

BENEFACTS NEWSLETTER

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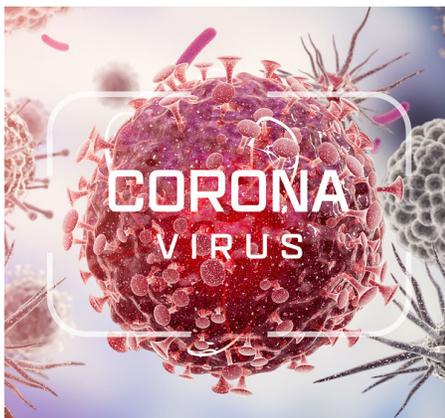
COVID-19 and Taking Precautions

On March 3, 2020, the U.S. Office of Personnel Management (OPM) released a memo to the heads of executive departments and agencies that provides information on employee entitlements that may be used when quarantine or isolation due to the coronavirus. OPM convened a working group of key agencies and coordinated with the Centers for Disease Control and Prevention (CDC) to identify federal workforce impacts, direct agencies to the latest information, and provide agencies with any necessary guidance on flexibilities and authorities.

On March 15, 2020, OPM authorized all agencies in the Washington, DC area to open with maximum telework flexibilities to all current telework eligible employees, pursuant to directions of agency heads. Agencies allowed employees to work from home during an emergency with a child or others in the home who needed care, so long as employees document the hours they actually work

and take appropriate leave for the time they aren't working. Agencies authorized work flexibilities to include telework, alternative work schedules, weather and safety leave, sick leave and annual leave.

However, if an asymptomatic employee is subject to quarantine or isolation due



to exposure of to the coronavirus, use of weather and safety leave may be granted only if an employee is not able to safely perform work at an approved location. An employee who is not

telework eligible would be granted weather/safety leave for quarantine periods. Telework eligible employees would be expected to perform telework at home as long as they are asymptomatic.

If an employee, who has been receiving weather and safety leave becomes symptomatic they should use sick leave, as provided in 5 CFR 630.401(a)(2).

(To continue next page)

Credentialing Boot Camp

Registration is open NOW! This FREE 2 ½ - day intensive workshop is designed to prepare participants to successfully pass the Department of Defense (DoD) Employee Benefits Advisor (EBA) Credentialing Exam. The Boot Camp consists of 3 workshops that target each level of credentialing, providing a reinforcement crash course on “all things credentialing” for EBAs who have previously attended and completed a DCPAS benefits course.

Cost Did we mention this is a FREE training opportunity? The training course and materials are no cost to you.

BOOT CAMP

Participants will only be responsible for TDY expenses, if applicable.

When The Credentialing Boot Camp will take place July 28 -30, 2020 at the Mark Center in Alexandria, Virginia.

Register now for the exam level that you are prepared to conquer!

There will be limited seating available. Registration is located at <https://credentialingbootcamp.eventbrite.com>

*****NOTE: Due to COVID-19, Boot Camp is subject to be changed or cancelled.**

COVID-19 and Taking Precautions (continued)

If an employee is healthy but stays home because they have an asymptomatic family member that has been quarantined, the employee may use annual leave, advanced annual leave, or other paid time off to care for a family member. An employee, covered by a telework agreement, may be able to use leave with the permission of the supervisor during the quarantine period.

If an employee has a medical emergency related to the coronavirus and is absent without available paid leave for at least 24 work hours, they may qualify to receive donated annual leave under the Voluntary Leave Transfer Program. Additional information regarding these flexibilities may be found at:

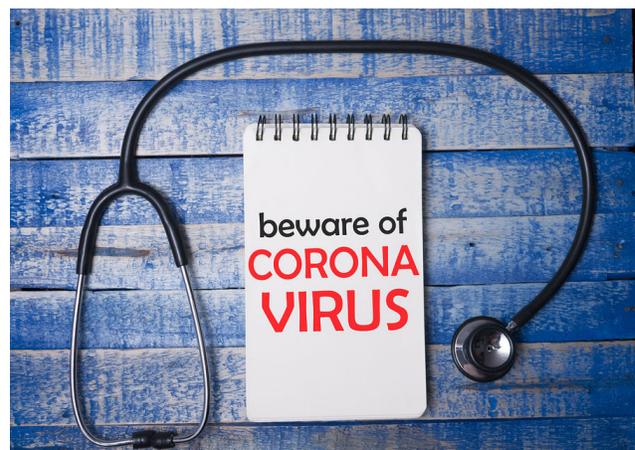
<https://www.chcoc.gov/content/coronavirus-disease-2019-covid-19-additional-guidance>

