



Benefits for Permanent Employees

VA employees are entitled to participate in a wide range of benefits. The benefits summarized in this pamphlet pertain to both Title 5 and Title 38 employees.

As a recipient of these benefits, it is important that you have a basic understanding of them. This is especially important when it is time to change, access, or take other actions relating to your benefits.

Additional information regarding Federal benefits can be obtained from your local Human Resources office or by visiting the Worklife and Benefits Service's Web site at <http://vaww1.va.gov/ohrm/Benefits/Benefits.htm>.

**Department of Veterans Affairs
Worklife and Benefits Service (058)
Office of Human Resources and Administration
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What benefits am I entitled to as a permanent employee?

As a permanent Federal employee with VA, you are eligible for the following benefits:

- Federal Employees Retirement System (FERS), or Civil Service Retirement System (CSRS), or CSRS-Offset;
- Federal Employees Health Benefits (FEHB) Program;
- Flexible Spending Accounts (FSA);
- Federal Long Term Care Insurance (FLTCL) Program;
- Federal Employees' Group Life Insurance (FGLI) Program;
- Thrift Savings Plan (TSP); and the
- Federal Leave Program.

Retirement

Newly hired Federal employees, with some exceptions, participate in FERS. However, some employees may be covered under CSRS or CSRS-Offset. To determine your retirement coverage, refer to item 30 of your SF-50, Notification of Personnel Action, or your Earnings and Leave Statement.

FERS: is a three-tiered retirement plan: (1) social security; (2) FERS annuity; and (3) Thrift Savings Plan. The three components of FERS work together to give you a strong financial foundation for your retirement.

CSRS: If you were hired **before** 1984, you are covered under CSRS, unless you elected to be covered under FERS.

If you are a rehired CSRS or CSRS-Offset employee, you will have a 6-month window from the date of rehire to elect FERS coverage. Please ensure that you read the FERS Transfer Handbook. It is available at www.opm.gov/fers_election/fersh/h_toc.htm.

For more information regarding your specific retirement plan, go to www.opm.gov/retire/index.htm or visit your local Human Resources office.

Federal Employees Health Benefits (FEHB) Program

If you elect to enroll in the FEHB program, you must complete a SF-2809, Employee Health Benefits Election form. **You have 60 days from the date you first became employed or eligible to make a health insurance election.** If you do not enroll in the FEHB program, you will not be able to obtain health insurance until an open season or you have a qualifying life event. FEHB open season occurs each year during November and December.

Health insurance is an important benefit. The employee and the Government share the cost. The Government's share may not exceed 75% of the total enrollment cost; you as the employee pay the remaining amount. There are many plans available. Your choices range from a Health Maintenance Organization (HMO) to a Fee-for-Service Plan. It is suggested that you review the various FEHB plans and make a determination on one that best fits your health care needs.

To learn more about the FEHB program and review plan brochures, go to <http://www.opm.gov/insure/health/index.asp>.

Reminder: FEHB Open Season occurs each year during November and December!

Federal Employees Health Benefits (FEHB) Premium Conversion

Premium Conversion is a "pre-tax" arrangement, meaning that the part of your salary that goes for health insurance premiums is non-taxable. That means that you save on Federal income tax and FICA tax. **You will automatically be enrolled in Premium Conversion, unless you elect to waive it.** If you do not wish to participate in Premium Conversion, you must complete the FEHB Premium Conversion Waiver/Election form within 60 calendar days from the date you became eligible for FEHB or during an Open Season.

Contact your local Human Resources office for assistance.

To find out more about Premium Conversion, go to www.opm.gov/insure/health/pretaxfehb/index.asp.

If you elect to enroll in the FEHB program, your enrollment will be effective at the beginning of the pay period following the one in which you complete your election.

