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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 890

[Docket ID: OPM–2026–0002]

RIN 3206–AP08

Federal Employees Health Benefits Program: Verification Requirements for Family Member Coverage

AGENCY: Office of Personnel Management.

ACTION: Final rule.

SUMMARY: The FEHB Protection Act of 2025 (FPA) requires OPM to issue regulations and implement a process to verify: The veracity of any qualifying life event (QLE) through which a health benefits plan enrollee seeks to add a member of family to their enrollment and that when an enrollee adds a family member to the health benefits plan, including during any open season, the individual is a qualified member of family. This final rule also clarifies responsibilities for initial family member eligibility determinations for the Postal Service Health Benefits (PSHB) Program.

DATES: *Effective Date:* This rule is effective on July 2, 2026.

FOR FURTHER INFORMATION CONTACT: Louise Dyer Yinug, Senior Benefits Analyst, at (202) 972–0913. Sophia Iwanaga, Benefits Analyst, at (202) 936–2782.

SUPPLEMENTARY INFORMATION:

A. Executive Summary

The FPA (Sec. 90101, Public Law 119–21, 139 Stat. 362) directs OPM to issue regulations and implement a process to verify: (1) that a member of family is eligible to participate as a covered family member, including during any open season; and (2) any QLE through which an Federal Employees Health Benefits (FEHB) or PSHB plan enrollee seeks to add a member of family to their enrollment,

by July 4, 2026. These regulations apply to both the FEHB and PSHB Programs. For clarity and brevity, this rulemaking uses “FEHB Program” to include both the Federal Employees Health Benefits Program and the Postal Service Health Benefits Program. The PSHB Program launched in 2025 as a separate Program within the FEHB Program and provides health benefits to Postal Service employees, Postal Service annuitants, and their covered family members.

In addition to the statutorily required elements, the rule is clarifying that OPM can authorize the employing office to determine family member eligibility for the PSHB Program.

B. Background

The FEHB Program was established in 1960 and is the largest employer-sponsored health insurance program in the United States. There are approximately 8.3 million covered individuals in the FEHB Program. Covered individuals include employees of the federal government, annuitants, covered family members, former spouses, and statutorily eligible groups enumerated in 5 U.S.C. 8901; and tribal employees of tribal employers, pursuant to 25 U.S.C. 1647b. Postal Service employees, Postal Service annuitants, and their family members are eligible for health benefits under the PSHB Program pursuant to 5 U.S.C. 8903c.

Covered Family Members

Per the FEHB statute at 5 U.S.C. 8901(5), as adopted by reference in the PSHB statute at 5 U.S.C. 8903c(a)(13), and FEHB and PSHB regulations at 5 CFR 890.101, 890.302 and 5 CFR 890.1602, 890.1603, 890.1604 respectively, a covered family member means a member of the family of an enrollee who meets applicable eligibility requirements. This includes the enrollee’s spouse and children under the age of 26. Covered children include children born within marriage, recognized natural children, adopted children, stepchildren, and foster children. A disabled child age 26 or older who is determined by OPM to be incapable of self-support because of a physical or mental disability that existed before their 26th birthday can be a covered family member.

As delineated in the *FEHB Handbook*, a grandchild is not an eligible family member unless the child qualifies as a foster child. (The *FEHB Handbook* is

available at <https://www.opm.gov/healthcare-insurance/healthcare/reference-materials/fehb-handbook>.) Other examples of family members who are not eligible for coverage under an employee or annuitant’s enrollment include an enrollee’s parents, former spouse, and domestic partner, even if they live with and are dependent upon the enrollee. A covered family member can be added during the initial opportunity to enroll, subsequent to a qualifying life event, such as birth or adoption of a child or marriage, or during any open season. Under certain circumstances outlined in 5 CFR part 890, subpart H *Benefits for Former Spouses*, former spouses may have their own FEHB enrollment, separate from the enrollment of the federal employee or annuitant to whom they were married.

Previous OPM Action on This Topic

There are several ways that ineligible family members become covered by FEHB plans. Some ineligible family members are added during open season, and OPM has not required verification of eligibility by the employing office. Some family members were once eligible as spouses or covered children, but lost eligibility due to divorce, aging out, or change in family status and were not removed from coverage.

