Headquarters
California National Guard
Sacramento, CA 95826-9101
23 July 2009

California National Guard
Full-time Personnel Regulation 800

Services and Benefits

Insurance, Benefits and Retirement

FOR THE GOVERNOR:

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History. None

Summary of Changes. This regulation replaces the earlier version dated 15 October 2007. It includes the changes in the Thrift Savings Plan (TSP), Federal Employee Health Benefits (FEHB), and Federal Employee Group Life Insurance (FEGLI).

Applicability. California National Guard Full-time Personnel Regulation (CNGFPR) applies to all California Army and California Air National Guard technicians and to commanders, managers and supervisors (military or civilian) with authority or responsibility over technician personnel management.

Proponent and Exception Authority. The proponent of this regulation is the Joint Force Headquarters, J-1, Directorate for Human Resources. The proponent has authority to approve exceptions to this regulation when they are consistent with controlling laws and regulations.

Supplementation. Supplementation of this regulation is prohibited.

Suggested Improvements. Users of this regulation are invited to send comments and suggested improvements to Joint Force Headquarters, Directorate for Human Resources, 9800 Goethe Road, Sacramento, CA 95826-9101.

Distribution. Distribution of the regulation is Army - A and Air Force - F.

Content (listed by paragraph number)

Paragraph

1. **Purpose**.

This technician personnel regulation establishes the guidelines regarding Technician Benefits and Services. This regulation provides the parameters for implementation of these benefits within the California National Guard Title 32 Program.

2. **References**.

Part 870 and Part 890, Title 5, Code of Federal Regulations (CFR)

3. **Introduction**.

The Directorate for Human Resources is the administrator for all technician benefits and services. The Employee Services Section is responsible for providing information about and processing all insurance, retirement, leave benefits and work related injuries for technicians in the California National Guard. The Employee Services Section processes all SF-50's (Notification of Personnel Action) pertaining to benefits and services.

4. **Federal Employee Health Benefits (FEHB**).

a. Brochures pertaining to the various health benefit plans are available from the Office of Personnel Management Website (www.opm.gov/insure/health). Each supervisor should become familiar with the plans available to technicians in his or her locality. Each plan should be explained when initial appointment papers are being prepared.

b. The Federal Employees Health Benefits Program allows each technician 60 days from date of employment to enroll in one of the available plans. There are also other times or occurrences when changes are permitted. These occurrences are shown in the instructions of the Standard Form (SF) 2809 (Health Benefits Registration Form).

c. Enrolled technicians entering on military active duty (**for contingency operations**) will continue to be covered by health insurance at no cost to them up to 24 months unless the technician designates in writing that he/she does not want this benefit. (In accordance with Section 519 of Public Law 107-107, National Guard technicians called to Active Duty in support of designated contingency operations are eligible for FEHB premiums to be paid by the agency for a period not to exceed 24 months). Once the 24 month period has been reached the FEHB coverage will be terminated until the technician returns to duty.

d. Enrolled technicians entering on military active duty (**not for contingency operations**) will continue to be covered by health insurance up to 24 months unless the technician designates in writing that he/she does not want this benefit. For the first 12 months, the technician will pay their normal premium. For the final 12 months, the technician will pay 102% of the cost. After 24 months, there is an automatic 31-day extension, after which the Health benefits are terminated. Premiums may be paid directly to DFAS on an on-going basis, or the technician may incur a debt to be paid upon their return to duty.

e. Open Season is available every year from the Monday of the second full workweek in November through the Monday of the second full workweek in December. During open season technicians may change health plans or enroll if currently not enrolled. Open season enrollments are effective the first full pay period in January.

f. Temporary Continuation of Coverage (TCC) is available to technicians who separate from service and are currently enrolled in FEHB. The health coverage can be continued for up to 18 months if the technician pays their share, the government share and a 2% service fee. Temporary Continuation of Coverage is also available to children who lose FEHB coverage under a family enrollment and to former spouses who lose FEHB coverage because of divorce.

5. **Federal Employees Group Life Insurance (FEGLI**).

a. Brochures pertaining to the life insurance are available from the Office of Personnel Management Website (www.opm.gov/insure/life). Each supervisor should become familiar with the life insurance available to technicians. The program should be explained when initial appointment papers are being prepared.

b. The Federal Employees Group Life Insurance Program allows each technician 30 days from date of employment to elect optional insurance. There are also other times or occurrences when changes are permitted. These occurrences are shown in the FEGLI Handbook available on the OPM website.

c. A technician's Basic Insurance Amount (BIA) is equal to either (a) annual basic pay rounded up to the next $1,000 plus $2,000 or (b) $10,000, whichever is greater. In addition to Basic life insurance coverage, the following options are available:

(1) Option A – Standard Life Insurance in the amount of $10,000.

