

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 890

RIN 3206-AH46

### Federal Employees Health Benefits Program: Opportunities to Enroll and Change Enrollment

**AGENCY:** Office of Personnel  
Management.

**ACTION:** Proposed rule.

**SUMMARY:** The Office of Personnel Management (OPM) is issuing proposed regulations to simplify and clarify the existing Federal Employees Health Benefits (FEHB) Program regulations concerning opportunities to enroll and change enrollment. The proposed regulations would make it easier for employing offices to determine whether circumstances permit individuals to enroll or change enrollment, and would result in a reduced potential for error and improved customer service.

**DATE:** We must receive comments on or before September 9, 1996.

**ADDRESSES:** Send written comments to Lucretia F. Myers, Assistant Director for Insurance Programs, Retirement and Insurance Service, Office of Personnel Management, P.O. Box 57, Washington, DC 20044, or deliver to OPM, Room 3451, 1900 E Street NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Barbara Myers (202) 606-0004.

**SUPPLEMENTARY INFORMATION:** The events that permit individuals to enroll for FEHB coverage or change enrollment are specified in regulation. When the FEHB Program first began over thirty years ago, there were few events that permitted individuals to enroll or change their enrollment. Since then, additional events have been added to accommodate changes to FEHB law, establishment of other Federal programs that affected Federal employees and retirees, and changes in the personal circumstances of employees and annuitants.

Among the changes to FEHB law have been (1) extending FEHB coverage to certain former spouses and temporary employees, (2) providing temporary continuation of coverage (TCC) for enrollees and family members who lose coverage under certain conditions, and (3) prorating of premiums for part-time employees. Some other Federal programs that have been established since the FEHB Program began that affect Federal employees and retirees are Medicare and the Federal Employees Retirement System (FERS). Also, to adapt to changes in the personal circumstances of employees and annuitants, FEHB regulations now permit enrollment upon loss of non-Federal coverage under certain conditions.

The inquiries we receive from the White House, Members of Congress, Federal agencies, employees, and other individuals indicate that it is becoming increasingly difficult for employing offices to locate and interpret the appropriate regulation when an individual request to enroll or change his or her enrollment. In addition, when an employing office denies a request because they do not believe the circumstances comply with the regulations, the individual usually asks for reconsideration of that decision.

OPM has issued final regulations (59 FR 66434, December 27, 1994) that delegate to Federal agencies the authority to reconsider disputes over coverage and enrollment and to make retroactive as well as prospective corrections of administrative errors. Our proposed regulations would also give agencies the authority to correct enrollee errors under certain circumstances. We believe that these proposed regulations would help to reduce both the number of agency denial of enrollee requests and the volume of reconsideration requests.

More specifically, we believe these proposed regulations would improve administration of the FEHB Program by:

1. Organizing the opportunities to enroll and change enrollment into separate sections for employees, annuitants, former spouses, and those on Temporary Continuation of Coverage. This would reduce the time it takes for the employing office to locate the regulation applicable to the individual that is being assisted.

2. Grouping several of the enrollment opportunities within each section by similar characteristics, such as opportunities based on a change in employment status, or a loss of health benefits coverage. This further organization of the events would make it easier for the reader to locate the event that is needed.

3. Standardizing as much as possible the timeframes for individuals to enroll or change enrollment. In some cases the existing timeframe will increase from 31 to 60 days after the event. In other situations the timeframe will be extended to include a period before the event as well as after. This standardization would reduce the number of belated enrollment requests the employing offices receive, and help to assure continuous coverage for employees and family members whose eligibility to enroll in FEHB or change enrollment is based on a loss of other coverage.

4. Locating effective date information within the paragraph that describes the enrollment or change opportunity. Current regulations provide information on enrollment opportunities in one section and their corresponding effective dates in another. This revision would improve processing by making it easier for the reader to determine the appropriate effective date for a specific enrollment or change opportunity.

5. Clarifying some of the opportunities by removing certain hard to define requirements that individuals must meet to become eligible to enroll or change enrollment. This increased flexibility would make it easier for employees to provide FEHB coverage for their eligible children. It would also make it easier for agencies to make enrollment decisions, and reduce the number of agency denials of requests to enroll or change enrollment. Several examples of the clarified opportunities include:

- a. Under current regulations (paragraph 890.301(y)), an employee may enroll, and an employee or annuitant may change enrollment when the employee or a family member involuntarily loses coverage under a non-Federal health plan. This requirement has generated numerous questions, denials, and reconsideration request about whether the loss of non-Federal coverage in a specific situation is voluntary or involuntary. To make it

easier for families to continue their health insurance protection upon loss of non-Federal coverage, we are no longer requiring agencies to determine what constitutes an involuntary loss of non-Federal coverage. We also are extending to enrollees covered under the former spouse and TCC provisions the opportunity to change from a self-only to self and family enrollment when an eligible family member loses non-Federal coverage.

b. Current regulations (paragraph 890.301(e)) permit an employee to enroll upon a change in marital status, but not upon any other change in family status. We recognize that in some situations an employee may have a change in family status without a change in marital status. Such situations may include (1) birth or acquisition of a child; (2) issuance of a court order specifically requiring an employee to enroll for his or her children or provide health benefits protection for them; (3) issuance or termination of a court order granting interlocutory divorce, limited divorce, legal separation, or separate maintenance to the enrollee or spouse; (4) entry into or discharge from military service of a spouse or of a child under age 22. Therefore, we are expanding this regulation to also permit an employee to enroll upon any other change in family status.

Under current regulations, a new enrollment takes effect at the beginning of the pay period after the enrollment request is received by the employing office and that follows a pay period during any part of which the employee is in pay status. We recognize that in some situations, the birth or acquisition of a child may occur while an employee is in a leave without pay status. Therefore, in this situation only, we are allowing the enrollment to take effect on the first day of the pay period in which the child is born or becomes an eligible family member, regardless of whether the enrollee was in a pay status the previous pay period.

c. Under current regulations (paragraph 890.301(g)(4)), an employee, annuitant, or former spouse who qualifies for FEHB coverage under section 890.803, who loses coverage because of cancellation of the covering enrollment must enroll in the same plan and option as that from which coverage was lost. We recognize that there may be situations in which the individual enrolled for self and family cancels the enrollment but the family member who loses coverage does not want to enroll in the same plan; or the enrollee of a prepaid plan cancels the enrollment but the family member who loses coverage lives in a different geographic location.