OPM has addressed FEHB Program family member eligibility verification and removal in earlier rulemaking. On January 23, 2018, OPM issued a final rule titled, *Federal Employees Health Benefits Program: Removal of Eligible and Ineligible Individuals from Existing Enrollments* (83 FR 3059). The rule provided a process for removal of certain individuals who are found not to be eligible as family members for FEHB enrollment. The processes in the rule apply to individuals for whom there is a failure to provide adequate documentation of eligibility when requested. The rule also allowed certain eligible family members to be removed from existing self and family or self plus one enrollments upon request. If appropriate, the enrollee can change from self and family or self plus one to a lower enrollment type. The enrollment type can be changed either during open season or subsequent to a QLE for enrollees paying for health benefits premiums on a pre-tax basis (also called premium conversion). Enrollees not

participating in premium conversion can change enrollment type at any time.

As explained in the 2023 interim final rule *Postal Service Reform Act: Establishment of the Postal Service Health Benefits Program* (88 FR 20383) all requirements for the FEHB Program apply to the PSHB Program, which began January 1, 2025, unless otherwise indicated through rulemaking.

Subsequent to the 2018 rulemaking, OPM issued several guidance documents for employing offices and carriers to further delineate disenrollment and removal procedures for ineligible individuals. Carrier Letter 2020–16¹ provided guidance to carriers on (1) the process for requesting proof of family member eligibility for existing enrollments; (2) the documents that may be used as proof; and (3) the actions FEHB carriers can take based on an enrollee's or family member's response to a request for verification of eligibility. Carrier Letter 2022–15² provided guidance to FEHB carriers on proactively removing covered children when they reach age 26, unless the child is determined to be incapable of self-support due to a disability that began before age 26. Benefits Administration Letter 20–203³ provided guidance to employing offices on (1) the process for requesting proof of family member eligibility for existing enrollments; (2) the documents that may be used as proof; and (3) the employing office actions that can be taken based on an employee's or family member's response to a request for verification of eligibility. (Carrier Letters and Benefits Administration Letters are available at <https://opm.gov/healthcare-insurance/carriers/fehb/> and <https://www.opm.gov/healthcare-insurance/carriers/psbh/>.)

The FPA also requires that OPM develop a process to disenroll or remove anyone from enrollment who is found to be ineligible for enrollment or coverage. Pursuant to subsection (f) of the FPA, OPM has reissued and reinforced guidance on disenrolling ineligible individuals. in Carrier Letter 2025–15 and Benefits Administration Letter 25–203.

¹ <https://www.opm.gov/healthcare-insurance/carriers/fehb/2020/2020-16.pdf>.

² <https://www.opm.gov/media/dykpowdh/carrier-letter-2022-15-removing-ineligible-children-from-federal-employee-health-benefits-plan-fehb-program-coverage-508-compliant.pdf>.

³ <https://www.opm.gov/retirement-center/publications-forms/benefits-administration-letters/2020/20-203.pdf>.

Family Member Eligibility Verification Responsibilities

In addition to the regulatory requirements, the FEHB Handbook details the responsibilities of the employing office to verify eligibility of family members. For a newly added family member, the employing office must obtain proof of a family member's eligibility in two circumstances: during the initial opportunity to enroll and when an enrollee has any other qualifying life event. For a QLE, the employing office must require proof of family member eligibility for those that have not previously provided proof including a:

- spouse not verified within the last year;
- foster child; and
- disabled child age 26 or older who is incapable of self-support.

Acceptable documentation is listed in the FEHB Handbook and could include government-issued marriage certificates, Federal or state tax returns, or birth certificates. The employing office, OPM, or the carrier may disenroll or remove an individual from an enrollment if the enrollee fails to provide adequate documentation of the eligibility, per 5 CFR 890.308 and 890.1608. An enrollee or removed individual may request reconsideration of the decision to remove the individual from enrollment from the employing office or OPM within 60 days of the initial decision. That reconsideration is final.

C. Provisions of This Final Rule

This final rule builds on the 2018 rulemaking, which strengthened verification and removal processes. This rule implements the FPA by adding a new subparagraph (i) to § 890.302(a)(1) to require, rather than allow, enrollees to provide proof of eligibility to the employing office, the carrier, or OPM, as specified by OPM, when adding a family member to the enrollment. This proof will be required at any time that an enrollee seeks to add a family member to their enrollment, including during any open season, or for any QLE, including an initial opportunity to enroll. This goes beyond the current requirement, which allows employing offices, OPM, or the carrier to request proof at any time, but only requires such proof for a QLE, including the initial opportunity to enroll.