(2) Option B – Additional Life Insurance in an amount equal to one, two, three, four, or five times your annual basic pay (after rounding up to the next $1,000).

(3) Option C – Technicians may elect Family Life insurance to provide coverage for their spouse and eligible family members. Individuals may elect one, two, three, four, or five multiples of coverage. Each multiple is equal to $5,000 for a spouse and $2,500 for each dependent child.

d. Basic life insurance coverage is provided to each newly appointed technician, unless the technician elects a higher amount of coverage or waives coverage on a SF-2817 (Life Insurance Election Form). The SF-2817 is part of the initial employment packet and the technician must indicate their desire for Basic life insurance, Optional insurance, or indicate their desire to waive life insurance coverage. If no SF-2817 is received from the technician at the time of their appointment they are considered as covered for Basic life insurance purposes and a payroll deduction will be made.

e. Federal Employees' Group Life Insurance coverage may be canceled at any time by completing a SF-2817, with signature and date entered in Part 5, and forwarding it to the Directorate for Human Resources.

f. Once life insurance is declined (waived), technicians may not request enrollment for at least 12 months from the date of declination, and only then if they are under age 50 and can provide medical proof of insurability. The medical examination needed for proof of insurability must be paid for by the technician. Enrollment anytime after the twelve month waiting period after declination (usually 12 months after initial appointment) must be accomplished by use of a SF-2822 (Request for Insurance, Federal Employees Group Life Insurance Program), which may be obtained from the Directorate for Human Resources.

g. When a technician takes leave without pay to enter active duty, their life insurance continues for up to 12 months. If a technician separates for active duty, life insurance continues for up to 12 months. There is no cost to the technician for this extension of coverage.

h. All death claims pertaining to FEGLI will be initiated and processed by the Directorate for Human Resources. Supervisors will immediately advise the Directorate for Human Resources of any technician death.

6. **Death Benefits**.

a. If a technician covered under CSRS had at least 18 months of service and had been married for at least 9 months, a surviving spouse is entitled to death benefits upon the death of the technician.

(1) Under CSRS there are two types of Death Benefits

(a) Survivor Annuity, or

(b) Lump sum payment.

(2) The spouse is entitled to the survivor annuity which is based on 55 percent of either; (a) annuity based on the general formula of high-3 average salary and length of service or; (b) a guaranteed minimum (lesser of 40 percent of the high-3 average salary at date of death or annuity under the general formula after increasing the technician's actual service by the time between the date of death and age 60).

(3) Survivor benefits begin on the day after the technician dies. Remarriage before age 55 terminates the survivor annuity.

(4) Surviving children are eligible for death benefits. Each child will receive a survivor annuity every month until the end of the month he/she reaches age 18 unless he or she marries or becomes capable of self-support. If the child is a student he/she will receive an annuity until age 22.

(5) If there is a surviving spouse or parent, each eligible child will receive an annuity equal to $420.00 per month, per child. If there is no surviving spouse or parent, each eligible child will receive $504.00 per month, per child.

(6) If a technician covered by CSRS dies after retirement, the surviving spouse is entitled to a survivor annuity if the retiree elected current spouse survivor annuity at the time of retirement.

b. If a technician covered under FERS had at least 18 months of creditable civilian service and had been married for at least nine months, a surviving spouse is entitled to death benefits upon the death of the technician.

(1) If the deceased employee had less than 10 years of FERS service, the basic death benefit for the surviving spouse is equal to $15,000 adjusted by the Consolidated Performance Index ($26,584.62 for 2006), plus 50% of the technician's final salary or high-3 average salary, whichever is higher.

(2) If the technician had more than 10 years of FERS service at date of death, the surviving spouse is eligible for the basic death benefit and an annuity equal to 50% of the unreduced annuity the technician would have received if he or she had retired on the date of death.

(3) The basic death benefit may be paid over a 36-month period or paid in a lump sum. The surviving spouse may roll over all or any portion of the basic death benefit to an IRA. The survivor annuity begins on the day after the technician dies. The survivor annuity terminates if he or she remarries before age 55.

(4) Surviving children are eligible for death benefits. Each child will receive a survivor annuity every month until the end of the month until age 18 unless he or she marries or becomes capable of self-support. If the child is a student he or she will receive an annuity until age 22.

(5) The amount of a child's survivor benefit depends on whether the child is entitled to Social Security benefits and whether the spouse of the deceased technician is still living. If the technician is survived by a spouse or has a living parent, then each eligible child is entitled to receive an annuity equal to $420.00 per month, per child. The total amount payable to all the children will be reduced by total Social Security Benefits paid to any of the children and then divided equally among all the children.

