

Q&As Regarding Federal Benefits During Shutdown

1. Will an employee continue to be covered under the Federal Employees Health Benefits (FEHB) program during a shutdown furlough if the agency is unable to make its premium payments on time?

A. Yes. The employee's FEHB coverage will continue even if an agency does not make the premium payments on time. Since the employee will be in a non-pay status, the enrollee share of the FEHB premium will accumulate and be withheld from pay upon return to pay status.

2. What happens if an employee wants to terminate Federal Employees Health Benefits (FEHB) coverage while in a nonpay status in order to avoid the expense?

A. Unlike other types of non-pay status, employees in a non-pay status due to a lapse of appropriations (shutdown furlough) will not have the opportunity to terminate or cancel FEHB coverage. The employee will remain covered; the enrollee share of the FEHB premium will accumulate and be withheld from pay upon return to pay status.

3. If an employee submitted a new application or a change to his/her health insurance plan (e.g., because of a Qualifying Life Event) and the paperwork was not processed by the agency because of a shutdown furlough, how would the employee seek services or coverage?

A. New enrollments or changes in enrollment due to a Qualifying Life Event do not take effect until the employee has been back in pay status for any part of the prior pay period.

4. Would a lapse in appropriations alter the effective date of an FEHB Open Season enrollment if an enrollment request was fully processed by an agency and submitted to the health plan prior to the lapse?

A. No. The effective date would still be the first day of the first full pay period in January.

5. What happens if agency employees responsible for processing paper SF-2809 FEHB Open Season enrollment requests are furloughed?

A. Agencies will have to determine whether those employees may continue to process the enrollment requests if a lapse in appropriations occurs. If agencies conclude that they cannot, pending enrollment requests will not be processed until those employees return to pay status.

6. What happens if an individual makes an FEHB Open Season enrollment change but the agency did not process the request before the furlough?

A. The individual should continue to use the old health plan until he or she returns to pay status and the enrollment in the new health plan is processed.

7. If an enrollee required healthcare after making an FEHB Open Season enrollment change that was not processed before a furlough and received coverage under the old health plan, will the new health plan be responsible for the coverage received once the furlough is over?

A. Yes.

8. If a furlough delays processing of FEHB Open Season enrollment changes, will the enrollment be retroactive?

A. Yes. Per FEHB regulations, all Open Season enrollments and enrollment changes are effective on the first day of the first full pay period in January.

9. If an individual's health plan is terminating participation in the FEHB Program at the end of the current benefit year, and an Open Season enrollment change has not been processed, what should the individual do in January?

A. If the individual needs services urgently, he or she should incur the expenses and file a claim with the new plan once the enrollment change has been processed.

10. How will someone know whether his or her FEHB enrollment request was fully processed and sent to the new health plan?

A. If the individual receives an ID card, the enrollment in the new plan is effective. If an ID card is not received, the enrollment has not been processed.

11. How will someone know if an electronic FEHB Open Season enrollment change was fully processed?

A. If an ID card is received, the enrollment in the new plan is effective. If an ID card is not received, the enrollment has not yet been processed.

12. What happens to an individual not currently covered under the FEHB who elected to enroll during Open Season if the enrollment has not been processed and will not be processed until after the furlough? Does this individual still have coverage with the elected plan? If so, when?

A. Yes. Such an individual would have coverage beginning on the first day of the first full pay period in January. Expenses incurred will be reimbursed by the plan once the enrollment has been processed. We suggest that such individuals ensure they use the plan's providers to get the maximum benefits. For fee-for-service plans, check the health plan's website for a list of in-network providers.

13. What happens to an employee's Federal Employees' Group Life Insurance (FEGLI) Program coverage if furloughed?

A. Coverage continues for 12 consecutive months in a nonpay status without cost to the employee or to the agency. Neither the employee nor the agency incurs a debt during this period of nonpay.

14. What happens to an employee's Flexible Spending Account (FSAFEDS) coverage if furloughed?

A. Payroll deductions will cease for any employee that does not receive pay. The employee remains enrolled in FSAFEDS, but eligible health care claims incurred during a non-pay status will not be reimbursed until the employee returns to a pay status and allotments are successfully restarted. The remaining allotments are recalculated over the remaining pay periods to match the participant's election amount.

Eligible dependent care expenses incurred during a non-pay status may be reimbursed up to whatever balance is in the employee's dependent care account—as long as the expense incurred during the non-pay status allows the employee (or spouse if married) to work, look for work or attend school full-time.

15. Will the effective date of my FSAFEDS enrollment be affected?

A. No.

16. What happens to an employee's Federal Long Term Care Insurance Program (FLTCIP) coverage if furloughed?

A. Payroll deductions will cease for any employee that does not receive pay. Coverage will continue so long as premiums are paid. If Long Term Care Partners does not receive payment for three consecutive pay periods, they will begin to direct bill the enrollee. The enrollee should pay premiums directly billed to him/her on a timely basis to ensure continuation of coverage.

17. What happens to an employee's Federal Employees Dental and Vision Insurance Program (FEDVIP) coverage if furloughed?

A. Payroll deductions will cease for any employee that does not receive pay. BENEFEDS will generate a bill to enrollees for premiums when no payment is received for two consecutive pay periods. The enrollee should pay premiums directly billed to him/her on a timely basis to ensure continuation of coverage.

18. Will the effective date of my FEDVIP Open Season enrollment be affected?

A. No.

19. What is the effect of a shutdown furlough on Thrift Savings Plan (TSP) contributions, investments, and loans?

A. Agencies and employees should refer to the TSP website or contact their agency representative for information. Agency representatives may contact the Federal Retirement Thrift Investment Board at (202) 942-1450 for additional information.