New subparagraph (ii) in § 890.302(a)(1) requires the enrollee to provide documentation verifying a QLE to an employing office, the carrier, or OPM, as specified by OPM, to add a family member to the enrollment. Once that information has been provided,

OPM's existing guidance will ensure that the event is verified, in addition to verifying the eligibility of the added family member.

These new sections fulfill the statutory requirement for OPM to implement a process for verification of family member eligibility. Details of these processes, including responsibilities of the employing office, will continue to be published in the FEHB Handbook and updated as necessary.

Examples of acceptable eligibility documentation can be found in 5 CFR 890.308 and the FEHB Handbook and include:

- Government-issued marriage certificates
- Government-issued birth certificates
- Consular Report of Birth Abroad
- Paternity tests or other court-ordered documentation for parental support
- Certification of foster child status
- Final adoption certificate or decree
- Federal tax returns for dependent children or step-children under the age of 26
- Medical certification for adult disabled children incapable of self-support

In addition to the statutorily required provisions, OPM is amending § 890.1607, which addresses the entity responsible for family member eligibility verification for the PSHB Program. OPM's 2024 final rule titled, *Postal Service Health Benefits Program: Additional Requirements and Clarifications* (89 FR 85012) included § 890.1607(b)(2). Prior to the launch of the PSHB Program, USPS was responsible for family member eligibility verification for Postal employees, as all employing offices are for FEHB enrollments. This regulatory change is consistent with the Postal Service's past practice under the FEHB Program and aligns with the responsibilities of other employing offices.

D. Expected Impact of This Rulemaking

1. Statement of Need

OPM is required by section 90101 of Public Law 119–21 to issue this regulatory action. The statutory provision directs that by July 4, 2026, the Director of OPM must “issue regulations and implement a process to verify” (1) the veracity of any QLE through which an enrollee in the Program seeks to add a member of the enrollee's family to a health benefits plan under the Program; and (2) that, when an enrollee seeks to add a member of his or her family to the health benefits plan, the individual added is a

qualifying member of family with respect to the enrollee. The statute requires this process to apply not only during a QLE but also during any open season.

This regulation is necessary to address the presence of ineligible family members covered by the FEHB Program. OPM addressed coverage of ineligible family members through issuing regulations to provide a new process for identifying and removing ineligible family members from coverage in 2018. This final rule builds on and strengthens that 2018 rule.

Ineligible family member coverage was highlighted in a Government Accountability Office (GAO) report (<https://www.gao.gov/products/gao-23-105222>) in late 2022. In response to that report, OPM concurs that there are ineligible family members participating in the Program and more can be done to identify and remove them from coverage. That report made several recommendations, many of which OPM concurred with and implemented. While this work progresses, OPM is also preparing for the family member eligibility audit required by the FPA. That audit is a critical piece of addressing ineligible family member coverage and restoring program integrity, but the economic effects of the audit are not included in this rule since it is not affected by this rule.

2. Summary of Impacts

Since some FEHB and PSHB QLE and family member eligibility verifications

are required by current OPM guidance and rules, OPM expects this regulation to have an impact below the threshold for economic significance. However, given the importance of reducing waste, fraud, and abuse through removing ineligible family members, this rule is significant on policy grounds.

This final rule also includes a change specific to the PSHB Program. This rule clarifies that responsibility may reside with OPM or with the employing office as specified by OPM. This revision is not expected to result in any significant impact as it is consistent with the Postal Service’s past practice under the FEHB Program and will align with the responsibilities of other employing offices.

3. Regulatory Baseline

The baseline for this regulation is the FEHB and PSHB Programs as currently administered. Since 2018, OPM has strengthened the verification process, which historically has been largely delegated to carriers and to employing offices. In 2025, OPM began requiring agencies to conduct a self-audit of 10% of family member eligibility for changes made during open season. Due to high transactions in open season 2024 and staffing challenges in 2025, many agencies did not reach the 10% threshold or did not report when OPM requested audit information.

4. Costs

The FPA and this regulation mandate verification of the eligibility of all

family members and all QLEs for any enrollment, including any open season. Agencies may see cost increases if additional employees are required to conduct the statutorily mandated verification.

Congress authorized \$66 million over ten years for OPM to carry out the requirements of the FPA, including the family member eligibility audit.

