

ATTACHMENT 1

Processing the Death of a Federal Employee General Instructions

Generally, it is the current spouse or other family member of a deceased Federal employee who initially notifies the employing agency of the death. There are a number of documents the spouse and/or other survivors must complete. The agency can best assist him/her by following these procedures, will help expedite the death claims process, ensuring which eligible survivors receive whatever benefits to which they are entitled.

We have provided a list of primary references at the end of this attachment which may be helpful to agency representatives when an employee dies in service. Most forms mentioned in this BAL can be found at: www.opm.gov/forms

Please note that the general term Benefits Specialist is used throughout this document but refers to any agency representative whose duties include processing benefits as a result of the death of a Federal employee.

Benefits Specialist Duties

Phase 1 – Initial Contact with Spouse or Other Survivor

1. Call the spouse or other survivor within one business day of receipt of notification of the employee's death to convey sympathy on behalf of the agency, unless they have indicated that they don't want to be called.
 - a. Provide your name, email address and telephone number
 - b. Obtain information about the person who contacted the agency
 - c. Provide general survivor benefits information regarding retirement, unpaid compensation, life insurance, health benefits and Thrift Savings Plan, if applicable.
 - Explain the process and the processing timeframes; for FERS benefits, provide counsel to the spouse on the Basic Employee Death Benefit (BEDB) and the available options
 - When possible, explain the Death Benefit Payment Rollover Election Form (page 15 of the SF3104B), which should be included with the packet of forms provided to the spouse or survivor
 - d. Establish a date and time to continue the counseling session after you receive/review the OPF
2. If the employee's death is work-related, contact the Human Resources and/or Workers' Compensation point of contact, if not previously notified
3. Request the deceased employee's Official Personnel Folder (OPF). If the OPF is not received within 4 business days of request, follow-up on status of request and elevate for follow-up. Upon receipt:
 - a. Review retirement, health insurance, life insurance, Thrift Savings Plan, unpaid compensation benefits and, if applicable, workers compensation
 - b. Process as indicated below

- c. Review to see if there are any benefit elections and/or designations of beneficiary that have not been filed in the OPF

Phase 2 – Review OPF

1. Federal Employees' Group Life Insurance (FEGLI)

- a. If the employee was enrolled in FEGLI, review the OPF and validate that the current FEGLI coverage is correct
- b. Prepare SF2821, *Agency Certification of Insurance Status*. Be sure that all information is accurately shown on the form, including the correct options, effective dates and the agency certification information with agency representative's phone number. If you indicate that there is a designation(s) on file, be sure the originals are attached.
 - Send Part 1 and 2 to OFEGLI with life insurance papers & original designation of beneficiary forms, if any
 - File Part 3 of the SF2821 in the OPF
- c. Prepare SF2819, *Notice of Conversion Privilege*, if the employee was enrolled in Option C-Family Benefits
 - Send Part 1 to the survivor with a condolence letter (See Phase 3, Step 1)
 - File Part 2 in the OPF
- d. Remove all original SF2823 or SF54, *Designation of Beneficiary*, RI 76-10, *Assignment of FEGLI*, and court-order forms from the OPF; be sure to open any sealed envelopes that might contain beneficiary forms (Keep copies of the original forms in the OPF)
- e. Remove original SF2817s and SF176, *Life Insurance Election: Federal Employees' Group Life Insurance Program*, from the OPF (Keep copies of the original forms in the OPF)
- f. Complete the *Preliminary Information to OFEGLI Regarding the Death of an Employee* (Attachment 3 of this BAL)
- g. Assemble the following documents:
 - (1) *Preliminary Information to OFEGLI Regarding the Death of an Employee*
 - (2) Original *Agency Certification of Insurance Status* (SF2821)
 - (3) Original *Designation of Beneficiary Form(s)* (SF2823/SF 54) (if any, from OPF)
 - (4) *Assignment of FEGLI* (RI 76-10) (if applicable, from OPF)
 - (5) *Life Insurance Election* (SF2817/SF176 (from OPF))
 - (6) All court-order(s) on file, if any
 - (7) Death certificate, if available