(6) If the technician is not survived by a spouse or the child has no living parent, then each eligible child is entitled to receive an annuity equal to $504.00 per month, per child. The total amount payable to all the children is reduced by the total Social Security benefits paid to any of the children, then divided equally among all eligible children.

(7) If a technician covered by FERS dies after retirement, the surviving spouse is entitled to a survivor annuity if the retiree elected current spouse survivor annuity at the time of retirement.

c. Upon the death of a technician, the Directorate for Human Resources must be notified immediately. The Directorate for Human Resources will coordinate with the deceased technician's supervisor or a family member for a personal visit by a representative from the Directorate for Human Resources to the survivors to give a complete briefing of all benefits payable. The Directorate for Human Resources will complete all forms necessary and forward to the Office of Personnel Management.

7. **Thrift Savings Plan (TSP)**.

a. The Thrift Savings Plan (TSP) is a retirement savings and investment plan for Federal Employees. Technicians covered by the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) can contribute to TSP. The participation rules are different for CSRS and FERS technicians.

(1) Whether covered under CSRS or FERS, if technicians are eligible to participate, they can start, change, or stop their contributions to TSP at any time.

(2) TSP for CSRS Technicians:

(a) For CSRS technicians, the Thrift Savings Plan is a supplement to the CSRS annuity and there are no contributions made by the Federal Government. A CSRS technician may contribute up to the Internal Revenue Code (IRC) elective deferral limit (e.g. $15,000 in 2006), but no more than 85% of your gross pay.

(b) Newly rehired CSRS technicians with previous eligibility can contribute to TSP immediately upon being rehired.

(3) TSP for FERS Technicians:

(a) The Thrift Savings Plan is an integral part of the retirement package, along with the FERS Basic Annuity and Social Security. The agency automatically contributes 1% of basic pay to an individual's TSP account, and the technician can contribute up to the Internal Revenue Code (IRC) elective deferral limit (e.g. $15,000 in 2006), but no more than 85% of your gross pay. When a FERS technician contributes to TSP, the Federal Government makes matching contributions. Matching contributions apply to the first 5% of contributions made. Contributions are matched dollar for dollar for the first 3% contributed and 50 cents on the dollar for the next 2%.

(b) A newly hired or rehired FERS technician can elect to contribute to TSP immediately upon being rehired.

(c) If a technician stops contributing to TSP, they can start contributing again at any time, except as noted in (6) below.

(4) Investments:

(a) Contributions are taken out of pay before taxes are calculated. Taxes are deferred on the money contributed and it's earnings until withdrawn from the account.

(b) As a TSP participant individuals can invest in the TSP investment funds. These investment funds are currently the Government Securities Investment Fund (G Fund), Common Stock Index Investment Fund (C Fund) Fixed Income Index Investment Fund, (F Fund), Small Capitalization Stock Index Investment Fund (S Fund), International Stock Index Investment Fund (I Fund), and the Lifecycle funds.

(c) Prior to a technician making any designation, all money contributed to TSP will be deposited in the Government Securities Investment Fund (G Fund). Technicians can change the allocation of TSP contributions among the different investment funds at any time by using the TSP Website (www.tsp.gov), or the Thriftline (504) 255-8777.

(d) Technicians can change the way money already in their account is invested by making an interfund transfer through the Website or the Thriftline.

(5) TSP Loans: Technicians may borrow money from their contributions and their earnings. Individuals must be in a pay status to obtain a loan, because they repay their TSP Loan through payroll allotments. The minimum amount a person may borrow is $1,000; the maximum amount is no more than the amount of your contributions. The interest rate for the life of a TSP loan is the latest interest rate on the G Fund at the time the application is received at the TSP Service Office. The interest paid on the loan will go into the technician's TSP account along with repayments of the loan principal. Individuals can have two loans outstanding at any one time.

(6) Withdrawing Your TSP Account: Technicians can request a Financial Hardship In-Service Withdrawal Request. All monies will be withdrawn for usage. They can ask to resume contributions to TSP after a 6 month period. Provided a Hardship Withdrawal has not been made, when a person does leave Federal Service

they can receive their monies in a single payment, a series of monthly payments, purchase a life annuity or transfer all to an Individual Retirement Account (IRA).