As part of our effort to accommodate the complex family situations that can occur, we are eliminating this requirement and permitting enrollment in any plan or option when coverage is lost because the covering enrollment has been cancelled.

d. Current regulations (paragraph 890.301(t)) permit an employee to enroll if his or her coverage under the Medicaid program (State program of medical assistance for the needy) should terminate. They also permit an employee who is enrolled for self only to change to a self and family enrollment if a family member loses Medicaid coverage. Under our proposed regulations, an employee who is not enrolled may enroll if a family member should lose Medicaid coverage. Enrollees covered under the former spouse and TCC provisions may change from self only to self and family if an eligible family member loses Medicaid coverage. We also are extending to annuitants and former spouses who cancel their enrollment because they qualify for Medicaid coverage the opportunity to reenroll in the FEHB Program upon loss of the Medicaid coverage.

e. Under current regulations (paragraph 890.301(h)), an enrollee in a comprehensive medical plan who loses coverage or access to health services because of a change of address or place of employment may change enrollment. The enrollee must provide the employing office with written notification of his or her move or employment change or "satisfactory" evidence of a family member's move. To accommodate alternative and more automated systems of processing enrollment changes, and to make it easier for agencies to process enrollment changes under this event, we are removing the written notification requirement and no longer requiring agencies to determine what constitutes "satisfactory" evidence.

As part of our continuing effort to improve service to FEHB enrollees, we are revising paragraph 890.302(f) concerning determinations of incapacity for children over age 22. Under FEHB law, a child's coverage ends at age 22 unless the child is determined incapable of self-support because of a physical or mental disability that existed before age 22. Since current regulations require the employing office (the retirement system is the employing office for annuitants) to make determinations of incapacity, enrollees who contact their insurance carrier to request continued coverage for a disabled child are referred back to the employing office. There are certain medical conditions that would cause

children to be incapable of self-support during adulthood, and if a child has one of these conditions, we believe that carriers should be able to extend coverage without going back to the employing agency. Therefore, we are revising the regulations to permit either the employing office or the carrier to make determinations of incapacity in such cases. We will provide an up-to-date list of these medical conditions in a Benefits Administration Letter and an FEHBP Letter to All Carriers; if we need to add or delete a condition in the future, we will notify employing offices and carriers promptly by means of these publications. If a child has a medical condition that is not on the list, the employing office will continue to make the determination.

We also will be adding the term "appropriate request" to our definitions. This new definition will allow for alternative and more automated methods of processing enrollments. These methods, which include Employee Express, should result in faster enrollment processing and improved customer service.

Finally, we will be making a conforming change to paragraph 890.803(a)(3)(i) to correct a reference to § 831.606, which has been redesignated as § 831.613.

#### Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they primarily affect Federal employees, annuitants, and former spouses.

#### List of Subjects in 5 CFR Part 890

Administrative practice and procedure, Government employees, Health facilities, Health insurance, Health professions, Hostages, Iraq, Kuwait, Lebanon, Reporting and recordkeeping requirements, Retirement.

U.S. Office of Personnel Management.

James B. King,

Director.

Accordingly, OPM proposes to amend 5 CFR Part 890 as follows:

#### **PART 890—FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM**

1. The authority citation for part 890 continues to read as follows:

Authority: 5 U.S.C. 8913; § 890.803 also issued under 50 U.S.C. 403p, 22 U.S.C. 4069c and 4069c-1; subpart L also issued under sec. 599C of Pub. L. 101-513, 104 Stat. 2064, as amended.

2. In § 890.101, paragraph (a), the definitions for *Enrolled* and *Enrollee* are

revised, the definitions for *Cancellation*, *Change of enrollment*, *Register*, and *Register to enroll* are removed, and the definitions for *Appropriate request*, *Cancel*, *Change the enrollment*, and *Enroll* are added in alphabetical order to read as follows:

**§ 890.101 Definitions; time computations.**

(a) \* \* \*

*Appropriate request* means a properly completed health benefits registration form or an alternative method acceptable to both the employing office and OPM. Alternative methods must be capable of transmitting to the health benefits plans the information they require before accepting an enrollment. In addition, for an enrollment or cancellation to be valid, the signature of the requesting individual must be on the request, or on a form from the employing office that notifies the requesting individual of the enrollment or cancellation and requests his or her confirmation. For changes of enrollments, the signature of the requesting individual is not required but the employing office must promptly give the requesting individual notice of the change of enrollment. For purposes of § 890.301, electronic signatures, including the use of Personal Identification Numbers (PIN), have the same validity as a written signature.

\* \* \* \* \*

*Cancel* means to submit to the employing office an appropriate request electing not to be enrolled by an enrollee who is eligible to continue enrollment.

*Change the enrollment* means to submit to the employing office an appropriate request electing a change of enrollment to a different plan or option, or to a different type of coverage (self only or self and family).

\* \* \* \* \*

*Enroll* means to submit to the employing office an appropriate request electing to be enrolled in a health benefits plan.

*Enrolled* means an appropriate request has been accepted by the employing office and the enrollment in a health benefits plan approved by OPM under this part has not been terminated or canceled.

*Enrollee* means the individual in whose name the enrollment is carried. The term includes employees, annuitants, former employees, former spouses, or children who are enrolled after completing an appropriate request under the provisions of §§ 890.301, 890.306, 890.601, 890.803, or 890.1103 or have continued an enrollment as an

annuitant or survivor annuitant under 5 U.S.C. 8905(b) or § 890.303.

\* \* \* \* \*

3. In § 890.103, paragraphs (c) and (d) are redesignated as (d) and (e), and a new paragraph (c) is added to read as follows:

**§ 890.103 Correction of errors.**

\* \* \* \* \*

(c) The employing office may make retroactive correction of enrollee enrollment code errors if the enrollee reports the error by the end of the pay period following the one in which he or she received the first written documentation (i.e. pay statement or enrollment change confirmation) indicating the error.

\* \* \* \* \*

4. Section 890.301 is revised to read as follows:

**§ 890.301 Opportunities for employees to enroll or change enrollment; effective dates.**

(a) *Initial opportunity to enroll.* An employee who becomes eligible may elect to enroll or not to enroll within 60 days after becoming eligible.

(b) *Effective date—generally.* Except as otherwise provided, an enrollment or change of enrollment takes effect on the first day of the first day period that begins after the date the employing office receives an appropriate request to enroll or change the enrollment and that follows a pay period during any part of which the employee is in pay status.

