

The Office of Personnel Management (OPM) recently provided guidance on submitting "healthy" federal retirement application packages.

A "healthy" federal retirement package is defined as a complete and accurate package that has been checked for missing, inaccurate and inconsistent information. This column will discuss and describe the forms necessary to complete an accurate retirement package. Some of these forms are filled out by the employee -- these include the retirement application forms (SF 2801 and SF 3107). Other forms are prepared by the retiring employee's agency -- these include SF 2806, SF 3100 and SF 2821,

Federal Retirement Application: Forms SF 2801 (CSRS) and SF 3107 (FERS)

The retirement application form must be a complete original form and signed by the applicant in ink and dated. In addition to signatory requirements, all questions must be answered, all applicable boxes must be checked, and all areas requiring initials must be completed. Some common areas to check are:

- Survivor election in Section F of form SF 2801 or section D of form 3107 must be indicated. Regardless of whether the individual is married or not, an election must be selected.
- If a married applicant elects less than the full survivor annuity, spousal consent must be provided. The election on the application form must agree with the spousal consent form.
- The Court Order question 2 in Section E of form SF 2801 or Section C of form SF 3107 must be answered.

Spousal Consent Form SF 2801-2 and SF 3107-2

When a married applicant elects less than full survivor annuity benefits, a spousal consent form must be submitted. The survivor election on the spousal consent must match the annuitant's election in Section F of form SF 2801 or Section D of form SF 3107. The election must be notarized by a notary public. Some common areas to check include: (1) the form cannot be a copy and must have a signature signed in ink; and (2) the date the spouse signed the form must match the date the notary public signs the form.

Federal Employees Health Benefits (FEHB)

Documentation of the employee's FEHB status and eligibility to continue coverage into retirement must be included in the retirement package along with a memorandum rating any circumstances that would help OPM determine a retiring employee's eligibility to continue coverage into retirement. This memorandum and all supporting documentation is provided by the retiring employee's agency and can be used to detain the continuous coverage of an employee for five year prior to retirement, when documentation is otherwise unavailable.

The single most common error found in retirement packages is failure to document the five years of FEHB coverage (or from first eligibility and through all periods of eligibility, if less than five years). OPM would like documentation of an employee's coverage for their entire career. At a minimum, OPM must have proof of the five years of coverage immediately prior to retirement. Acceptable proof of coverage includes: (1) SF 2809 or other enrollment forms; (2) history reports from online enrollments that show both the old plan and new plan, and the effective dates for each change; and (3) evidence of coverage as a family member under another family member's FEHB enrollment.

Acceptable evidence of coverage under the SF 2809 includes: (1) a signed letter from the carrier; (2) a signed memorandum from the agency detailing the continuous coverage of the employee to prove the five year requirement and coverage on the retirement date. Corroborative documentation showing payroll deductions for at least five years should also be submitted; or (3) evidence of TRICARE/CHAMPUS enrollment.

When an employee appears eligible for an automatic waiver of the five year enrollment requirement because they retired under a Voluntary Early Retirement Authority (VERA), the certification of eligibility for the automatic waiver must be submitted. An employee's request to waive the five year eligibility requirement for all types of retirements other than a VERA must also be included if the employee is requesting a waiver.

Federal Employees Group Life Insurance (FEGLI)

Documentation of the employee's FEGLI status and eligibility to continue coverage must be included in the retiring employee's retirement package. Just as with FEHB coverage, OPM would like documentation of an employee's coverage for their entire career. At a minimum OPM must have proof of the five years of coverage immediately prior to retirement. Acceptable proof of coverage includes: (1) SF 2817 or SF 176; or (2) SF 50's showing any FEGLI changes in the five years immediately prior to retirement. As a last resort, a retiring employee's agency can submit payroll records to establish five years of coverage and all changes in enrollment.

SF 2821, Agency Certification of Life Insurance Status, must be submitted for all cases when the employee has FEGLI coverage. When the employee is eligible to continue FEGLI coverage into retirement, the original SF 2821 must be submitted.

For those retiring employees who have FEGLI and who are eligible to continue their FEGLI coverage into retirement, an extremely important form that must be completed and submitted as part of an employee's retirement package is Form SF 2818, Continuation of Life Insurance Coverage. Please note that SF 2818 has been revised as of February 2012. Paper copies of SF 2818 are not available. Only PDF versions are available at <http://www.opm.gov/forms> .

The revised SF 2818 no longer requires the applicant to sign all four sections of SF 2818. The employee only has to sign and date the form in item 14. The employee must still:

- Check one of the boxes for Basic Life Insurance in item 7 indicating if they want coverage or not, of it they received a full Living Benefit and the reduction schedule that they want in retirement in item 8.
- Check one of the boxes for Option A in item 9, indicating if they have Option A or if they want Option A, or not.
- Check one of the boxes for Option B in item 10 indicating they want to continue coverage or not, and if applicable, the number of multiples of "no reduction" or "full reduction" multiples they want in retirement in item 11.
- Check one of the boxes for Option C in item 12, indicating if they do not have Option C, if they want to continue coverage or not, and if applicable, the number of "no reduction" or "full reduction" multiples they want in retirement in item 13.

Military Service

All periods of creditable active military service must be documented with a DD214 reflecting the character of the service performed and any lost time. In the absence of a DD214, OPM will accept a document signed by an official verifying the service, a certificate of military service noting active duty dates and honorable discharge, a copy of orders placing the employee on or off duty, or military academy certification noting attendance and graduation.

If military retired pay is indicated and the applicant is waiving retired pay to credit their military service, a copy of the military retired pay waiver request must be included. If the applicant is claiming combat incurred disability or reserve retired pay, verification must be included. If the applicant's post-1956 military service was paid and the SF 2806/ SF 3100 (Individual Retirement Records, IRR) has not been previously sent to OPM, then the deposit information must be included with the IRR and must reflect that the deposit was paid in full.

Individual Retirement Record (IRR) -- SF 2806 (CSRS) / SF 3100 (FERS)

OPM must have a SF 2806/ SF 3100 on file for all periods of covered service. SF 2806s/ SF 3100s are sent to OPM when an employee separates from an agency or changes payroll offices. SF 2806/ SF 3100 for the retiring employee's final period of service are submitted with the retirement package. Some common areas to check are: (1) service history must be complete; (2) additional pay status must be indicated for any year applicable; (3) part-time tours of duty and/or hours worked intermittent and or "when actually employed (WAE)" and any leave without pay (LWOP) must be documented; and (4) unused sick leave must be posted.

By making sure all of the previously mentioned documents, forms and information are complete a retiring employee will hopefully be submitting a "healthy" retirement package, thereby avoiding unnecessary delays in OPM's processing of their retirement application package.

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About the Author

Edward A. Zurndorfer is a Certified Financial Planner, Chartered Financial Consultant, Chartered Life Underwriter, Registered Health Underwriter, Registered Employee Benefits Consultant and Enrolled Agent in Silver Spring, MD -- and the owner of EZ Accounting and Financial Services, an accounting, tax preparation and financial planning firm also located in Silver Spring, MD. Zurndorfer is also an instructor at federal employee retirement seminars throughout the country and writes numerous columns and books on federal employee benefits.