

§ 870.206

(b)(1) Option B coverage comes in 1, 2, 3, 4, or 5 multiples of an employee's annual pay (after the pay has been rounded to the next higher thousand, if not already an even thousand). Effective for pay periods beginning on or after October 30, 1998, there is no maximum amount for each multiple.

(2) The amount of Option B coverage automatically changes whenever annual pay is increased or decreased by an amount sufficient to raise or lower pay to a different \$1,000 bracket.

(c) Effective April 24, 1999, Option C coverage comes in 1, 2, 3, 4, or 5 multiples of the following amounts: \$5,000 on the death of a spouse and \$2,500 on the death of an eligible child. Payments are made to the insured individual.

[62 FR 48731, Sept. 17, 1997, as amended at 64 FR 72461, Dec. 28, 1999]

§ 870.206 Accidental death and dismemberment.

(a) (1) Accidental death and dismemberment coverage is an automatic part of Basic and Option A insurance for employees.

(2) There is no accidental death and dismemberment coverage with Options B and C.

(3) Individuals who are insured as annuitants or compensationers do not have accidental death and dismemberment coverage.

(b) (1) Under Basic insurance, accidental death benefits are equal to the BIA, but without the age factor described in § 870.202(c).

(2) Under Option A, accidental death benefits are equal to the amount of Option A.

(c)(1) Under Basic insurance, accidental dismemberment benefits for the loss of a hand, foot, or eye are equal to one-half the BIA. For loss of 2 or more of these in a single accident, benefits are equal to the BIA.

(2) Under Option A, accidental dismemberment benefits for the loss of a hand, foot, or eye are equal to one-half the amount of Option A. For loss of 2 or more of these in a single accident, benefits are equal to the amount of Option A.

(3) Accidental dismemberment benefits are paid to the employee.

5 CFR Ch. I (1-1-08 Edition)

Subpart C—Eligibility

§ 870.301 Eligibility for life insurance.

(a) Each nonexcluded employee is automatically insured for Basic insurance unless he/she waives it.

(b)(1) Optional insurance must be specifically elected; it is not automatic.

(2) An employee may elect one or more types of Optional insurance if:

(i) He/she has Basic insurance; and

(ii) He/she does not have a waiver of that type (or types) or Optional insurance still in effect.

(c) Notwithstanding any other provision in this part, the hiring of a Federal employee, whether in pay status or nonpay status, for a temporary, intermittent position with the decennial census has no effect on the amount of his/her Basic or Option B insurance, the withholdings or Government contribution for his/her insurance, or the determination of when 12 months in nonpay status ends.

[62 FR 48731, Sept. 17, 1997, as amended at 63 FR 9402, Feb. 25, 1998; 64 FR 72461, Dec. 28, 1999]

§ 870.302 Exclusions.

(a) The following employees are excluded from life insurance coverage by law:

(1) An employee of a corporation supervised by the Farm Credit Administration, if private interests elect or appoint a member of the board of directors.

(2) An individual who is not a citizen or national of the United States and whose permanent duty station is outside the United States. Exception: an individual who met the definition of employee on September 30, 1979, by service in an Executive agency, the United States Postal Service, or the Smithsonian Institution in the area which was then known as the Canal Zone.

(3) An individual first employed by the government of the District of Columbia on or after October 1, 1987. Exceptions:

(i) An employee of St. Elizabeths Hospital, who accepts employment with the District of Columbia Government following Federal employment without a break in service, as provided