(c) *Belated enrollment.* When an employing office determines that an employee was unable, for cause beyond his or her control, to enroll or change the enrollment within the time limits prescribed by this section, the employee may enroll or change the enrollment within 60 days after the employing office advises the employee of its determination.

(d) *Enrollment by proxy.* Subject to the discretion of the employing office, an employee's representative, having written authorization to do so, may enroll or change the enrollment for the employee.

(e) *Change to self only.* (1) An employee may change the enrollment from self and family to self only at any time.

(2) A change of enrollment to self only takes effect on the first day of the first pay period after the employing office receives an appropriate request to change the enrollment, except that at the request of the employee and upon a showing satisfactory to the employing office that there was no family member eligible for coverage by the family enrollment, the employing office may make the change effective on the first

day of the pay period following the one in which there was no family member.

(f) *Open season.* (1) An open season will be held each year from the Monday of the second full workweek in November through the Monday of the second full workweek in December.

(2) The Director of OPM may modify the dates specified in paragraph (f)(1) of this section or hold additional open seasons.

(3) During an open season, an eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes.

(4)(i) An open season new enrollment takes effect on the first day of the first pay period that begins in the next following year and which follows a pay period during any part of which the employee is in a pay status.

(ii) An open season change of enrollment takes effect on the first day of the first pay period which begins in January of the next following year.

(5) When a belated open season enrollment or change of enrollment is accepted by the employing office under paragraph (c) of this section, it takes effect as required by paragraph (f)(4) of this section.

(g) *Change in family status.* (1) An eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the employee's family status changes, including a change in marital status or any other change in family status. The employee must enroll or change the enrollment within the period beginning 31 days before the date of the change in family status, and ending 60 days after the date of the change in family status.

(2) An enrollment or change of enrollment made in conjunction with the birth of a child, or the addition of a child as a new family member in some other manner, takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(h) *Change in employment status.* An eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the employee's employment status changes. Except as otherwise provided, an employee must enroll or change the enrollment within 60 days after the change in employment status. Employment status changes include, but are not limited to—

(1) A return to pay status following loss of coverage under § 890.304(a)(1)(v) due to the expiration of 365 days in leave without pay (LWOP) status.

(2) Reemployment after a break in service of more than 3 days.

(3) Restoration to a civilian position under part 353 of this chapter or other similar authority after being ordered to duty in a uniformed service for 31 days or more.

(4) A change from a temporary appointment in which the employee is eligible to enroll under 5 U.S.C. 8906a, which requires payment of the full premium with no Government contribution, to an appointment that entitles the employee to receive the Government contribution.

(5) Separation from Federal employment when the employee or the employee's spouse is pregnant and the employee supplies medical documentation of the pregnancy. An employee who enrolls or changes the enrollment under this paragraph (h)(5) must do so during his or her final pay period. The effective date of an enrollment or a change of enrollment under this paragraph is the first day of the pay period in which the employing office receives an appropriate request to enroll or change the enrollment.

(6) A transfer from a post of duty within a State of the United States or the District of Columbia to a post of duty outside a State of the United States or the District of Columbia, or the reverse. An employee enrolling under this paragraph (h)(6) must enroll or change the enrollment within the period beginning 31 days before leaving the old post of duty and ending 60 days after arriving at the new post of duty.

(7) A change, without a break in service or after a separation of 3 days or less, to part-time career employment as defined in 5 U.S.C. 3401(2) and 5 CFR part 340, subpart B, or a change from such part-time career employment to full-time employment that entitles the employee to the full Government contribution.

(i) *Loss of coverage under this part or under another group insurance plan.* An eligible employee may enroll and an enrolled employee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the employee or an eligible family member of the employee loses coverage under this part or another group health benefits plan. Except as otherwise provided, an employee must enroll or change the enrollment within the period beginning 31 days before the date of loss of coverage, and ending 60 days after the date of loss of coverage.

Losses of coverage include, but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or a change to self only, of the covering enrollment.

(2) Loss of coverage under another federally-sponsored health benefits program.

(3) Loss of coverage or loss of access to health services because the employee or a covered family member in a comprehensive medical plan moves or becomes employed outside the enrollment or service area, or, if already outside the enrollment or service area, moves or becomes employed further from the enrollment or service area. The employee may change the enrollment upon notifying the employing office of the move or change of place of employment. The change of enrollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(4) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan.

(5) Loss of coverage due to the discontinuance of an FEHB plan in whole or in part. For an employee who loses coverage under this paragraph (i)(5):

(i) If the discontinuance is at the end of a contract year, the employee must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the employee to change the enrollment.

(ii) If the whole plan is discontinued, an employee who does not change the enrollment within the time set is considered to have cancelled the plan in which enrolled.

(iii) If one option of a plan that has two options is discontinued, an employee who does not change the enrollment is considered to be enrolled in the remaining option of the plan.

(6) Loss of coverage under the Medicaid program (State program of medical assistance for the needy).

(7) Loss of coverage under a non-Federal health plan because an employee moves out of the commuting area to accept another position and the employee's non-federally employed spouse terminates employment to accompany the employee. An employee may enroll or change the enrollment within the period beginning 31 days before the date the employee leaves employment in the old commuting area and ending 180 days after entry on duty

at place of employment in the new commuting area.

(8) Loss of coverage under a non-Federal health plan.

(j) *On becoming eligible for Medicare.* An employee may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

(k) *Salary of temporary employee insufficient to pay withholdings.* If the salary of a temporary employee eligible under 5 U.S.C. 8906a is not sufficient to pay the withholdings for the plan in which the employee is enrolled, the employing office shall notify the employee of the plans available at a cost that does not exceed the employee's salary. The employee may enroll in another plan whose cost is no greater than his or her salary within 60 days after receiving such notification from the employing office. The change of enrollment takes effect immediately upon termination of the prior enrollment.

5. In § 890.302, paragraph (f) is revised to read as follows:

**§ 890.302 Coverage of family members.**

\* \* \* \* \*

(f) *Determination of incapacity.* (1) Except as provided in paragraph (f)(2) of this section, the employing office shall make determinations of incapacity.

(2) Either the employing office or the carrier may make a determination of incapacity if a medical condition, as specified by OPM, exists that would cause a child to be incapable of self-support during adulthood.