There is a time cost for enrollees and family members associated with this rule. Assuming that it would take on average half an hour per family member to gather and upload supporting documents such as marriage and birth certificates, enrollees would spend about 50,000 hours annually complying with the requirements of the rule. A few more complex cases may require additional documents and communication, e.g., to obtain updated proof for children incapable of self-support and communicate it to employing offices, OPM, or carriers, but many others will take less time.

This rule requires that all newly added family members are verified. Member cost estimates assume an average hourly rate of \$52⁴ in end of year 2025 dollars adjusted with a nominal growth rate of 2% over the following decade. These do not explicitly include the costs of obtaining certificates of birth, marriage, and other supporting documents from authoritative sources. See Table 1.

TABLE 1—NET PRESENT VALUE AND ANNUALIZED COSTS

	3% Discount rate		7% Discount rate	
	NPV (million \$)	Annualized amount (million \$)	NPV (million \$)	Annualized amount (million \$)
Agency Costs	20.9	2.4	17.3	2.5
Member Verification Costs	20.9	2.4	17.3	2.5

5. Transfers

Family members found ineligible will have to pay for alternative coverage or go without coverage. Some individuals who are not enrolled in FEHB coverage may be eligible for public insurance programs such as Medicaid, the Children’s Health Insurance Program (CHIP), or Medicare. Some family members may be eligible to purchase coverage on the Affordable Care Act (ACA) Exchanges with federal advance premium tax credits that may cover all or a portion of an enrollee’s premiums.

That coverage would transfer costs from the FEHB Program to other publicly or privately funded health insurance coverage.

Premium Savings

The information reported by agencies to OPM so far indicates that, of the more than 19,000 cases reviewed in 2024, almost 2% of FEHB and PSHB family members have been confirmed to be ineligible, with up to 4.36% of family members that could be deemed ineligible due to non-responses or

insufficient documentation. More children (2.2%) than spouses (1.66%) were confirmed to be ineligible or could end up being deemed ineligible (4.67% vs 3.92%).

Because the information reported by agencies to OPM is a sample with some degree of uncertainty that may not be entirely representative of the underlying population, OPM considered estimates using somewhat wider bounds ranging from 2% to 5% for ineligible children and 1.5% to 4.5% for spouses. The median projections of 3.5% ineligible

⁴ The average federal employee works 2,087 hours annually and earned \$106,870 in 2024 based on the

latest available Sep 2024 data, which translates into \$51 average hourly rate in 2024.

children and 3% ineligible spouses are in line with findings from audits performed on state health insurance programs and in the private market.

In 2025, there were approximately 4 million family members in FEHB and PSHB, about 2.1 million children and 1.9 million spouses. OPM assumes that approximately 100,000 family members would be verified annually—63,000 children and 38,000 spouses. OPM estimates that the annual premium cost for FEHB and PSHB family members with claims was \$5,510 for children and \$12,461 for spouses with claims. The

incentives are stronger to fraudulently cover ineligible individuals when their health care needs and costs are higher, but without other information, savings estimates conservatively assume that the average premium cost for ineligible family members with claims are the same as for eligible family members.

Based on the assumptions above, OPM’s central projection is that in 2025 total FEHB and PSHB premium rates would have been 0.018% lower without those ineligible family members, with a low of 0.010% and a high of 0.027%.

In Table 2, OPM applied these percentages to estimated annual

premiums calculated using a nominal medical inflation rate of 6.5% per year, higher than the assumed 3.5% inflation for the next decade. Total FEHB and PSHB premiums were approximately \$72.7 billion in FY 2025.

Based on the parameters above, OPM estimated low, medium, and high net present values (NPV) and annualized amounts of FEHB and PSHB premium savings, and agency costs over the next decade, separately for 3% and 7% annual real discount rates. The results are summarized in Table 2.

TABLE 2—NET PRESENT VALUE AND ANNUALIZED PREMIUMS

Premium Savings	3% Discount rate		7% Discount rate	
	NPV (million \$)	Annualized Amount (million \$)	NPV (million \$)	Annualized Amount (million \$)
High	225.5	26.4	182.0	25.9
Medium	153.7	18.0	124.1	17.7
Low	81.9	9.6	66.1	9.4

6. *Benefits*

The benefits of this rule include more appropriate use of federal dollars and a more sustainable FEHB Program. This rule will help direct premium dollars to support eligible individuals only, thereby improving the integrity of the program.

