

# Important benefit considerations upon conversion to career status



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**C**onversion to career is an exciting time for city letter carriers as they become eligible for additional benefit options. Many of these benefits have enrollment time frames and deadlines. Most career benefit selections must be completed within 60 days of conversion. Newly converted letter carriers need to be mindful of the time limits and complete the enrollment process before the applicable deadline. Some of the benefit programs may offer opportunities to enroll or to amend your coverage during open season or with a qualifying life event (QLE); however, these opportunities may be restricted, and vary based on the program. Letter carriers should not wait until open season or a QLE to enroll.

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New career letter carriers will receive a benefits booklet in the mail from USPS Human Resource Shared Service Center (HRSSC). This blue book will contain documents needed for processing changes to benefits afforded to career letter carriers. In addition to the blue book, letter carriers can enter benefits changes online via LiteBlue at [liteblue.usps.gov](http://liteblue.usps.gov). *If you do not receive your blue book soon after conversion, contact your local branch officer or regional office for them to investigate.*

**Federal Employees Health Benefits (FEHB) Program—**Once you are converted to a career position, you have 60 days to enroll in an FEHB health plan. The FEHB program has many plans to choose from, including the NALC Health Benefit Plan (HBP). The NALC HBP is a comprehensive plan that has provided letter carriers and their families with first-rate health insurance since 1950. The plan is owned and operated by letter carriers and pays particular attention to their health needs. The plan is not-for-profit; its only focus is the health of its members.

The premiums for the plan you choose will be split between you and the Postal Service. Article 21 of the National Agreement sets the percentage of the premiums that will be paid by each. Currently, USPS pays 73 percent of the weighted biweekly premiums as determined by the Office

of Personnel Management (OPM).

If you were enrolled in the USPS Non-Career Employee Health Benefits Plan and converted to a career position, your enrollment is terminated the last day of the month that is 28 days after you were converted. If you choose to enroll in an FEHB plan, your USPS Non-Career Employee Health Benefits Plan coverage will end when your FEHB coverage begins.

It is recommended that you enroll in the FEHB program as soon as possible, to avoid any gap in coverage or to start receiving health benefits. Enrollment is not retroactive. Your coverage in the FEHB plan will begin the first day of the first pay period after Human Resources receives your election. To sign up for an FEHB plan, it is recommended that you use the PostalEASE website at [ewss.usps.gov](http://ewss.usps.gov), an employee self-service kiosk (available in some facilities) or on the Postal Service Intranet (on the Blue page). Have all of your enrollment information available; this is the fastest way to receive coverage.

**Federal Employees Group Life Insurance (FEGLI)—**All career letter carriers are entitled to life insurance coverage under the Federal Employees Group Life Insurance (FEGLI) program. The amount of coverage for a full-time letter carrier is based on his or her annual salary. Part-time flexibles (PTFs) receive coverage based on their hourly rate and step. Enrollment in FEGLI basic coverage is automatic upon conversion unless you waive coverage, but if you would like to purchase additional optional coverage you must apply within 60 days of conversion by completing and submitting Life Insurance Election Form SF 2817. Eligibility to enroll in optional insurance after your first 60 days is limited and open season for FEGLI is rare.

The basic coverage begins the first day you are in a pay and duty status after you are converted to career. USPS pays the entire cost of the basic coverage. The amount of coverage is your annual rate of base pay rounded up to the next even \$1,000, plus \$2,000.

**Accidental Death and Dismemberment—AD&D** insurance is automatically included in basic life insurance at no additional cost. It is equal to your basic insurance amount described above.

**Above the basic insurance, FEGLI has additional optional** coverage that you can purchase for you or your spouse and dependents. To elect any of the optional coverage, you must enroll within 60 days from the day you were converted to career status. The cost is determined by the amount and type of coverage you choose, as well as your age. Optional insurance for new employees is effective on the first day you are in a pay and duty status in an eligible position or the day after your local personnel office

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receives your election.

NALC also offers its members a variety of life insurance options at affordable rates through the U.S. Letter Carriers Mutual Benefit Association (MBA). MBA was created with the sole purpose of serving letter carriers. MBA offers a variety of life insurance products, including whole and term life. In addition, annuities (non-qualified), traditional IRA and Roth IRA are offered. For more information about MBA and its plans, contact your local MBA representative, call the association at NALC National Headquarters at 202-638-4318 or visit [nalc.org/mba](http://nalc.org/mba).

**Federal Employees Retirement System (FERS) and Thrift Savings Plan (TSP)**—Newly converted career letter carriers are automatically enrolled in FERS and TSP.

Participation in the TSP is voluntary. However, after conversion, 3 percent of your base pay will be deducted from your paycheck each pay period and deposited in your TSP account, unless you have made an election to change or stop your contributions. To increase, decrease or cancel your contributions, log onto [liteblue.usps.gov](http://liteblue.usps.gov). To change the allocation of your TSP investments, log onto [tsp.gov](http://tsp.gov) once you receive your TSP account number and password. Some contributions to the TSP are tax-deferred, which provides you with a tax benefit at the time of your contribution.

When converted to career status, CCAs who participate in the NALC CCA Retirement Savings Plan may transfer their traditional retirement funds to the TSP with no surrender charge. The surrender charge will be waived in this instance only.

For more information on FERS, visit their website at [opm.gov/retirement-services/fers-information](http://opm.gov/retirement-services/fers-information). For more information on the TSP, visit their website at [tsp.gov](http://tsp.gov).

**Federal Employees Dental and Vision Insurance Program (FEDVIP)**—FEDVIP is a voluntary program designed to provide supplemental dental and vision benefits, which are available on an enrollee-pay-all basis (no USPS contribution toward premiums) to federal civilian and U.S. Postal Service employees, retirees and their family members.

Career letter carriers are eligible to enroll in FEDVIP upon conversion to career status. You do not need to be enrolled in the FEHB program to be eligible for FEDVIP; however, you must meet the eligibility requirements to enroll in the FEHB program. If you are newly eligible for FEDVIP, you have 60 days from the date you became eligible to enroll in a FEDVIP dental and/or vision plan. You may enroll in FEDVIP using the BENEFEDES online portal at [benefeds.com](http://benefeds.com).

BENEFEDES is the online benefit management portal that allows you to access information and make changes to your FEDVIP, FLTCIP and FSA programs (for these last two, see below).

**Federal Long Term Care Insurance Program (FLTCIP)**—FLTCIP is another benefit available to career letter carriers. Once eligible, you can apply for coverage anytime. You do not have to wait for open season. Premiums are based on your age and the premium rates in effect at the time your application is received. The younger you are when you apply, the lower your rates will be. You may apply for FLTCIP online at [ltcfeds.com](http://ltcfeds.com)

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**Flexible Spending Accounts (FSA)**—An FSA is a tax-favored program offered by employers that allows their employees to pay for eligible out-of-pocket health care and dependent care expenses with pre-tax dollars. By using pre-tax dollars to pay for eligible health care and dependent care expenses, an FSA gives you an immediate discount on these expenses that equals the taxes you would otherwise pay on that money. Career letter carriers are eligible for all FSA options. Upon conversion to career, CCAs are also able to participate in the dependent care FSA.

New career employees may enroll up to 60 days from their conversion date but before Oct. 1, or wait for open season. Some employees may be eligible for belated enrollment. Learn about belated enrollment on the FSAFEDS website at [fsafeds.com](http://fsafeds.com).

**Use the information here to make the most out of your benefits.**

Congratulations on your new career position.