\* \* \* \* \*

6. In § 890.303, paragraph (a)(1) is amended by removing "registration" and adding in its place "enrollment", and paragraph (a)(3) is revised to read as follows:

**§ 890.303 Continuation of enrollment.**

(a) \* \* \*

(3) For the purpose of this part, an employee is considered to have enrolled at his or her first opportunity if the employee enrolled during the first of the periods set forth in § 890.301 in which he or she was eligible to enroll or was covered at that time by the enrollment of another employee or annuitant, or whose enrollment was effective not later than December 31, 1964.

\* \* \* \* \*

(7) In § 890.304, paragraph (a)(2) is amended by removing "§ 890.301(ee)" and adding in its place "§ 890.301 (k)", paragraph (b)(1) is amended by

removing “§ 890.301 (q)” and adding in its place “§ 890.306 (o)”, and the first two sentences of paragraph (d) are revised to read as follows:

**§ 890.304 Termination of enrollment.**

\* \* \* \* \*

(d) *Cancellation.* Except as provided in “§ 890.807(e), an enrollee may cancel his or her enrollment at any time by filing an appropriate request with the employing office. The cancellation takes effect on the last day of the pay period in which the appropriate request canceling the enrollment is received by the employing office, except that the cancellation of an enrollee having a monthly or 4-weekly pay period takes effect at the end of the pay period in which the appropriate request is received if the request is received between the first and fifteenth day of the pay period.\* \* \*

\* \* \* \* \*

8. Section 890.306 is revised to read as follows:

**§ 890.306 Opportunities for annuitants to change enrollment or to reenroll; effective dates.**

(a) *Requirements to continue coverage.* (1) To be eligible to continue coverage in a plan under this part, a former employee in receipt of an annuity must meet the statutory requirements under 5 U.S.C. 8905(b) of having retired on an immediate annuity and having been covered by a plan under this part for the 5 years of service immediately before retirements, or if less than 5 years, for all service since his or her first opportunity to enroll, unless OPM waives the requirement under § 890.108.

(2) To be eligible to continue coverage in a plan under this part, a survivor annuitant must be covered as a family member when the employee or annuitant dies.

(b) *Effective date—generally.* Except as otherwise provided, an annuitant's change of enrollment takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request to change the enrollment.

(c) *Belated enrollment.* When an employing office determines that an annuitant was unable, for cause beyond his or her control, to continue coverage by enrolling in his or her own name or change the enrollment within the time limits prescribed by this section, the annuitant may do so within 60 days after the employing office advises the annuitant of its determination.

(d) *Enrollment by proxy.* Subject to the discretion of the employing office, an annuitant's representative, having

written authorization to do so, may continue the annuitant's coverage by enrolling in the annuitant's own name, or change the enrollment for the annuitant.

(e) *Change to self only.* (1) An annuitant may change the enrollment from self and family to self only at any time.

(2) A change of enrollment to self only takes effect on the first day of the first pay period after the employing office receives an appropriate request to change the enrollment, except that at the request of the annuitant and upon a showing satisfactory to the employing office that there was no family member eligible for coverage under the family enrollment, the employing office may make the change effective on the first day of the pay period following the one in which was no family member.

(f) *Open season.* (1) During an open season as provided by § 890.301(f)—

(i) An enrolled annuitant may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes.

(ii) An annuitant who cancelled the enrollment under this part for the purpose of enrolling in a prepaid health plan under sections 1833 or 1876 of the Social Security Act, and who subsequently voluntarily disenrolls from the prepaid health plan, may reenroll.

(iii) An annuitant who cancelled the enrollment under this part because he or she furnished proof of eligibility for coverage under the Medicaid program (State program of medical assistance for the needy), and who wishes to reenroll in a plan under this part for reasons other than an involuntary loss of Medicaid coverage, may do so.

(2) An open season reenrollment or change of enrollment takes effect on the first day of the first pay period that begins in January of the next following year.

(3) When a belated open season reenrollment or change of enrollment is accepted by the employing office under paragraph (c) of this section, it takes effect as required by paragraph (f)(2) of this section.

(g) *Change in family status.* (1) An enrolled former employee in receipt of an annuity may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the annuitant's family status changes, including a change in marital status or any other change in family status. In the case of an enrolled survivor annuitant, a change in family status based on additional family members occurs only

if the additional family members are family members of the deceased employee or annuitant. The annuitant must change the enrollment within the period beginning 31 days before the date of the change in family status, and ending 60 days after the date of the change in family status.

(2) A change of enrollment made in conjunction with the birth of a child, or the addition of a child as a new family member in some other manner, takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(h) *Reenrollment of annuitants who cancelled enrollment to enroll in a Medicare-sponsored Coordinated Care Plan.* (1) An annuitant who had been enrolled (or was otherwise eligible to enroll) for coverage under this part and cancelled the enrollment for the purpose of enrolling in a prepaid health plan under sections 1833 or 1876 of the Social Security Act (as provided by § 890.304(d)), and who is subsequently involuntarily disenrolled from the prepaid health plan, may immediately reenroll in any available plan under this part at any time beginning 31 days before and ending 60 days after the disenrollment. A reenrollment under this paragraph (h) takes effect on the date following the effective date of the disenrollment as shown on the documentation from the prepaid health plan.

(2) An annuitant who voluntarily disenrolls from the prepaid health plan must do so in conjunction with reenrolling in a plan under this part during the next available open season (as provided by paragraph (f) of this section) to assure continuing uninterrupted health plan coverage.

(i) *Reenrollment of annuitants who cancelled enrollment because of eligibility under the Medicaid program.* (1) An annuitant who had been enrolled (or was otherwise eligible to enroll) for coverage under this part and cancelled the enrollment because he or she furnished proof of eligibility for coverage under the Medicaid program (State program of medical assistance for the needy), and who involuntarily loses coverage under Medicaid, may reenroll in any available plan under this part at any time beginning 31 days before and ending 60 days after the loss of Medicaid coverage. A reenrollment under this paragraph (i) takes effect on the date following the date of loss of Medicaid coverage.

(2) An annuitant who cancelled his or her enrollment because he or she furnished proof of eligibility for Medicaid coverage, and who wishes to reenroll in a plan under this part for

reasons other than an involuntary loss of Medicaid coverage, may do so during the next available open season as provided by paragraph (f) of this section.

