to twice the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) for such month shall be contributed, by the Office of Personnel Management, for each retired employee or survivor who is in receipt of annuity and who has elected to enroll for self and family in the uniform plan.

(b) *For retired employees and survivors receiving compensation.* (1) For each retired employee or survivor who is in receipt of compensation and who meets the requirements of paragraph (a)(1) of this section, other than the requirement of being in receipt of an annuity, the Office of Personnel Management shall contribute, through the Office of Workers' Compensation Programs, an amount equal to 93⅓ percent of the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) rounded to the nearest cent, counting one-half cent and over as a whole cent, for each 4-week period in which payment of such compensation is made.

(2) For each retired employee or survivor who is in receipt of compensation and who has elected to enroll for self-only in the uniform plan, the Office of Personnel Management shall contribute, during each 4-week period in which payment of such compensation is made, an amount equal to 93⅓ percent of the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) rounded to the nearest cent, counting one-half cent and over as a whole cent.

(3) For each retired employee or survivor who is in receipt of compensation and who meets the requirements of paragraph (a)(3) of this section, other than the requirement of being in receipt of an annuity, the Office of Personnel Management shall contribute, through the Office of Workers' Compensation Programs, an amount equal to 186⅔ percent of the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) rounded to the nearest cent, counting one-half cent and over as a whole cent, for each 4-week period in which payment of such compensation is made.

(4) For each retired employee or survivor who is receiving compensation and has elected to enroll for self and family in the uniform plan, the Office of Personnel Management shall contribute, during each 4-week period in which payment of such compensation is made, an amount equal to 186⅔ percent of the current monthly premium paid by an individual for supplementary insurance under title XVIII of the Social Security Act (Medicare) rounded to the nearest cent, counting one-half cent and over as a whole cent.

(5) If the current monthly rate for supplementary medical insurance under Medicare changes to a new rate within a 4-week period in which compensation is paid, the amount to be contributed for that 4-week period will be a prorated amount determined by:

(i) Multiplying the number of days in the 4-week pay period occurring at the former monthly rate (the rate in effect at the beginning of the pay period) by the former rate for a 4-week pay period;

(ii) Multiplying the number of days in the 4-week pay period occurring at

the new rate (the rate in effect at the end of the 4-week pay period) by the new 4-week rate;

(iii) Adding the products of paragraphs (b)(5) (i) and (ii) of this section; and

(iv) Dividing the sum by 28 and rounding to the nearest cent, counting one-half cent and over as a whole cent.

(c) So that the Government contribution provided under this section is paid or contributed in advance, it shall be included in the payment of annuity or compensation for the month or pay period immediately preceding the month or pay period for which the Government contribution is due.

(d) An election to subscribe to the uniform plan constitutes an agreement by the retired employee or survivor that the retirement office may withhold from his or her annuity or compensation his or her share of the cost of the plan, as provided by this part.

(e) The Government shall contribute to the Retired Federal Employees Health Benefits Fund two percent of the total Government contribution authorized by this section for payment of expenses incurred by the Office of Personnel Management in administering this part.

[45 FR 30611, May 9, 1980]

§ 891.402 Withholdings.

The appropriate retirement office shall withhold from the annuity or compensation of each of its retired employees who has elected to subscribe to the uniform plan so much as is necessary to pay his share of the cost of his subscription. The withholdings shall be forwarded, in accordance with OPM instructions, to the Retired Employees Health Benefits Fund.

Subpart E—Standards for Uniform Plan and Carrier

§ 891.501 Standards for uniform plan.

The uniform plan shall be open to all eligible retired employees and members of their families, without regard to race, sex, health status, or age. It shall not deny or limit benefits because of any preexisting condition. It shall offer basic plus major medical coverage. It shall provide a 31-day extension of coverage on termination of subscription other than by change of election or termination of the contract. A person confined in hospital for care or treatment on the 31st day of the extension of coverage shall be entitled to continuation of the benefits of the contract during the continuance of the confinement, but not beyond the 60th day following the end of the extension of coverage. The uniform plan shall be experience-rated.

[33 FR 12516, Sept. 4, 1968, as amended at 43 FR 35018, Aug. 8, 1978]

§ 891.502 Standards for carrier of uniform plan.

In the most recent year for which data are available, the carrier of the uniform plan shall have made at least 1 percent of all group health insurance benefit payments in the United States. If the carrier is an insurance company, it must be licensed to issue group health insurance in all the States of the United States and the District of Columbia.

PART 892—FEDERAL FLEXIBLE BENEFITS PLAN: PRE-TAX PAYMENT OF HEALTH BENEFITS PREMIUMS

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