OPM estimates the net present value (NPV) of premium savings over the next decade to be \$153.7 million and \$124.1 million at real discount rates of 3% and 7% per year. The corresponding annualized amounts are \$18 million and \$17.7 million, about 70 percent of which is paid by the government. The NPV of agency verification costs over the next decade are estimated at \$20.9 million and \$17.3 million for real discount rates of 3% and 7% per year, with corresponding annualized amounts of \$2.4 million and \$2.5 million. The NPV of member costs over the next decade are estimated at \$20.9 million and \$17.3 million for real discount rates of 3% and 7% per year, with corresponding annualized amounts of \$2.4 million and \$2.5 million.

High and low estimates are also calculated using the wider bounds for estimates of the true percentages of ineligible children and spouses in the FEHB and PSHB population, and this range is described in the preceding tables.

Some of the ineligible family members who are not covered by FEHB or PSHB may qualify and enroll in other federal and state health insurance

programs, affecting federal, state, and personal budgets. OPM lacks data on effects along these lines.

7. *Alternatives*

There are no feasible alternatives to regulation, as OPM is required by law to issue these regulations. As an alternative to the limited approach in this final rule, OPM could require regular reverification of all enrollees and covered family members. The rule does not include such changes for several reasons. First, OPM will have an opportunity to consider such changes through notice and comment rulemaking in the FEHB Enrollment Integrity regulation (RIN 3206–AO93) planned for 2026. Such major policy and operational changes would be issued after a full notice and comment process to be sure all viewpoints are considered.

Second, OPM is actively planning the family member audit required by the FEHB Protection Act. OPM expects to use knowledge leveraged from the planning and execution of the audit to inform any family member reverification process in the future.

E. Regulatory Compliance

1. *Administrative Procedure Act*

The Administrative Procedure Act (APA) provides that traditional notice and comment procedures are not required when, as relevant here, the agency for good cause finds that following those procedures would be impracticable, unnecessary, or contrary

to the public interest, 5 U.S.C. 553(b)(B). These exceptions are also available in OPM rulemakings. See 5 U.S.C. 1105. OPM finds that notice and comment is unnecessary because OPM lacks discretion in revising its regulations to require verification of enrollment eligibility and QLEs. Furthermore, delaying this final rule to allow public comment would be contrary to the public interest and is also unnecessary as Federal law already prohibits the coverage of ineligible individuals. This rule does not change any eligibility criteria or the Government’s ability to remove ineligible individuals from coverage. Similarly, the rule does not change an individual’s obligation to provide requested documentation to support a claim of eligibility. Instead, the rule only updates the circumstances under which the Government is required to verify eligibility as required by statute. Accordingly, issuing these regulations as a final rule allows OPM to promptly pursue the Administration’s goal of reducing fraud, waste, and abuse in public programs ensuring the lawful use of taxpayer dollars. The regulation is part of the Administration’s approach to addressing the program integrity issues raised by GAO regarding ineligible family member enrollments. It is in the public interest to ensure taxpayer dollars for premium payments are only used for eligible and legitimate FEHB enrollees. Finally, this rule revises regulatory text from a relatively recent rulemaking addressing roles and responsibilities between OPM and the

employing office in the PSHB Program. This revision would not benefit from public comment as it is a minor technical change concerning government operations.

2. Regulatory Review

The Office of Information and Regulatory Affairs in the Office of Management and Budget has designated this as a significant regulatory action under E.O. 12866 section 3(f). Accordingly, OPM has examined the impact of this rule as required by Executive Orders 12866 and 13563, which direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public, health, and safety effects, distributive impacts, and equity). A regulatory impact analysis must be prepared for rules that have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. This rulemaking is not likely to reach that threshold. This rule is not an E.O. 14192 regulatory action because it does not impose any more than de minimis regulatory costs relative to estimated federal budgetary savings.

3. Regulatory Flexibility Act

The Director of OPM certifies this rulemaking will not have a significant economic impact on a substantial number of small entities because the affected entities are federal agencies, employees, annuitants, and carriers, rather than small entities.

4. Federalism

This rulemaking will not have substantial direct effects on the States, on the relationship between the national government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, the Director of OPM certifies that this rulemaking does not have sufficient federalism implications to warrant preparation of a Federalism Assessment.