(j) *Annuitants who apply for postponed minimum retirement age plus 10 years of service (MRA plus 10) annuity.* (1) A former employee who meets the requirements for an immediate annuity under 5 U.S.C. 8412(g) and for continuation of coverage under 5 U.S.C. 8905(b) at the time of separation, and whose enrollment is terminated under § 890.304(a)(1)(ii) may enroll in a health benefits plan under this part within 60 days after OPM mails the former employee a notice of eligibility. If such former employee dies before the end of this 60-day election period, a survivor who is entitled to a survivor annuity may enroll in a health benefits plan under this part within 60 days after OPM mails the survivor a notice of eligibility.

(2) The former employee's enrollment takes effect on the first day of the month following the month in which OPM receives the appropriate request or on the commencing date of annuity, whichever is later. A survivor's enrollment takes effect on the first day of the month following the month in which OPM receives the appropriate request.

(k) *Restoration of annuity or compensation payments.* (1) A disability annuitant who was enrolled in a health benefits plan under this part immediately before his or her disability annuity was terminated because of restoration to earning capacity or recovery from disability, and whose disability annuity is restored under 5 U.S.C. 8337(e) after December 31, 1983, or 8455(b), may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of insurance eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request.

(2) An annuitant who was enrolled in a health benefits plan under this part immediately before his or her compensation was terminated because the OWCP determined that he or she had recovered from the job-related injury or disease, and whose compensation is restored due to a recurrence of disability, may enroll in a health benefits plan under this part within 60 days after OWCP mails a notice of insurance eligibility. The enrollment takes effect on the first day of the pay period after the date OWCP receives the appropriate request.

(3) A surviving spouse who was covered by a health benefits enrollment

under this part immediately before his or her survivor annuity was terminated because of remarriage, and whose survivor annuity is later restored, may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on either—

(i) The first day of the month after the date OPM receives the appropriate request; or

(ii) The date of restoration of the survivor annuity or October 1, 1976, whichever is later.

(4) A surviving child who was covered by a health benefits enrollment under this part immediately before his or her survivor annuity was terminated because he or she ceased being a student, and whose survivor annuity is later restored, may enroll in a health benefits plan under this part within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request or the date of restoration of the survivor annuity, whichever is later.

(5) A surviving spouse who received a basic employee death benefit under 5 U.S.C. 8442(b)(1)(A) and who was covered by a health benefits enrollment under this part immediately before remarriage prior to age 55, may enroll in a health benefits plan under this part upon termination of the remarriage. The survivor must provide OPM with a certified copy of the notice of death or the court order terminating the marriage. The surviving spouse must enroll within 60 days after OPM mails a notice of eligibility. The enrollment takes effect on the first day of the month after the date OPM receives the appropriate request and the notice of death or court order terminating the remarriage.

(l) *Loss of coverage under this part or under another group insurance plan.* An annuitant who meets the requirements of paragraph (a) of this section, and who is not enrolled but is covered by another enrollment under this part may continue coverage by enrolling in his or her own name when the annuitant loses coverage under the other enrollment under this part. An enrolled annuitant may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the annuitant or an eligible family member of the annuitant loses coverage under this part or under another group health benefits plan. Except as otherwise provided, an annuitant must enroll or change the enrollment within the period beginning 31 days before the date of loss of coverage and ending 60 days after the

date of loss of coverage. Losses of coverage include, but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or a change to self only, of the covering enrollment;

(2) Loss of coverage under another federally-sponsored health benefits program;

(3) Loss of coverage or loss of access to health services because the annuitant or a covered family member in a comprehensive medical plan moves or becomes employed outside the enrollment or service area, or, if already outside the enrollment or service area, moves or becomes employed further from the enrollment or service area. The annuitant may change the enrollment upon notifying the employing office of the move or change of place of employment. The change of enrollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(4) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan;

(5) Loss of coverage due to the discontinuance of an FEHB plan in whole or in part. For an annuitant who loses coverage under this paragraph (l)(5)—

(i) If the discontinuance is at the end of a contract year, the annuitant must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the annuitant to change the enrollment;

(ii) If a plan has only one option and is discontinued, an annuitant who does not change the enrollment is deemed to have enrolled in the standard option of the Blue Cross and Blue Shield Service Benefit Plan.

(iii) If a plan has two options, and one option of the plan is discontinued, an annuitant who does not change the enrollment is considered to be enrolled in the remaining option of the plan.

(iii) If a plan has two options and both options are discontinued, an annuitant who does not change the enrollment is deemed to have enrolled in the corresponding option of the Blue Cross and Blue Shield Service Benefit Plan. If the annuitant is enrolled in a high option and his or her annuity is insufficient to pay the withholding for the high option, the annuitant is deemed to have enrolled in the standard option of the Blue Cross and Blue Shield Service Benefit Plan. The exemptions from debt collection

procedures that are provided under sections 831.1305(d)(2) and 845.205(d)(2) of this chapter apply to elections under this paragraph;

(6) Loss of coverage under the Medicaid program (State program of medical assistance for the needy).

(7) Loss of coverage under a non-Federal health plan.

(m) *Overseas post of duty.* An annuitant may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes within 60 days after the retirement or death of the employee on whose service title to annuity is based, if the employee was stationed at a post of duty outside a State of the United States or the District of Columbia at the time of retirement or death.

(n) *On return from a uniformed service.* An enrolled annuitant who enters on duty in a uniformed service for 31 days or more may change the enrollment within 60 days after separation from the uniformed service.

(o) *On becoming eligible for Medicare.* An annuitant may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

(p) *Annuity insufficient to pay withholdings.* (1) If an annuity is sufficient to pay the withholdings for the plan that the annuitant is enrolled in, the retirement system must provide the annuitant with information regarding the available plans and written notification of the opportunity to either—

(i) Pay the premium directly to the retirement system in accordance with § 890.502(f); or

(ii) Enroll in any plan in which the annuitant's share of the premium is less than that amount of annuity. If the annuitant elects to change to a lower cost enrollment, the change takes effect immediately upon loss of coverage under the prior enrollment.

(2) If the annuitant is enrolled in the high option of a plan that has two options, and does not change the enrollment to a plan in which the annuitant's share of the premium is less than the amount of annuity or does not elect to pay premiums directly, the annuitant is deemed to have enrolled in the standard option of the same plan, unless the annuity is insufficient to pay the withholdings for the standard option.

(3) An annuitant whose enrollment was terminated because the amount of

annuity was insufficient to cover the enrollee's share of the premium may apply to be reinstated in any available plan or option.

(4) An annuitant who can show evidence that he or she previously changed to a lower cost option, plan, or to a self only enrollment prior to May 29, 1990, because the annuity was insufficient to cover the withholdings for the plan in which he or she was enrolled, may apply to change the enrollment to any available plan or option in which the enrollee's share of the total premium exceeds his or her monthly annuity.