- h. Forward the documents (via expedited service such as Express Mail or FedEx) to:
Office of Federal Employees' Group Life Insurance
5950 Airport Rd.
Oriskany, NY 13424-3926

[As of June 15, 2009, this is the new address for overnight deliveries. See BAL 09-204]

2. Retirement System

- a. Verify the current retirement coverage

Note: If an error is discovered and lasted more than three years after 12/31/1986, apply Federal Erroneous Retirement Coverage Correction Act (FERCCA) rules in counseling the survivor

- b. Verify the Service Computation Date (SCD) for retirement

- c. Review the OPF to see if there is an SF3102, *FERS Designation of Beneficiary*. If so, remove all original designations from the OPF. Keep a copy of the original form(s).

Note: *CSRS Designation of Beneficiary* (SF2808) forms are valid when received and certified by the Office of Personnel Management prior to the employee's death. Therefore, agencies should not maintain the SF2808 in the OPF. Agencies should immediately forward the SF2808s to OPM's Retirement Operations Center for certifying and filing.

- d. Determine if the employee had military service

- If there is a survivor entitled to a monthly benefit, verify whether employee has made a deposit for military service performed after 1956. If the employee had completed paying the military deposit, there should be proof of the deposit. Otherwise, the spouse has the opportunity to pay or complete the payment of the military deposit. If there is a DD-214 (proof of military service) or other report of separations filed in the OPF, make a copy to send to OPM. If there is not a copy of the DD-214 in the OPF request a copy from the survivor.
- If the employee is CSRS or CSRS-Offset, the information and election opportunity is included in the *Application for Death Benefits*, section 2 of the SF2800A. If the employee is FERS, the information and election opportunity is included in the *Application for Death Benefits*, section 4 of the SF 3104 B.
- Compute benefit with and without military to see if the deposit makes a difference; use OPM Form 1514, *Military Deposit Worksheet*
- If the employee retired from the military and the surviving spouse is unsure of his/her entitlement and/or the amount of survivor benefits, complete RI 25-45, *Verification of Military Retired Pay Status for Survivors of Deceased Federal Employees*.
- If there is military retired pay involved, advise the survivor to contact the Social Security Administration to determine any affect to their Social Security benefit in making a decision to credit or exclude military service. Website: www.ssa.gov or toll free: 1 (800) 772-1213

- If the survivor elects to make a military deposit, the survivor must complete an *Application to Make Deposit* (SF 2803 for CSRS, SF 3108 for FERS) and send it with copy of the RI 20-97, *Estimated Earnings During Military Service*, DD214, and military deposit estimate to the agency payroll provider. Send a copy of these forms with the package to OPM. The deposit must be made to the payroll provider in a lump sum payment; installments are not allowed.
 - If a partial deposit was paid prior to the death of the employee and the survivor does not want to complete the deposit, the survivor can request in writing that OPM refund the partial payment.
 - If the employee completed a military deposit prior to his/her death, the agency payroll provider should send the Individual Retirement Record (IRR) to OPM's Retirement Operations Center.
- e. Complete Section 1 of SF 2800A or SF 3104B *Certified Summary of Federal Service*
- f. If there is a survivor eligible for a monthly benefit (spouse and/or child's benefit):
 - Prepare an estimate of benefits
 - If deposits for civilian or military service are applicable, compute survivor benefits that show the effect of making or not making the deposit/redeposit
 - Send the estimate to the spouse; be sure to include information about the deposit/redeposit so that the spouse can make a decision.
- g. If there are children between 18 and 22 who are full-time students, they may be eligible for a monthly benefit. Send an RI 25-41, *Initial Certification of Full-time School Attendance*, to the spouse/guardian with the condolence letter. (See Phase 3, Step 1)
- h. If the employee was CSRS or FERS and there are no survivors eligible for a monthly benefit or the FERS Basic Employee Death Benefit (BEDB), there is no computation required. A lump sum payment of retirement contributions will be paid under the order of precedence.