8. **Federal Employees Dental and Vision Insurance Program (FEDVIP)**.

a. The Federal Government now offers Dental and Vision Insurance to eligible technicians. Each supervisor should become familiar with the dental and vision insurance that is available to technicians. Supervisors are responsible to brief their newly hired personnel on this program as well as other personnel programs.

b. Information regarding the dental and vision insurance are available via the web at: http://www.opm.gov/insure/DentalVision/index.asp. To enroll in the vision and/or dental insurance, the website is: https://www.benefeds.com/Portal/loginUser.do. No applications are available through the Human Resources Office. All information is available 24/7/365 online. For Frequently Asked Questions (FAQs) please visit the website at: http://www.opm.gov/insure/DentalVision/faq.asp#q.

c. You may contact a BENEFEDS customer service representative by phone from 9:00 a.m. to 7:00 p.m. Eastern time, Monday through Friday by calling 1-877-888-FEDS (1-877-888-3337), or for TTY users 1-877-889-5680. They may also be contacted via email at service@benefeds.com.

d. Technicians who are eligible for Federal Employee Health Benefits (FEHB) coverage are eligible to enroll in the FEDVIP program, regardless of whether they have enrolled in FEHB. Eligible individuals can enroll in a dental plan and/or a vision plan. They may enroll in a plan for Self-only, Self plus one, or Self and family coverage. Eligible family members include an enrollee's spouse and unmarried dependent children under the age of 22, or if age 22 or older, incapable of self-support. The rules for family members' eligibility are the same as they are for the FEHB Program.

e. Temporary employees who are on an appointment for less than one year are ineligible for FEHB coverage, and therefore are ineligible for FEDVIP benefits. If a temporary employee has been on a continuous appointment for at least one year or multiple shorter appointments that exceed a year, they are eligible for FEHB coverage.

f. Unlike FEHB, the FEDVIP premium is completely paid for by the technician via automatic payroll deduction. There is no part of the premium that is paid for by the government.

g. FEDVIP Open Season coincides with the FEHB Open Season. The Open Season is available every year from the Monday of the second full workweek in November through the Monday of the second full workweek in December. Open Season elections are effective 31 December of that same year. Eligible technicians may sign up online during Open Season or when they have a qualifying life event (QLE). New employees will have 60 days to enroll.

9. **Income Protection**.

The California National Guard offers the NGAUS Technician Protection Program. Premiums will be deducted from bi-weekly paychecks and will pay benefits if individuals become too ill to work. Brochures and information are available in the Directorate for Human Resources and online at: http://www.ngaus.org/.

10. **Long Term Care Insurance**.

a. Long Term Care (LTC) is available to current Federal Technicians, retired annuitants, current spouses, adult children and parents, parents-in-law and step-parents of employees. LTC Providers is underwritten by the John Hancock Company and MetLife. Unlike some insurance products, Long Term Care Insurance under the Federal Program is something individuals must apply for and pass medical screening (underwriting), in order to be enrolled. Certain medical conditions will prevent some people from being approved for coverage.

b. Applications can be obtained from a variety of resources. Download them online from www.ltcfeds.com and FAX them to (603) 430-6430 or mail them to Long Term Care Partners, Post Office Box 9170, Boston, MA 02117-9995. Or, request an application from (800) LTC-FEDS (800-582-3337), Eastern Time, 8:00 a.m. – 8:00 p.m., Monday through Friday or 9:00 a.m. – 5:00 p.m., Saturday. Individuals can FAX or mail the application.

c. More information is available at www.ltcfeds.com.

11. **Miscellaneous**.

a. Address Change – Technicians must notify Directorate for Human Resources in writing of an address change. Notification to Defense Finance and Accounting Service (DFAS), Denver, CO/Pensacola FL is essential for TSP and FEHB plans. In addition to notifying the Directorate for Human Resources, technicians must update their address via MyPay. There are three sections that must be updated - the Correspondence Address in both the Reserve Component and Civilian Component Pay Accounts, and the Thrift Savings Plan section.

b. Designation of Beneficiary Forms – Technicians should be advised that it is in their best interest to have a Designation of Beneficiary on file for applicable benefits and that they be kept current. With the exception of TSP Designation of Beneficiary Forms, all Designation of Beneficiary forms are to be submitted to Directorate for Human Resources and are kept on file in the technicians Official Personnel File (OPF). The following beneficiary forms are available in the Directorate for Human Resources:

(1) Federal Employees Retirement System (Standard Form 3102)

(2) Civil Service Retirement System (Standard Form 2808)

(3) Federal Employees' Group Life Insurance (Standard Form 2823)

(4) Unpaid Compensation (Standard Form 1152)

(5) Thrift Savings Plan (TSP-3). Thrift Savings Plan Designation of Beneficiary Forms must be sent directly to the Thrift Savings Plan Service Center.

c. Name Change – Technicians must submit a Standard Form 52 (Request for Personnel Action) for a name change. The request must be submitted with a copy of a Social Security Identification Card with the new name.