(5) The effective date of the reinstatement of enrollment of an annuitant whose enrollment was terminated, or the change of enrollment of an annuitant who previously changed enrollment because his or her annuity was insufficient to cover the annuitant's share of the total premium, and who elects to pay premiums directly to the retirement system in accordance with § 890.502(f) is either—

(i) The first day of the first pay period that begins after the appropriate request is received by the retirement system; or,

(ii) The later of the date the enrollment was terminated or changed, or May 29, 1990.

(6) Retroactive reinstatement or change of enrollment is contingent upon payment of appropriate contributions retroactive to the effective date of the reinstatement or the change of enrollment. For the purpose of this paragraph (p)(6), a previous cancellation of enrollment because of insufficient annuity to cover the full amount of the withholdings is deemed to be a termination of enrollment.

(q) *Sole survivor.* When an employee or annuitant enrolled for self and family dies, leaving a survivor annuitant who is entitled to continue the enrollment, and it is apparent from available records that the survivor annuitant is the sole survivor entitled to continue the enrollment, the office of the retirement system which is acting as employing office must change the enrollment from self and family to self only, effective on the commencing date of the survivor annuity. On request of the survivor annuitant made within 31 days after the first installment of annuity is paid, the office of the retirement system which is acting as employing office must rescind the action retroactive to the effective date of the change to self only, with corresponding adjustment in withholdings and contributions.

(r) *Election between survivor annuities.* A surviving spouse, irrespective of whether his or her survivor annuity continued or was

terminated upon remarriage, who was covered by an enrollment under this part immediately before the remarriage, may elect to continue an enrollment under this part acquired as a dependent by virtue of the remarriage or to enroll in his or her own right (by virtue of entitlement to the original survivor annuity) in any plan or option under this part within 60 days after the termination of the remarriage and entitlement to a survivor annuity.

#### **§ 890.602 [Amended]**

9. Section 890.602 is amended by removing "register" and adding in its place "elect to enroll".

#### **§ 890.803 [Amended]**

10. In § 890.803, paragraph (a)(3)(i) is amended by removing "5 CFR 831.606(a) and (b) and 842.605(a) and (b)" and adding in its place "§§ 831.613(a) and (b) and 842.605(a) and (b) of this chapter".

11. Section 890.806 is revised to read as follows:

#### **§ 890.806 Opportunities for former spouses to enroll and change enrollment; effective dates of enrollment.**

(a) *Initial opportunity to enroll.* A former spouse who has met the eligibility requirements of § 890.803 and the application time limitation requirements of § 890.805 may enroll at any time after the employing office establishes that these requirements have been met.

(b) *Effective date—generally.* (1) Except as otherwise provided, an enrollment takes effect on the first day of the first pay period that begins after the date the employing office receives an appropriate request and satisfactory proof of eligibility as required by paragraph (a) of this section. If a former spouse requests immediate coverage, and the employing office receives an appropriate request and satisfactory proof of eligibility within 60 days after the date of divorce, the enrollment may be made effective on the same day that temporary continuation of coverage under subpart K of this part would otherwise take effect.

(2) A change of enrollment takes effect on the first day of the first pay period that begins after the employing office receives the appropriate request.

(c) *Belated enrollment.* When an employing office determines that a former spouse was unable, for cause beyond his or her control, to enroll or change the enrollment within the time limits prescribed by this section, the former spouse may do so within 60 days after the employing office advises the former spouse of its determination.



(d) *Enrollment by proxy.* Subject to the discretion of the employing office, a former spouse's representative, having written authorization to do so, may enroll or change the enrollment for the former spouse.

(e) *Change to self only.* (1) A former spouse may change the enrollment from self and family to self only at any time.

(2) A change of enrollment to self only takes effect on the first day of the first pay period after the employing office receives an appropriate request to change the enrollment, except that at the request of the former spouse and upon a showing satisfactory to the employing office that there was no family member eligible for coverage under the family enrollment, the employing office may make the change take effect on the first day of the pay period following the one in which there was no family member.

(f) *Open season.* (1) During an open season as provided by § 890.301(f)—

(i) An enrolled former spouse may change the enrollment from self only to self and family provided the family member(s) is eligible for coverage under § 890.804, from one plan or option to another, or make any combination of these changes.

(ii) A former spouse who cancelled the enrollment under this part for the purpose of enrolling in a prepaid health plan under sections 1833 or 1876 of the Social Security Act, and who subsequently voluntarily disenrolls from the prepaid health plan, may reenroll.

(iii) A former spouse who canceled the enrollment under this part because he or she furnished proof of eligibility for coverage under the Medicaid program (State program of medical assistance for the needy), and who wishes to reenroll in a plan under this part for reasons other than an involuntary loss of Medicaid coverage, may do so.

(2) An open season reenrollment or change of enrollment takes effect on the first day of the first pay period that begins in January of the next following year.

(3) When a belated open season reenrollment or change of enrollment is accepted by the employing office under paragraph (c) of this section, it takes effect as required by paragraph (f)(2) of this section.

(g) *Change in family status.* (1) An enrolled former spouse may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes within the period beginning 31 days before and ending 60 days after the birth or acquisition of a

child who meets the eligibility requirements of § 890.804.

(2) A change in enrollment under paragraph (g)(1) of this section takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(h) *Reenrollment of former spouses who canceled enrollment to enroll in a Medicare-sponsored Coordinated Care Plan.* (1) A former spouse who had been enrolled for coverage under this part and canceled enrollment for the purpose of enrolling in a prepaid health plan under sections 1833 or 1876 of the Social Security Act, and who is subsequently involuntarily disenrolled from the prepaid health plan, may immediately reenroll in any available plan under this part at any time beginning 31 days before and ending 60 days after the disenrollment. A reenrollment under this paragraph (h) takes effect on the date following the effective date of the disenrollment as shown on the documentation from the prepaid health plan.

(2) A former spouse who voluntarily disenrolls from the prepaid health plan must do so in conjunction with reenrolling in a plan under this part during the next available open season as provided by paragraph (f) of this section to assure continuing uninterrupted health plan coverage.