Flexible Spending Accounts (FSA)

The Federal Flexible Benefits Plan ("FedFlex") enables eligible employees to pay for certain benefits with pre-tax dollars. FSA elections are completely voluntary. You may choose to make a voluntary allotment from your salary to your FSAFEDS account(s) and you will not pay employment or income taxes on your allotments.

Two FSAs are offered to eligible employees:

- **Health Care FSA (HCFSA)**, through which employees may use pre-tax allotments to pay for certain health care expenses that are not reimbursed by FEHB or any other source and not claimed on the participant's income tax return. The maximum amount an employee may set aside in any tax year is \$4,000 and the minimum amount is \$250.

- **Dependent Care FSA (DCFSA)**, through which employees may use pre-tax allotments to pay for eligible dependent care expenses. The maximum amount an employee may set aside in any tax year is \$5,000 (\$2,500 if the employee is married and filing a separate income tax return) and the minimum amount is \$250.

To find out more about the FSA program and/or to enroll in one of the FSAs, visit their Web site at <https://www.fsafeds.com/fsafeds/index.asp>.

Federal Long Term Care Insurance (FLTCL) Program

In addition to the FEHB program, VA offers FLTCL. The need for long term care usually arises from age, chronic illness, injury, or disability. To find out more about the FLTCL program, visit the LTC Partners Web site at www.ltcfeds.com.

Federal Employees' Group Life Insurance (FEGLI) Program

The FEGLI program is a term insurance policy with no cash value. As a new employee, you are **automatically enrolled in Basic Life Insurance, unless you waive the coverage.** Within the first **31 days after your eligible appointment**, you may elect to waive or elect optional insurance coverage by completing a SF-2817, FEGLI Election form. Any options not elected during this time will be deemed as waived.

The FEGLI program offers Basic Life Insurance (which you must have in order to be able to elect any of the other life insurance options), **Option A-Standard, Option B-Additional, and Option C-Family.**

Basic Life: Equals your annual salary, rounded up to the next \$1,000, plus \$2,000 (Example: Annual salary is \$32,980 rounded up to \$33,000 plus \$2,000, equals \$35,000 worth of Basic Life insurance.)

Option A-Standard: Has an insurance value of \$10,000.

Option B-Additional: Allows you to choose from one to five times your salary. If you choose two times your salary, this would be figured by your annual salary rounded up to the next thousand, multiplied by two. (Example: Annual salary is \$32,980, rounded up to \$33,000, times two, would equal \$66,000.)

Option C-Family: Provides life insurance coverage for your eligible family members. You may elect from either one to five multiples of coverage. Each multiple is equal to **\$5,000 for your spouse and \$2,500 for each of your eligible dependent children.** Example: If you elect 3 multiples and your spouse dies, you would receive \$15,000 (3 x \$5,000). If one of your eligible dependent children dies, you would receive \$7,500 (3 x \$2,500).

The number of multiples you elect applies to all of your eligible family members.

You cannot elect a number of multiples for your spouse that is different from the number of multiples for your eligible dependent children.

If you previously waived Basic Life insurance and/or Options A and B, you may at a later date want to increase your insurance. To accomplish this, **at least one year must have passed since the effective date of your waiver, and you must provide satisfactory medical evidence of insurability.**

Contact your local Human Resources office to obtain additional information regarding the FEGLI program, or go to www.opm.gov/insure/life/index.asp.

If you are returning to the Federal Government and have had a break in service of less than 180 days, any prior waiver of FEGLI coverage will remain in effect. Otherwise, you will automatically get whatever FEGLI insurance you had before leaving the Federal Government.

Thrift Savings Plan (TSP)

TSP is a retirement savings and investment plan for Federal employees. The purpose of TSP is to provide retirement income. It offers Federal civilian employees the same type of savings and tax benefits that many private corporations offer their employees under 401(k) plans. **New employees can begin contributing to the TSP at any time.**

FERS: employees can currently contribute up to 15% of their basic pay and also receive an automatic 1% agency contribution, when eligible. The Federal Government also will match contributions dollar for dollar for the first 3% and fifty cents for each dollar for the next 2%. FERS employees who do not participate in TSP will still receive a Government contribution in an amount equal to 1% of their basic pay.