5. Civil Justice Reform

This rulemaking meets the applicable standards set forth in section 3(a) and (b)(2) of Executive Order 12988.

6. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits before issuing any rule that would impose spending costs on State, local, and Tribal governments in the aggregate, or on the private sector, in any 1 year of \$100 million in 1995 dollars, updated annually for inflation. In 2025, that threshold was approximately \$206 million. This rulemaking will not result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, in excess of the threshold. Thus, no written assessment of unfunded mandates is required.

7. Congressional Review Act

The Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs has determined that this is not a "major rule" as defined by the Congressional Review Act (5 U.S.C. 804(2)). OPM will submit to Congress and the Comptroller General of the United States a report regarding the issuance of this action.

8. Paperwork Reduction Act

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (PRA), unless that collection of information displays a currently valid OMB Control Number.

This rule is tied to a current OPM approved information collection 3206–0160 *SF 2809 Federal Employees Health Benefits Program Election Form; OPM 2809 Health Benefits Election Form*. Access to the current version of the collection—including all supporting materials—can be found at www.reginfo.gov by searching for the collection by the OMB Control Number or the title. The combined total burden hour estimate for the two forms is estimated to be 20,667 hours for 48,000 responses.

OPM has published a 60-day notice of updates to this information collection at 91 FR 32135 on May 29, 2026. This notice proposes updating the information collection and calls for comment.

A list of routine uses associated with these forms can be found in the Privacy Act System of Records Notice (SORN), OPM/Central-23 FEHB Program Enrollment Records, available at 89 FR 72902 (September 6, 2024) at <https://www.federalregister.gov/d/2024-20061>.

9. Severability

If any of the provisions of this final rule is held to be invalid or unenforceable by its terms, or as applied to any person or circumstance, it shall be severable from the remaining sections and shall not affect the remainder thereof or the application of the provision to other persons not similarly situated or to other dissimilar circumstances.

List of Subjects in 5 CFR Part 890

Administrative practice and procedure, Government employees, Health facilities, Health insurance, Health professions, Indians, Military personnel, Postal Service, Reporting and recordkeeping requirements, Retirement.

Signing Statement

The Director of OPM, Scott Kupor, reviewed and approved this document and has authorized the undersigned to electronically sign and submit this document to the Office of the Federal Register for publication.

Office of Personnel Management.

Jerson Matias,

Federal Register Liaison.

For reasons stated in the preamble, OPM amends 5 CFR part 890 as follows:

PART 890—FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

■ 1. The authority citation for part 890 is revised to read as follows:

Authority: 5 U.S.C. 8913. Sec. 890.102 also issued under sections 11202(f), 11232(e), and 11246(b) of Pub. L. 105–33, 111 Stat. 251. Sec. 890.111 also issued under 36 U.S.C. 5522. Sec. 890.112 also issued under 2 U.S.C. 2051. Sec. 890.113 also issued under section 1110 of Pub. L. 116–92, 133 Stat. 1198 (5 U.S.C. 8702 note). Sec. 890.301 also issued under 26 U.S.C. 9801. Sec. 890.302(b) also issued under 42 U.S.C. 300gg–14. Sec. 890.803 also issued under 50 U.S.C. 3516 (formerly 50 U.S.C. 403p); 22 U.S.C. 4069c and 4069c–1. Subpart L also issued under section 599C of Pub. L. 101–513, 104 Stat. 2064 (5 U.S.C. 5561 note). Subpart M also issued under 10 U.S.C. 1108; 25 U.S.C. 1647b. Subpart P also issued under 5 U.S.C. 8903c.

Subpart C—Enrollment

■ 2. Amend § 890.302 by revising paragraph (a)(1) to read as follows:

§ 890.302 Coverage of family members.

(a)(1) *Enrollment.* An enrollment for self plus one includes the enrollee and one eligible family member. An enrollment for self and family includes all family members who are eligible to be covered by the enrollment except as

provided in § 890.308(h). Except as provided in paragraph (a)(2) of this section, no employee, former employee, annuitant, child or former spouse may enroll or be covered as a family member if he or she is already covered under another person's self plus one or self and family enrollment in the FEHB Program.

(i) *Verifying family member eligibility.* The enrollee must provide proof of family member eligibility to the employing office, the carrier, or OPM, as specified by OPM, at the time a family member is added to an enrollment, including during an initial opportunity to enroll, any open season, due to a qualifying life event, or at any other time a family member is added. Proof of family member eligibility must also be provided upon request to the carrier, the employing office, or OPM as provided in §§ 890.308(e) or (f) and 890.1608.