(i) *Reenrollment of former spouses who canceled enrollment because of eligibility under the Medicaid program.*

(1) A former spouse who had been enrolled (or was otherwise eligible to enroll) for coverage under this part and canceled the enrollment because he or she furnished proof of eligibility for coverage under the Medicaid program (State program of medical assistance for the needy), and who involuntarily loses coverage under Medicaid, may reenroll in any available plan under this part at any time beginning 31 days before and ending 60 days after the loss of Medicaid coverage. A reenrollment under this paragraph (i) takes effect on the date following the date of loss of Medicaid coverage.

(2) A former spouse who canceled his or her enrollment because he or she furnished proof of eligibility for Medicaid coverage, and who wishes to reenroll in a plan under this part for reasons other than an involuntary loss of Medicaid coverage, may do so during the next available open season as provided by paragraph (f) of this section.

(j) *Loss of coverage under this part or under another group insurance plan.* A former spouse who has established eligibility for health benefits under § 890.803 and met the application time

limitations of § 890.805, and who is not enrolled as a former spouse but is covered by another enrollment under this part or under another group health benefits plan, may enroll upon loss of the other coverage. An enrolled former spouse may change the enrollment from self only to self and family, from one plan or option to another or make any combination of these changes when the former spouse or a child who meets the eligibility requirements under § 890.804 loses coverage under another enrollment under this part or under another group health benefits plan. Except as otherwise provided, the former spouse must enroll or change the enrollment within the period beginning 31 days before and ending 60 days after the loss of coverage, provided he or she continues to meet the eligibility requirements under § 890.803. Losses of coverage include but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or a change to self only, of the covering enrollment;

(2) Loss of coverage under another federally sponsored health benefits program;

(3) Loss of coverage or access to health services because the former spouse or a covered family member in a comprehensive medical plan moves or becomes employed outside the enrollment or service area, or, if already outside the enrollment or service area, moves or becomes employed further from the enrollment or service area. The former spouse may change the enrollment upon notifying the employing office of the move or change of place of employment. The change of enrollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(4) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan;

(5) Loss of coverage due to the discontinuance of an FEHB plan in whole or in part. For a former spouse who loses coverage under this paragraph (j)(5)—

(i) If the discontinuance is at the end of a contract year, the former spouse must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the former spouse to change the enrollment;

(ii) If the whole plan is discontinued, a former spouse who does not change the enrollment within the time set is



considered to have cancelled the plan in which enrolled.

(iii) If one option of a plan that has two options is discontinued, a former spouse who does not change the enrollment is considered to be enrolled in the remaining option of the plan.

(6) Loss of coverage under the Medicaid program (State program of Medical assistance for the needy).

(7) Loss of coverage under a non-Federal health plan.

(k) *On becoming eligible for Medicare.*

A former spouse may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

(1) *Annuity insufficient to pay withholdings.* (1) If the annuity of a former spouse is insufficient to pay the full subscription charge for the plan in which he or she is enrolled, the retirement system must provide the former spouse with information regarding the available plans and written notification of the opportunity to either—

(i) Pay the premium directly to the retirement system in accordance with § 890.808(d); or

(ii) Enroll in any plan with a full premium that is less than the amount of annuity. If the former spouse elects to change to a lower cost enrollment, the change takes effect immediately upon loss of coverage under the prior enrollment.

(2) If the former spouse is enrolled in the high option of a plan that has two options, and does not elect a plan with a full premium that is less than the annuity or does not elect to pay premiums directly, he or she is deemed to have enrolled in the standard option of the same plan unless the annuity is insufficient to pay the full subscription charge for the standard option.

(3) A former spouse who is enrolled in a plan with only one option, who fails to make the election required by this paragraph will be subject to the provisions of section 890.807(c).

(12) Section 890.807 is amended by revising the heading for paragraph (c) and revising paragraph (c)(1) to read as follows:

**§ 890.807 Termination of enrollment.**

\* \* \* \* \*

(c) *Failure to make an election under § 890.806(l).* (1) If the annuity is insufficient to pay the full subscription charge due for the plan in which the former spouse is enrolled, the former spouse may elect one of the two opportunities offered under § 890.806(l)

(electing a plan with a full subscription charge that is less than the annuity; or paying premiums directly to the retirement system in accordance with § 890.808(d). Except as provided in paragraph (c)(3) of this section the enrollment of a former spouse who fails to make an election within the specified time frame will be terminated.

\* \* \* \* \*

13. In section 890.808, paragraph (e) is revised to read as follows:

**§ 890.808 Employing office responsibilities.**

\* \* \* \* \*

(e) *Withholding from annuity.* The retirement system acting as employing office for a former spouse will establish a method for withholding the full subscription charge from the former spouse's annuity check. When the annuity is insufficient to cover the full subscription charge, the retirement system will follow the procedures specified in section 890.806(l).

14. Section 890.1105 is amended by revising the section heading and adding headings for paragraphs (b), (c), (d), and (f), by revising paragraphs (d) and (f), and by adding a new paragraph (g) to read as follows:

**§ 890.11.05 Initial election of temporary continuation of coverage; application time limitations and effective dates.**

\* \* \* \* \*

(b) Former employees. \* \* \*

(c) Children. \* \* \*

(d) Former spouses. (a) A former spouse's election must be received by the employing office within 60 days after the later of—

(i) The date of the qualifying event; or

(ii) The date coverage under subpart H of this part was lost because of remarriage or loss of qualifying court order, if the loss of coverage under subpart H occurred before the expiration of the 36-month period specified in § 890.1107(c); or

(iii) If the employee or former spouse notified the agency of the termination of the marriage within the time period specified in § 890.1104(c)(1), the date the former spouse received the notice from the agency described in § 890.1104(c)(2). If neither the employee nor the former spouse notified the agency within the specified time period, the former spouse's opportunity to elect continued coverage ends 60 days after the qualifying event.

(2) The effective date of former spouse coverage is the later of—

(i) The date determined under paragraph (g) of this section; or

(ii) The date of the divorce or annulment.

\* \* \* \* \*

(f) *Belated elections.* Except as provided in paragraphs (c)(2) and (d)(1)(iii) of this section, when an employing office determines that an eligible individual was unable, for cause beyond his or her control, to elect temporary continuation of coverage within the time limits prescribed by this section, that office must accept the election within 60 days after it advises the individual of that determination.

(g) *Effective date of coverage.* Except as provided in paragraph (d)(2)(ii) of this section, the effective date of temporary continuation of coverage is the day after other coverage under this part expires, including the 31-day temporary extension of coverage under § 890.401. If an individual elects temporary continuation of coverage after the 31-day temporary extension of coverage expires, but before the expiration of the applicable election period specified in this section, coverage is restored retroactively, with appropriate contributions and claims, to the same extent and effect as though no break in coverage occurred.

