

GUIDE 18 / PLAN YOUR SUPPORT

Planning for FEHB and FEGLI in Retirement

Organize your insurance history, identify the decisions to confirm with HR, and understand why employee premiums are not retirement quotes.

What you will leave with: Prepare a coverage record and a focused list of questions before making retirement insurance elections.

Use this guide with current official instructions. Complete worksheets privately; do not send sensitive information through the website.

Treat insurance as a separate part of planning

A disability retirement application is not an automatic guarantee that every insurance benefit will continue. FEHB health insurance and FEGLI life insurance have their own continuation requirements and elections. Begin by collecting the actual enrollment history and asking HR to confirm what can continue in your circumstances.

FEGLI reference materials help explain the program, but an employee fact sheet with biweekly premiums is not a current annuitant cost estimate. A handbook may be older than current rates and procedures. Use today's official OPM guidance, your individual coverage record, and a written explanation from the appropriate benefits office before making an election.

Build your coverage record

1. Find your current FEHB plan, enrollment code, enrollment type, and covered family members. If you are a Postal employee, check the separate PSHB rules rather than assuming every FEHB instruction applies.
2. Request enrollment history, including any periods covered as a family member or other coverage relevant under OPM rules. List gaps and unresolved dates.
3. Identify FEGLI Basic and each Optional coverage type you actually hold. Record the number of Option B and C multiples where applicable.
4. Ask HR for a continuation determination and a retirement estimate using current rates and your expected retirement date. Do not compare employee biweekly withholding directly with monthly annuitant costs.
5. Keep separate questions for health continuation, life continuation, survivor benefits, and Medicare or PSHB coordination. They affect one another but are not the same election.

Check FEHB continuation before relying on it

OPM's general FEHB continuation rules include retirement on an immediate annuity and the required enrollment or covered-family-member history: ordinarily the five years immediately before retirement, or all service since the first opportunity if less than five years. Certain other coverage can be relevant under OPM rules. Limited waivers may be available; do not assume one will be approved.

A pending disability application, separation, or extended leave without pay can raise coverage and premium questions. Ask HR which dates and continuation provisions apply while a decision is pending, and ask OPM how any approved annuity affects the final record. Do not cancel current coverage simply because a retirement application has been filed.

A survivor's ability to continue FEHB depends on applicable enrollment and survivor-annuity requirements. Discuss the household implications before electing a reduced or no survivor benefit. Postal annuitants should separately verify PSHB and Medicare Part B requirements and exceptions.

Understand the FEGLI decisions you must compare

Coverage	What to confirm	Why it matters
Basic	Continuation eligibility and reduction election	Retirement reductions and premium obligations depend on the election and timing.
Option A	Whether it continues and the applicable reduction rules	It is separate from the Basic election.
Option B	Multiples retained and reduction choices	Cost and future coverage can vary substantially.
Option C	Eligible family coverage and retained multiples	It covers eligible family members, not an extra benefit on your own life.

FEGLI continuation generally requires an immediate annuity and the necessary enrollment history for the coverage you wish to retain. Ask about each coverage separately. Basic reduction choices and Optional coverage rules are different; do not assume every part becomes free at retirement or that every decision can later be reversed. Review the current SF 2818 instructions and OPM retirement FAQs before signing.

Turn the information into a decision record

Fictional worked example

An employee sees a low biweekly Basic premium in an old fact sheet and assumes the same cost applies after retirement. They instead ask HR for a monthly estimate for each applicable reduction choice, confirm which Optional coverages meet continuation requirements, and discuss the household's coverage needs before deciding. The worksheet records the decision and its source, not a recommendation from TFDR.

Your private worksheet

Current FEHB or PSHB plan and enrollment type

Enrollment history or gaps HR needs to verify

FEGLI Basic and Optional coverage currently held

Written continuation answer and the office providing it

Monthly cost and future coverage under each applicable election

Questions about spouse or dependent coverage and survivor elections

Decision date and where I kept the official confirmation

- ☐ I checked health and life continuation separately.
- ☐ I used current annuitant rates rather than an employee fact sheet.
- ☐ I understand which decisions may reduce future coverage.
- ☐ I verified household and survivor implications with the responsible office.
- ☐ I kept official confirmation and did not assume filing alone preserves coverage.

Official sources

OPM FEHB guidance for annuitants · OPM life insurance and retirement FAQs · OPM FEGLI handbook reference · OPM Postal Service Health Benefits

Reviewed October 14, 2026. Check current official sources before acting.

TFDR provides independent non-attorney education. These resources are not official forms, legal advice, medical opinions, or individualized tax advice. You prepare and submit your own application. OPM determines eligibility.