(ii) *Verifying a qualifying life event.* When an enrollee seeks to add a family member based on a qualifying life event, the enrollee must provide proper documentation to the employing office, the carrier, or OPM, as specified by OPM, to verify the veracity of any qualifying life event before a covered family member may be added to the enrollment. Qualifying life events are described in § 892.101 of this chapter or § 890.301.

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Subpart P—Postal Service Health Benefits Program

■ 3. Amend § 890.1607 by revising paragraphs (b)(1) and (2) to read as follows:

§ 890.1607 Initial decision and reconsideration.

* * * * *

(b) * * *

(1) Except as otherwise provided in this subpart, employing offices are responsible for initial decisions concerning PSHB eligibility for Postal Service employees or Postal Service annuitants and for verification that an individual is an eligible member of family under § 890.302.

(2) OPM is responsible for initial decisions concerning:

(i) Postal Service annuitants or their family members who are not required to enroll in VA's system of patient enrollment referred to in 38 U.S.C. 1705(a), and who must provide documentation from the VA under § 890.1604(d)(2) indicating they satisfy the requirements for an exception described in § 890.1604(c)(1)(iv) or (c)(2)(iii); and

(ii) Postal Service annuitants or their family members who must provide documentation from the Indian Health Service under § 890.1604(d)(3) indicating they satisfy the requirements for an exception described in § 890.1604(c)(1)(v) or (c)(2)(iv).

* * * * *

[FR Doc. 2026-11022 Filed 5-29-26; 4:15 pm]

BILLING CODE 6325-63-P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

7 CFR Part 1400

[Docket ID FSA-2026-0100]

RIN 0560-AI86

Payment Limitation and Payment Eligibility

AGENCY: Commodity Credit Corporation, U.S. Department of Agriculture (USDA).

ACTION: Final rule.

SUMMARY: This rule revises the payment limitation and payment eligibility regulations to conform with provisions of the One Big Beautiful Bill Act (OBBBA). This rule also makes additional changes to those regulations to improve program administration and clarify and update existing provisions.

DATES: This rule is effective on June 2, 2026.

FOR FURTHER INFORMATION CONTACT: Rebecca Csutoras; telephone: (717) 893-0963; or email: *Rebecca.Csutoras@usda.gov*. Individuals with disabilities who require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice and text telephone (TTY mode)) or dial 711 for Telecommunications Relay Service (both voice and text telephone users can initiate this call from any telephone).

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I. Background

On July 4, 2025, President Trump signed into law H.R. 1 (Pub. L. 119-21), also known as the One Big Beautiful Bill Act (OBBBA). This rule amends 7 CFR part 1400 to implement payment limitation changes made by OBBBA regarding equitable treatment of certain entities and an exception to the average adjusted gross income (AGI) limitation for certain programs. In addition to the payment limitation changes addressed in this rule, OBBBA increased the payment limitations for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs and mandated annual increases to those limits based on the Consumer Price Index for All Urban Consumers. Those changes were implemented through a final rule published on January 12, 2026 (91 FR 1043). This rule also makes discretionary changes to the payment limitation and payment eligibility regulations to improve program administration and clarify and update existing provisions.

II. Qualified Pass-Through Entities

Section 10306 of OBBBA amended Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) to provide equitable treatment of certain entities under the provisions for payment limitations. Payment limitations are the maximum amount that a person or legal entity can receive for any crop year, directly or indirectly, under certain CCC, FSA, and NRCS programs, and payments to legal entities are tracked (“attributed”) through four levels of ownership (7 U.S.C. 1308(e)(3)). Attribution of payments through four levels of ownership of legal entities is applied according to 7 U.S.C. 1308(e) and 7 CFR 1400.105. When a legal entity is a payment applicant, then the entity itself (the “payment entity”) is attributed the full payment amount and all owners in the first three member levels are attributed an amount equal to their indirect ownership share in the payment entity. In this way, payments are limited to eligible participants comprising the payment entity and owners through the fourth level of ownership. Owners at the member level may be persons or other legal entities, including qualified pass-through entities.

Prior to the changes discussed below, only joint ventures and general partnerships (“joint operations”) were allowed to receive payments up to the amount determined by multiplying the applicable payment limitation for a