CSRS: employees can currently contribute up to 10% of their basic pay. The Federal Government does not match any contributions or make automatic contributions.

As a TSP participant, you can invest in any one or a combination of **five funds:**

G Fund (Government Securities Investment Fund)

F Fund (Fixed Income Index Investment Fund)

C Fund (Common Stock Index Investment Fund)

I Fund (International Stock Index Investment Fund)

S Fund (Small Capitalization Stock Index Investment Fund)

Employees may also choose one of the new **L Funds**. The L funds are “**lifecycle funds**” that are invested according to a professionally determined mix of stocks, bonds, and securities. The L funds are based on your time horizon (that is,

when you expect to need the money in your account). Choose the L fund that matches your time horizon.

- **L 2040 – 2035 and later**
- **L 2030 – 2025 through 2034**
- **L 2020 – 2015 through 2024**
- **L 2010 – 2008 through 2014**
- **L Income – Currently (or before 2008)**

Investment experts have combined the individual TSP funds (G, F, C, S, and I Funds) in percentages that are appropriate for each L Fund's time horizon. L Funds with farther time horizons (for example, L 2040) are focused on growth, and therefore are invested more aggressively, with higher percentages in foreign and domestic stocks (the C, S, and I Funds) and lower percentages in Government securities (the G Fund).

To participate in TSP, you must complete a TSP-1, TSP Election form. As a new or rehired employee, you may enroll in TSP at any time. Your contributions will go directly to the "G" Fund until your TSP-1 information is received in the TSP Service office and an account is established for you. It takes approximately 1-2 pay periods for the account to open. The TSP Service office, upon receiving your TSP-1, will establish an account for you and send you a welcome letter. At that time, you will be provided with your own Personal Identification Number (PIN). **Once you received the welcome letter from the TSP Service office, you must complete a TSP-50, Thrift Savings Plan Investment Allocation, and allocate the way you would like**

your contributions distributed among the five different funds.

The TSP-50 is then mailed directly to the TSP Service office (their address is on the form).

For additional information on TSP and its features, visit the TSP Web site at www.tsp.gov.

As of 2006, the limit on how much you can contribute to TSP will be abolished. However, this does not change the IRS imposed dollar maximums.

TSP Catch-up Contributions

Catch-up contributions are supplemental contributions available to TSP participants who **are age 50 and older**. Catch-up contributions are not subject to the Internal Revenue Code's elective deferral limits.

Catch-up contributions are not eligible for matching contributions and there is no agency automatic 1% contribution associated with catch-up contributions.

Note: You must be contributing the maximum to your TSP account in order to be eligible to elect to make catch-up contributions.

To elect catch-up contributions, you must complete a TSP-1-C, Catch-Up Contribution Election form. For more information regarding catch-up contributions, visit the TSP Web site at www.tsp.gov.

Beneficiary Forms

The completion of beneficiary forms is a personal choice. A beneficiary is the person(s) who will receive any money that is payable to you upon your death. The money that you can designate from your Federal benefits is your unpaid salary and lump sum annual leave, Thrift Savings Plan (TSP) account, Federal Employees' Group Life Insurance (FEGLI), and Federal Employees Retirement System (FERS) or Civil Service Retirement System (CSRS).

It's important to update your beneficiary forms whenever you have a life event such as divorce.

If you do not designate a beneficiary (ies), money payable upon your death will be paid under the following Federal Order of Precedence:

- Your spouse. If none, then to
- Your children (or descendants of deceased children) in equal shares. If none, then to
- Your parents, in equal shares. If none, then to
- The executor or administrator of your estate. If none, then to
- The next of kin according to the laws of the state in which you resided at the time of your death.