15. Section 890.1108 is revised to read as follows:

**§ 890.1108 Opportunities to change enrollment; effective dates.**

(a) *Effective date—generally.* Except as otherwise provided, a change of enrollment takes effect on the first day of the first pay period that begins after the employing office receives an appropriate request to change the enrollment.

(b) *Belated change of enrollment.* When an employing office determines that an enrollee was unable, for cause beyond his or her control, to change the enrollment within the time limits prescribed by this section, the enrollee may do so within 60 days after the employing office advises the enrollee of its determination.

(c) *Change of enrollment by proxy.* Subject to the discretion of the employing office, an enrollee's representative, having written authorization to do so, may change the enrollment for the enrollee.

(d) *Change to self only.* (1) An enrollee may change the enrollment from self and family to self only at any time.

(2) A change of enrollment to self only takes effect on the first day of the first pay period after the employing office receives an appropriate request to change the enrollment, except that at the request of the enrollee and upon a showing satisfactory to the employing office that there was no family member eligible for coverage under the family enrollment, the employing office may make the change effective on the first

day of the pay period following the one in which there was no family member.

(e) *Open season.* (1) During the open season as provided by § 890.301(f), an enrollee (except for a former spouse who is eligible for continued coverage under § 890.1103(3)) may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes. A former spouse who is eligible for continued coverage under § 890.1103(3) may change from one plan or option to another, but may not change from self only to self and family unless the individual to be covered under the family enrollment qualifies as a family member under § 890.1106(a)(2).

(2) An open season change of enrollment takes effect on the first day of the first pay period that begins in January of the next following year.

(3) When a belated open season change of enrollment is accepted by the employing office under paragraph (b) of this section, it takes effect as required by paragraph (e)(2) of this section.

(f) *Change in family status.* (1) Except for a former spouse, an enrollee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the enrollee's family status changes, including a change in marital status or any other change in family status. The enrollee must change the enrollment within the period beginning 31 days before the date of the change in family status, and ending 60 days after the date of the change in family status.

(2) A former spouse who is covered under this section may change the enrollment from self alone to self and family, from one plan or option to another, or make any combination of these changes within the period beginning 31 days before and ending 60 days after the birth or acquisition of a child who qualifies as a covered family member under § 890.1106(a)(2).

(3) A change of enrollment made in conjunction with the birth of a child, or the addition of a child as a new family member in some other manner, takes effect on the first day of the pay period in which the child is born or becomes an eligible family member.

(g) *Reenrollment of individuals who lose other coverage under this part.* An individual whose continued coverage under this section terminates because of the provisions of § 890.1110(a)(3) (termination due to other coverage under another provision of this part) may reenroll if the coverage that terminated the enrollment under this part ends, but not later than the expiration of the period described in

§ 890.1107. Coverage does not extend beyond the expiration of the period described in § 890.1107. The effective date of the reenrollment is the day following the termination of the coverage described in § 890.1110(a)(3).

(h) *Loss of coverage under this part or under another group insurance plan.* An enrollee may change the enrollment from self only to self and family, from one plan or option to another, or make any combination of these changes when the enrollee loses coverage under this part or a qualified family member of the enrollee loses coverage under this part or under another group health benefits plan. Except as otherwise provided, an enrollee must change the enrollment within the period beginning 31 days before the date of loss of coverage and ending 60 days after the date of loss of coverage. Losses of coverage include, but are not limited to—

(1) Loss of coverage under another FEHB enrollment due to the termination, cancellation, or change to self only, of the covering enrollment.

(2) Loss of coverage under another federally-sponsored health benefits program.

(3) Loss of coverage or loss of access to health services because the enrollee or a covered family member in a comprehensive medical plan moves or becomes employed outside the enrollment or service area, or, if already outside the enrollment or service area, moves or becomes employed further from the enrollment or service area. The enrollee may change the enrollment upon notifying the employing office of the move or change of place of employment. The change of enrollment takes effect on the first day of the pay period that begins after the employing office receives an appropriate request.

(4) Loss of coverage due to the termination of membership in an employee organization sponsoring or underwriting an FEHB plan.

(5) Loss of coverage due to the discontinuance of an FEHB plan, in whole or in part. For an enrollee who loses coverage under this paragraph (h)(5)—

(i) If the discontinuance is at the end of a contract year, the enrollee must change the enrollment during the open season, unless OPM establishes a different time. If the discontinuance is at a time other than the end of the contract year, OPM must establish a time and effective date for the enrollee to change the enrollment.

(ii) If the whole plan is discontinued, an enrollee who does not change the enrollment within the time set is considered to have cancelled the plan in which enrolled;

(iii) If a plan has two options, and one option of the plan is discontinued, an enrollee who does not change the enrollment is considered to be enrolled in the remaining option of the plan.

(6) Loss of coverage under the Medicaid Program (State program of medical assistance for the needy).

(7) Loss of coverage under a non-Federal health plan.

(i) *On becoming eligible for Medicare.* An enrollee may change the enrollment from one plan or option to another at any time beginning on the 30th day before becoming eligible for coverage under title XVIII of the Social Security Act (Medicare). A change of enrollment based on becoming eligible for Medicare may be made only once.

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## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

#### 7 CFR Part 1280

[Docket Number LS-96-006]

#### Sheep Promotion, Research, and Information Program

**AGENCY:** Agricultural Marketing Service; USDA.

**ACTION:** Notice of Referendum; Referendum Order.

**SUMMARY:** The Agricultural Marketing Service (AMS) is announcing that a second referendum will be conducted among eligible sheep producers, sheep feeders, and importers of sheep and sheep products to determine whether the Sheep and Wool Promotion, Research, Education, and Information Order (Order) will become effective as authorized under the Sheep Promotion, Research, and Information Act of 1994 (Act). This action is a result of a review conducted by the Department of Agriculture (Department) that revealed that the referendum rules were applied inconsistently at the official polling places during the February 6, 1996, nationwide referendum. Consequently, the results of the February 6, 1996, nationwide referendum were voided.

**DATES:** Referendum Dates: In-person voting in the referendum will be conducted on October 1, 1996, by county Cooperative Extension Service (CES) offices. Absentee ballots will be available at county CES offices from August 26, 1996, through September 17, 1996. The representative period to establish voter eligibility will be the period from January 1, 1994, through December 31, 1994.