



Benefits Administration Letter

Number: 14- 206

Date: June 27, 2014

Subject: Federal Employees' Group Life Insurance (FEGLI) Program: UPDATE on Insurance Misrepresentations and Deceptive Sales Practices

Background

Recently, we have received an increase in complaints from Federal agencies and employees regarding solicitations from private life insurance companies and agents marketing their life insurance products to Federal employees. Because the solicitations reference the FEGLI Program and offer to save Federal employees "money off their FEGLI" premiums, employees asked whether these companies work for, are endorsed by, or have permission from the U.S. Office of Personnel Management (OPM), or the Office of Federal Employees' Group Life Insurance (OFEGLI) which is the administrative unit of Metropolitan Life Insurance Company that processes FEGLI claims.

Purpose

This BAL provides information to assist you in responding to employee inquiries about private life insurance sales solicitations that are directed to Federal employees and use the FEGLI name or mark. In 2006, we issued [BAL 06-202](#). This letter updates that BAL and provides additional information.

No Sales Agents or Mail Solicitations

Neither OPM nor OFEGLI uses sales agents to administer the FEGLI Program or to promote the Program's benefits. Marketing materials offering to help Federal employees "reduce future FEGLI cost increases" are, at a minimum, misleading, because these companies are not offering a FEGLI product. As a reminder, FEGLI premium rates are fixed at government-wide rates based on age, salary, and individual enrollment elections. Federal employees may not obtain discounts to reduce these premiums. Additionally, OPM does not endorse any privately-sponsored life insurance policies or products, and OPM has no connection with any other supplemental life insurance products marketed to Federal employees. In this regard, in consultation with the U.S. Department of Justice, OPM continues to take affirmative steps to correct third-parties' improper and/or deceptive use of OPM trademarks, including FEGLI.

If your employees contact you with concerns about the legitimacy of a private company's marketing materials utilizing the terms "FEGLI" or "Federal Employees' Group Life Insurance"

or if your employees actually confuse the private life insurance products with the official FEGLI benefits, please forward these materials and any complaints you receive to FEGLI@opm.gov.

Use of Personal Employee Information

Notwithstanding our efforts to prevent deceptive use of OPM trademarks, private companies will continue to contact Federal employees by mail, phone, email, or in person to solicit business. Because the companies contacted some employees via work email and/or via their home addresses, employees raised concerns about the possible release of personally identifiable information (PII). We understand that some basic employee information is publicly available to third-parties via routine Freedom of Information Act (FOIA) requests made to agencies. We cannot stop these companies from reaching out to employees; however, a lot of the email solicitations have an option at the bottom of the e-mail messages to “unsubscribe” from such notices if the employee wishes not to receive any further solicitations from the company. You may wish to contact your agency’s chief information officer or security office for more information on your agency’s policies regarding the release of employee information, policies regarding private solicitations, and policies on its spam email filters.

Summary

As we stated in 2006, employees are free to purchase whatever life insurance products they so choose. We encourage comparison shopping. However, employees should do so knowingly and not because they were misled into believing that the insurance was sponsored by OPM or OFEGLI, or because they believe it is connected with the FEGLI Program in any way.

Please alert your employees about this important issue and refer them to this letter, especially if they received unsolicited advertising of this nature recently or do so in the future. This BAL will also be posted soon on the FEGLI website at www.opm.gov/healthcare-insurance/life-insurance.

Thank you for your help and cooperation.

Sincerely,

John O’Brien
Director
Healthcare and Insurance