

§ 891.402

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

counting one-half cent and over as a whole cent.

(3) For each retired employee or survivor who is in receipt of compensation and who meets the requirements of paragraph (a)(3) of this section, other than the requirement of being in receipt of an annuity, the Office of Personnel Management shall contribute, through the Office of Workers' Compensation Programs, an amount equal to 186 $\frac{2}{3}$ percent of the current monthly premium paid by an individual for supplementary medical insurance under title XVIII of the Social Security Act (Medicare) rounded to the nearest cent, counting one-half cent and over as a whole cent, for each 4-week period in which payment of such compensation is made.

(4) For each retired employee or survivor who is receiving compensation and has elected to enroll for self and family in the uniform plan, the Office of Personnel Management shall contribute, during each 4-week period in which payment of such compensation is made, an amount equal to 186 $\frac{2}{3}$ percent of the current monthly premium paid by an individual for supplementary insurance under title XVIII of the Social Security Act (Medicare) rounded to the nearest cent, counting one-half cent and over as a whole cent.

(5) If the current monthly rate for supplementary medical insurance under Medicare changes to a new rate within a 4-week period in which compensation is paid, the amount to be contributed for that 4-week period will be a prorated amount determined by:

(i) Multiplying the number of days in the 4-week pay period occurring at the former monthly rate (the rate in effect at the beginning of the pay period) by the former rate for a 4-week pay period;

(ii) Multiplying the number of days in the 4-week pay period occurring at the new rate (the rate in effect at the end of the 4-week pay period) by the new 4-week rate;

(iii) Adding the products of paragraphs (b)(5) (i) and (ii) of this section; and

(iv) Dividing the sum by 28 and rounding to the nearest cent, counting one-half cent and over as a whole cent.

(c) So that the Government contribution provided under this section is paid or contributed in advance, it shall be included in the payment of annuity or compensation for the month or pay period immediately preceding the month or pay period for which the Government contribution is due.

(d) An election to subscribe to the uniform plan constitutes an agreement by the retired employee or survivor that the retirement office may withhold from his or her annuity or compensation his or her share of the cost of the plan, as provided by this part.

(e) The Government shall contribute to the Retired Federal Employees Health Benefits Fund two percent of the total Government contribution authorized by this section for payment of expenses incurred by the Office of Personnel Management in administering this part.

[45 FR 30611, May 9, 1980]

§ 891.402 Withholdings.

The appropriate retirement office shall withhold from the annuity or compensation of each of its retired employees who has elected to subscribe to the uniform plan so much as is necessary to pay his share of the cost of his subscription. The withholdings shall be forwarded, in accordance with OPM instructions, to the Retired Employees Health Benefits Fund.

Subpart E—Standards for Uniform Plan and Carrier

§ 891.501 Standards for uniform plan.

The uniform plan shall be open to all eligible retired employees and members of their families, without regard to race, sex, health status, or age. It shall not deny or limit benefits because of any preexisting condition. It shall offer basic plus major medical coverage. It shall provide a 31-day extension of coverage on termination of subscription other than by change of election or termination of the contract. A person confined in hospital for care or treatment on the 31st day of the extension of coverage shall be entitled to continuation of the benefits of the contract during the continuance of the confinement, but not beyond the 60th