

# Compensation Programs Applicable to Transitional Employees

## Introduction

With the closing of your facility, you will have many major decisions to make over the next several months that will affect you and your family both financially and personally. The Postal Service recognizes the contribution you have made to achieving Postal Service goals and is committed to making your transition as easy and smooth as possible.

As a transitional employee, you may be eligible for certain benefits upon your separation. The following information is intended to provide you with an overview of these benefits. Because of the complexity associated with these compensation and benefit programs, we have used a question and answer format under major headings for ease of reference.

Remember, this is only an overview of the various compensation and benefit programs that may be available to you. If you have other questions or require additional information, you should contact your personnel office.

## Health Insurance

**1 I currently have health insurance coverage under the Federal Employees Health Benefits (FEHB) Program. Will my coverage end immediately upon my separation?**

No, your health insurance coverage will terminate following an automatic 31-day temporary extension of coverage. Your health insurance enrollment will terminate on the last day of the pay period in which you are separated from the Postal Service, and the 31-day temporary extension of coverage begins the day after the regular coverage ends. However, if you are confined in a hospital on the 31<sup>st</sup> day of the temporary extension of coverage, benefits will continue during confinement up to a maximum of 60 more days. These temporary extensions of coverage are without cost to you and also apply to all covered family members.

**2 Do I have any options to continue my health insurance?**

Yes, you will receive from the personnel office advising you notification that your group health insurance coverage will terminate and information concerning the two options available to you for continuing your health insurance coverage beyond the 31-day temporary extension. You have the following options:

- Converting to a nongroup contract (individual policy) by the carrier of the plan you are enrolled in at the time of your separation.
- Electing 18 months of coverage under the Temporary Continuation of Coverage (TCC) provision of the FEHB Program.

### **3 How do I convert my health insurance coverage to a nongroup contract?**

You must send a written request to the plan carrier within 91 days after your enrollment ends or 31 days after the date the termination notice was signed by an official at your personnel office, whichever is earlier. The plan carrier will then send you an application form and cost information about the nongroup coverage. You will continue to be responsible for paying the total premium cost for this coverage.

### **4 How do I elect Temporary Continuation of Coverage (TCC)?**

You must complete and submit Standard Form 2809, *Health Benefits Registration Form*, to your personnel office within 60 days after (a) the date of separation or (b) the date you received notification from your personnel office advising you of the options available for continuing your health insurance coverage, whichever is later.

### **5 What plan choices do I have under TCC?**

You may choose any FEHB plan, option, or type of coverage that you are eligible to select. A listing of participating plans and corresponding monthly premium rates is provided in Booklet RI 70-5, *FEHB Guide for Individuals Eligible to Enroll for Temporary Continuation of Coverage Under the Spouse Equity Law or Similar Statutes*, which is available from your personnel office. If you elect TCC, you will be responsible for the full premium cost plus a 2 percent administrative surcharge.

### **6 If I elect one of the two options available for continuing my health insurance coverage, when is coverage effective?**

The effective date of coverage under both options is the day after the expiration of the 31-day temporary extension. When TCC expires after 18 months, you will be entitled to a free 31-day temporary extension of coverage for the purposes of converting to a nongroup contract (individual policy) with the plan.

## **Leave**

### **7 When I separate from the Postal Service, what happens to my earned and unused annual leave?**

Under the terms of the collective bargaining agreement that covers transitional employees, you are eligible for a lump-sum payment for the balance of your earned and unused annual leave at the time of your separation.

## Unemployment Compensation

### 8 Can I apply for unemployment compensation?

Yes, any employee who is separated may apply for unemployment compensation. Your personnel office will provide you with Standard Form 8, *Notices to Federal Employees About Unemployment Insurance*. This form explains the general eligibility requirements for unemployment compensation and the steps to file a claim for benefits.

**Note:** This document is NOT an official U. S. Postal Service directive. It is intended only as an overview of compensation programs for transitional employees. It should not be used or cited as an official source document. Policies and regulations governing these programs are provided in various postal manuals and handbooks. Finally, the scope and level of benefits provided by many of these programs are subject to the collective bargaining process and are defined in the applicable collective bargaining agreement.