The forms for designating beneficiaries are:

SF-1152, Designation of Beneficiary (Unpaid Compensation of Deceased Civilian Employee);

TSP-3, Thrift Savings Plan Designation of Beneficiary;

SF-2823, Designation of Beneficiary (Federal Employees' Group Life Insurance);

SF-3102, Designation of Beneficiary (Federal Employees Retirement System); and

SF-2808, Designation of Beneficiary (Civil Service Retirement System).

You may obtain any of the above standard forms by visiting OPM's Web site at

www.opm.gov/insure/designations/index.asp.

The TSP-3 form can be obtained by going to the TSP Web site at **www.tsp.gov**.

Post-56 Military Deposit

Congress enacted a law in 1982 giving employees the opportunity to make a deposit into their civilian retirement system for active military service performed **AFTER** 1956. Individuals who make the deposit are entitled to credit the military service under both the Social Security system and the applicable retirement system.

FERS: Credit will be given for military service only if a deposit for military service is made. The amount of deposit is 3% of the basic pay earned during the period(s) of military service, plus interest, if applicable.

CSRS: The amount of deposit is 7% of the basic pay earned during the period(s) of military service, plus interest, if applicable.

For more information on Post-56 military service, contact your local Human Resources office or go to www.opm.gov/asd/hod/pdf/C022.pdf.

Leave Entitlement

As a Federal employee, you are entitled to immediately accrue annual and sick leave.

Exception: Intermittent employees are not entitled to accrue annual or sick leave.

Annual Leave: The annual leave accrual rate for full-time employees covered under Title 5 is based on length of service (Federal and military) as follows:

- Less than 3 years – 4 hours per pay period, or 13 days a year
- 3 but less than 15 years – 6 hours per pay period, or 20 days a year
- 15 years or more – 8 hours per pay period, or 26 days a year

Part-time employees on a regularly scheduled tour of duty earn leave on a prorated basis according to the number of hours worked.

Sick Leave: The earning rate for sick leave will differ based on the type of work schedule as shown below:

- Full-time – 4 hours per pay period
- Part-time – 1 hour for every 20 hours

Leave Accrual for Title 38 Employees

Annual Leave: Full time nurses, nurse anesthetists, physician assistants, and expanded-function dental auxiliaries earn 26 days per year. Physicians, dentists, podiatrists, optometrists, and chiropractors receive 30 days each year.

Unused annual leave may be carried over into the next leave year with maximum limitations of 240 hours for Title 5 employees, 685 for nurses (et al), and 120 days for physicians (et al).

Sick Leave: Full-time physician, dentists, podiatrists, optometrists, and chiropractors receive 15 calendar days of sick leave per year. Full-time nurses, nurse anesthetists, physician assistants, and expanded-function dental auxiliaries, accrue sick leave at the rate of 4 hours per pay period (13 days in a leave year).

Employee Express (EEX)

Employee Express (EEX) is an easy, convenient system that allows you to make changes to your own benefits and personal information through the Internet and Interactive Voice Response System.

You can access EEX either at work or at home by using the Internet or telephone. EEX allows you to change things like your address, Federal and state withholdings, direct deposit, financial allotments, Thrift Savings Plan, health coverage, Savings Bonds and more.

EEX is private and secure. All you need to start using EEX is your Social Security Number (SSN) and a Personal Identification Number (PIN).

To obtain your PIN, visit www.employeeexpress.gov or call the help desk at 1-800-414-5272 to get your PIN sent directly to you.

Important Web Addresses

Retirement: www.opm.gov/retire
Health Insurance: www.opm.gov/insure/index.html

Life Insurance: www.opm.gov/insure/index.html
Thrift Savings Plan (TSP): www.tsp.gov

Social Security: www.ssa.gov

OPM: www.opm.gov

Employee Express (EEX): www.employeeexpress.gov

VA Benefits Home Page: <http://vaww1.va.gov/ohrm/Benefits/Benefits.htm>