<https://www.dcpas.osd.mil/OD/>

[Emergency Preparedness](#)

Finally, the Department of Labor has issued guidance for federal employees that contract the Coro-

navirus while in performance of their job. They would have the full coverage of the Federal Employees' Compensation Act (FECA) for related medical treatment and for wage loss or disability related to that condition or associated complications. However, 20 CFR § 10.303 states that exposure to COVID-19 alone does not constitute a work-related injury. The employee must actually be diagnosed by a physician with COVID-19 to potentially be afforded coverage.



Did You Know? IRS2Go

The Internal Revenue Service (IRS) has an official mobile app which provides access at your fingertips!

Tax deadline is now extended to July 15, 2020! Whether you filed your taxes or not, this app is a great tool!

IRS2Go is the official mobile app of the IRS. This app can be downloaded to your mobile device from Google Play, the Apple App Store and Amazon. IRS2Go offers features, such as checking your refund status, mobile-friendly payment options and free tax help.

Taxpayers have the ability to check the status of their federal income tax refund using IRS2Go! Refunds can be tracked within 24 hours after the IRS receives the e-filed return, or about four (4) weeks after mailing the paper return.

IRS2Go provides easy access to a mobile-friendly payment options called IRS Direct Pay. This pay system offers a free, secure way to pay directly from a bank account. Taxpayers can also make a credit or debit card payment through an approved payment processor.

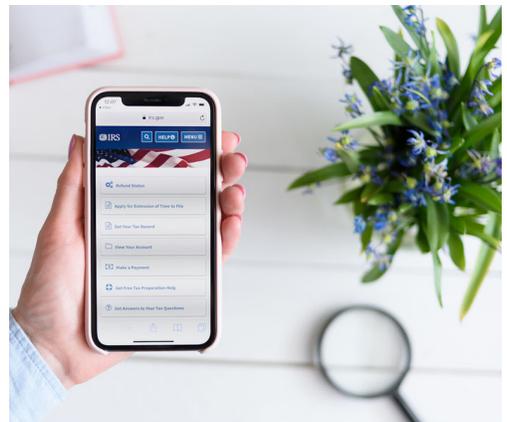
IRS2Go provides direct access to FREE tax software from a mobile device to quickly prepare and file taxes and get your refund. The app also assists in providing in-person help such as a Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) site in your area to receive free tax help. These programs are

available to qualifying taxpayers.

IRS2Go can generate login security codes for certain IRS online services, allowing the taxpayer to retrieve codes through IRS2Go instead of using text messages. For more information, visit the Secure Access page on www.IRS.gov website.

Throughout the year, www.IRS.gov website provides valuable information such as Tax Relief in Disaster situations, Tax Reform information, Tax scams/consumer alerts, the tax gap, IRS tax tips, e-News subscriptions, IRS guidance, Media contacts and IRS statements.

For more information please visit www.IRS.gov.



NOTE:
“Due to COVID-19, tax filing and payments are now due 15 July 2020.”

Overseas Educators Survey



The Department of Defense Dependents Schools (DoDDS) system operates elementary and secondary schools on US military bases located overseas. DoDDS operates 194 schools within 14 districts covering 12 countries throughout Europe and the Pacific, with an enrollment of more than 84,000 students.

Pursuant to Public Law 89-391 (as amended), the Department of Defense is required to establish basic compensation for educators in the DoDDS system “at rates equal to the average of the range of rates of basic compensation for similar positions of a comparable level of duties and responsibilities in urban school jurisdictions in the United States of 100,000 or more population.” This law

only applies to DoDDS educators and educator positions employed on a school-year basis.

To comply with the law, the Wage and Salary Division (WAGE) conducts annual salary surveys of all urban school jurisdictions meeting the population criterion. The survey results are used to establish salary schedules for DoDDS educator positions. WAGE is the technical advisor in consultations between DoDDS and the National Education Association (NEA).