3. Federal Employees Health Benefits (FEHB)

- a. If employee was enrolled in a self and family FEHB enrollment and the survivor appears to be eligible to continue the FEHB enrollment, remove all *FEHB Registration Forms* (SF2809), *FEHB Notice of Change in Enrollment* (SF2810), and any medical certificates or documentation from the OPF. (Keep a copy of the original forms in the OPF.)
- b. If employee was enrolled in a self-only FEHB enrollment or there are no survivors eligible to continue the FEHB, terminate the FEHB by completing an SF 2810. In the remarks section of the SF 2810, put the remark "Enrollee died (date)". The effective date of the termination is the last day of the pay period in which the employee died.
 - Mail copy 1 of the SF2810 to the nearest living relative or the representative of the estate with the condolence letter
 - Mail copy 2 to the health insurance carrier

- Mail copy 3 to OPM, as this will eliminate OPM processing the same action to terminate the FEHB
- File copy 4 in the OPF

For FERS benefits when there is only a minor child/children eligible for health benefits, it would be helpful for the child's parent or guardian to complete the Applicant Instructions on page 6, Section 3, in the Health Benefits Election part of the SF3104B so that health insurance benefits can begin immediately.

- c. If the employee was not enrolled in FEHB at the time of death, leave all FEHB forms in the OPF

4. Thrift Savings Plan (TSP)

- a. If employee was enrolled in TSP, review the OPF and validate that the current TSP election is correct
- b. All *TSP Designation of Beneficiary* (TSP-3) forms should have been removed from the OPF and sent to the National Finance Center (NFC) in 1995. Refer to a new TSP Bulletin, 09-3, dated 2/9/2009, where it states that the originals should now be mailed to: TSP, PO Box 385021, Birmingham, AL 35238, or faxed to: 1-866-817-5023. **The TSP reminds agency representatives that it will NOT honor a TSP-3 received after the participant's date of death, even if it was transmitted from the agency.**
- c. Provide the spouse or other survivor Form TSP-17, *Information Relating to Deceased Participant*, dated May 2006: <http://tsp.gov/cgi-bin/byteserver.cgi/forms/tsp-17.pdf>

The completed form and a copy of the certified death certificate should be sent to:
 TSP Death Benefits Processing Unit
 Fairfax Post Office, DEDIS
 P.O. Box 4450
 Fairfax, VA 22038-9998

Or,

Fax the completed form & death certificate to: (703) 592-0170.

- d. For additional information and forms concerning TSP, go to www.tsp.gov or call toll-free: 1-877-968-3778.

5. Unpaid Compensation

- a. Remove all original *Designation of Beneficiary For Unpaid Compensation* (SF1152) forms. The SF1152 generally is filed on the left hand side of OPF, but review both sides in case of misfiling. Open any sealed envelopes to check for beneficiary forms.
- b. Any uncashed government checks payable to the deceased must be voided and returned to the US Department of Treasury.

6. Other Steps:

- Prepare Section 3 of the SF2800A or Section 6 of the SF3104B, *Agency Information and Certification*.
- Establish a working folder for copies of documents that you have prepared or that are not otherwise filed in the OPF
- Complete the *Employee Death Case Summary* (Attachment 6 of this BAL) and file in the working folder

Phase 3 – Send Condolence Letter To Survivor

1. Complete and send the *Summary of Benefits* checklist (Attachment 2 of this BAL), with a condolence letter, applicable claim forms and annuity estimate. Send one complete packet for each survivor who is or may be eligible to file for benefits.
2. Keep in touch with the survivor(s), answering any questions that he/she may have.

Phase 4 – Complete OPM Quick Pay

1. If there is a spouse eligible for a monthly annuity, the preferred method of sending Quick Pay information to OPM is via the on-line Electronic Death In Service Quick Pay Report at: <http://apps.opm.gov/deathinservice/index.cfm> Or,
2. Fax the Quick Pay information, by completing either the *CSRS Death In Service Quick Pay* or *FERS Death In Service Quick Pay* form (Attachment 5 of this BAL) and fax to OPM at: 1-724-794-1112 or 1-724-794-1220.

Phase 5 – Prepare SF50

Create and process the SF50, *Notification of Personnel Action*.

Phase 6 – Follow-up with Survivor(s) If Necessary

If no response is received from the survivor(s) within 10 calendar days of mailing the applicable forms, contact the survivor(s) to determine if forms were received and answer any questions.