WAGE conducts two surveys concurrently: the Overseas Principals Survey and the Overseas Educators Survey. In October of each year, letters are distributed to 267 school districts requesting collective bargaining agreements and salary schedules be returned. Follow-ups are then continued until data has been collected from all school districts. The Special Pay Systems Branch then completes data analysis and prepares the pay tables for presentation to both NEA and the Department of Defense Education Activity in April.

To view current schedules, please visit <https://www.dcpas.osd.mil/BWN/AFSpecialSchedules/>

Leveraging Sick Leave to Enhance Your Retirement

As a FERS employee, you are eligible to retire from Federal service on an immediate unreduced annuity if you meet one of the following Federal years of service and age requirements: age 62 with 5 years of service, age 60 with 20, or once reaching your minimum retirement age (MRA) with 30. (MRAs range between 55 and 57, depending on your birth year). Regular FERS employees have a 1% factor or a 1.1% enhanced factor depending on their age and length of service when they retire. This factor is used in the calculation of the employee’s FERS retirement annuity. Unused sick leave may also increase an annuity by adding to an employee’s creditable years and months of service.

Eligible employees under FERS that retire at age 60 with 20 years, or on their MRA with at least 30 years of service will have the following FERS calculation:

High-3 average salary x .01 x all their creditable years and months of service.

For example, if an employee met the age and service requirements to retire – say age 57 with 30 years of service – and had a High-3 of \$100,000, the annuity would be calculated as follows:

$\$100,000.00 \times .01 \times 30 = \$30,000$ or 30 percent of their high-3 average salary. (to continue page 9)

What To DO If Injured At Work

“If a Federal employee should sustain a work-related injury or illness, the employee should report to their supervisor immediately.”

The Federal Employees’ Compensation Act (FECA) program is administered by the Department of Labor (DOL), Office of Workers’ Compensation Program (OWCP). Benefits provided under the FECA constitute the sole remedy against the United States for work-related injury or death. A Federal employee or surviving dependent is not entitled to sue the United States or recover damages for such injury or death under any other law.

If a Federal employee should sustain a work-related injury or illness, the employee should report the injury or illness to their supervisor immediately. If the employee sustains a traumatic injury which is an injury that occurs within one day or one work shift, the employee completes the front of form CA-1 and submit to the Supervisor no later than 5 calendar days from the date of injury to complete the back portion of the CA-1. Based upon medical evidence, employees are entitled up to 45 calendar days of continuation of their regular pay (COP) for wage loss due to disability and/or medical treatment for traumatic injuries only.

If employee suffers an occupational illness which is a condition produced in the work environment over a period on more than one day or one work shift, form CA-2 should be completed and employee should be given the appropriate checklist CA-35a-h. COP is not an entitlement for occupational disease claims; however, employee can claim wage loss compensation from OWCP via form CA-7.

Wage loss compensation entitlement will not be paid until OWCP adjudicate the claim. OWCP forms are found at <https://www.dol.gov/owcp/dfec/>.

If employee requires medical attention, the Supervisor should complete the front of form CA-16 for traumatic injuries only within 4 hours of the request and no later than 1 week from the date of injury. This form authorizes medical treatment and guarantees payment up to 60 days from the date of injury. The employee has first choice of physician and the completed CA-16 should be returned to the Agency’s Injury Compensation Program Administrator (ICPA) for processing. For occupational illness claims, the CA-20 along with the appropriate checklist that states the medical information needed to support the work-related claim. For any questions involving FECA or need ICPA contact information, please contact your Agency’s Headquarters office.



Voluntary Contributions: A Hidden Gem for CSRS Employees - It is Not Too Late

Civil Service Retirement System (CSRS) employees have an additional retirement benefit available to them over the life of their federal career called Voluntary Contributions. This lesser known benefit provides a means to increase retirement income through optional payments made to the Civil Service Retirement and Disability Fund. This benefit offers the option to purchase additional annuity or withdraw the funds with the option to roll it over into an IRA. If you are a CSRS employee, it is not too late to apply for Voluntary Contributions.