Phase 7 – Mail Retirement Documents To OPM Via Payroll Office

1. After preparing the required documents, promptly forward the following to OPM via Payroll Office, keeping copies for the case file:
 - a. *Preliminary Information To OPM Regarding The Death Of An Employee*
 - b. SF50, *Notification of Personnel Action*
 - c. Section 1 of the SF2800A/SF3104B, *Certified Summary of Federal Service*
 - d. Section 3 of the SF2800A, or Section 6 of the SF3104B, *Agency Information and Certification*

- e. All original SF3102, *FERS Designation of Beneficiary* form(s)
- f. All original FEHB SF2809s and SF2810s from the OPF
- g. Payroll will do its required actions and submit the package to OPM

Phase 8 – Mail Claim For Unpaid Compensation To Payroll Office

Upon receipt of the completed SF1153 from survivor(s), review the form, including:

- 1. Ensuring that the applicant(s) completes the appropriate Parts on the form. Instructions are very clear as to who completes which Parts.
- 2. Ensuring the claimant(s) and two witnesses signed and dated Part G
- 3. Forward the following documents (and any other applicable documents not listed) to Payroll within 1 business day using expedited service. (Keep copies for the case file.)
 - a. Information to Payroll Regarding The Death of An Employee
 - b. SF1153, *Claim For Unpaid Compensation*
 - c. For payroll offices with the capability to direct deposit a one-time check, *Election Regarding Method of Payment for Unpaid Compensation* (Attachment 4)
 - d. Death certificate
 - e. SF1152, *Designation of Beneficiary For Unpaid Compensation* (from the OPF) or *Statement Regarding Designation of Beneficiary For Unpaid Compensation*

Phase 10 – Close Case

- 1. Ensure all action items are updated and closed
- 2. Shred the working folder 6 months from the date of the last activity

PRIMARY REFERENCES

Refer to the following references regarding processing benefits upon the death of a Federal employee. Benefits Administration Letters (BALs) can be found at:

www.opm.gov/retire/pubs/bals/index.asp

For information on the Federal Erroneous Retirement Coverage Corrections Act

(FERCCA), go to: www.opm.gov/retire/pre/fercca/index.asp

1. *Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS) Handbook*: www.opm.gov/retire/pubs/handbook/hod.htm
2. *Federal Employees Health Benefits (FEHB) Handbook*: www.opm.gov/insure/health/reference/handbook/fehb00.asp
3. *Federal Employees' Group Life Insurance (FEGLI) Handbook*: www.opm.gov/insure/life/reference/handbook/index.asp
4. BAL 98-205, dated 9/17/1998, FEGLI Court Orders
5. BAL 99-110, dated 12/15/1999, Court Orders Applying to FEGLI & CSRS/FERS Benefits
6. BAL 00-105, dated 5/10/2000, New Procedures to Expedite Payments to Spouses of Federal Employees who have Died
7. BAL 01-108, dated 6/19/2001, Expanded procedures to Expedite Payments to Spouses of Federal Employees who have Died
8. BAL 04-210, dated 3/24/2004, Federal Employees' Group Life Insurance Program: Revisions of FE-6, Claim for Death Benefits, and FE-6 DEP, Statement of Claim-Option C Family Life Insurance
9. BAL 04-103, dated 11/9/2004, Current Versions of FERS Death Benefit Application Forms/Pamphlet
10. BAL 06-205, dated 9/8/2006, Federal Employees' Group Life Insurance (FEGLI) Program: Processing Reminders and Best Practices
11. BAL 07-206, dated 12/13/2007, Federal Employees' Group Life Insurance (FEGLI) Program: Requests for Information
12. BAL 08-101, dated 4/30/2008, Application for Death Benefits (CSRS), SF2800, dated June 2006; Documentation and Elections in Support of Application for Death Benefits (CSRS) When Deceased was an Employee at the Time of Death, SF2800A, dated June 2006; and Applying for Death Benefits Under CSRS, SF2800-1, dated October 2006
13. BAL 09-101, dated 1/2/2009, Annual Changes
14. BAL 09-204, dated 5/5/2009, FEGLI Program: New Address for OFEGLI