Voluntary Contributions Eligibility and Facts

- Both CSRS and CSRS Offset employees are eligible to contribute Voluntary Contributions. Federal Employees Retirement System (FERS) employees are not eligible.
- In order to be eligible, deposits for civilian service that were not covered and/or redeposits for refunds, must be paid in full.
- Maximum contributions = 10% of all base pay over entire federal career. For example, an employee earning \$50,000 per year for 30 years = 1.5 Million. 10% of 1.5 Million = \$150,000. This employee can contribute a maximum of \$150,000.
- Employees can contribute anytime up until retirement. Contributions must be made in multiples of \$25 at any time. Employees can even make one large contribution before they retire!
- Once Voluntary Contribution funds are withdrawn (must withdraw the full amount), the employee/retiree cannot restart contributions.

Voluntary Contributions Benefits

- The Voluntary Contributions will earn tax deferred interest. Interest is currently 2.25%, see BAL 19-308. If one withdraws the account prior

to 59 ½ the interest portion is subject to a 10% early distribution tax. (There are exceptions)

- Employees can purchase an additional annuity at retirement. (not subject to COLA) Every \$100 will purchase \$7 a year plus 20 cents for each year over the age of 55. For example, if an employee retires at 55 and has \$150,000 in voluntary contributions, that would purchase \$10,500 per year of additional annuity.
- Employees can elect to purchase additional survivor annuity using Voluntary Contribution funds.



- Perhaps the best benefit available is that employees have the option to convert the Voluntary Contributions into an IRA account including Roth IRA. Currently there are no income limits on conversions to Roth IRA accounts. This would allow a CSRS employee with a substantial salary, permission to transfer a large Voluntary Contribution balance into a Roth account and enjoy the tax free benefits down the road.
- CSRS Employees have great potential participating in Voluntary Contributions. The time is now, it is not too late! See links below for more information.

To apply, communicate with your Benefits Office and complete a SF 2804 and send to United States Office of Personnel Management (OPM) https://www.opm.gov/forms/pdf_fill/sf2804.pdf Retirement Facts 10 Voluntary Contributions Under the Civil Service Retirement System <https://www.opm.gov/retirement-services/publications-forms/pamphlets/ri83-10.pdf> Voluntary Contributions Election https://www.opm.gov/forms/pdf_fill/RI38-124.pdf CSRS/FERS Handbook Chapter 31 <https://www.opm.gov/retirement-services/publications-forms/csrsfers-handbook/co31.pdf>

Nonappropriated Fund Health Benefits Program: Beneficial Plan Provisions For You In 2020

Members of the Nonappropriated Fund (NAF) Health Benefits Program (HBP) have access to various resources and programs to help in living a healthier lifestyle. Individuals are highly encouraged to go to www.nafhealthplans.com where they can learn additional information on their medical, dental, and prescription drug coverage needs. Make 2020 the year you focus on your health!



“High Deductible Health Plan (HDHP)”

High Deductible Health Plan (HDHP)

The Nonappropriated Fund Health Benefits Program implemented a HDHP with a health savings account (HSA) option January 1, 2020. This new plan option allows plan members to use the same provider network of doctors and hospitals; has the same negotiated prices for services; and utilize the same pharmacy network. 2020 premiums for this lower cost plan option are 20 percent lower than the 2020 premiums for the Choice POS II or Traditional Choice plans, but as the name dictates, has higher deductibles. Members can make this option change only during Open Enrollment (currently closed) or if they have a qualified family health status change (adding or removing family members).

Health Savings Account (HSA)

HSAs, which are interest-bearing savings accounts, are available to active employee and pre-65 retirees. In establish-

ing an account, NAF employers will contribute \$500 for an employee-only and \$1,000 for a family, with individuals contributing up to \$3,550 for single and \$7,100 for a family. Benefits include individuals earning tax-free interest from the savings account or investment earning as well as making tax-free distributions when they are used for qualified healthcare expenses. If an employee switches plans or decides to leave NAF employment, either thru taking another job or retirement, these monies belong to the employee. Employees can invest \$1,000 and greater in choosing between 25 investment funds. For those 65 and older, they can use HSA monies for non-eligible expenses without a 20 percent tax penalty.

Health Reimbursement Account (HRA)

HRAs are available to any OCONUS or post65 retiree enrolled in the HDHP. Once enrolled in the HDHP and having established an HRA, NAF employers will contribute \$500 for an employee-only and \$1,000 for a family.

Interactive Online Tool (Alex)

Alex is an interactive on-line benefits counseling tool that will assist plan participants in making enrollment decisions. It is easy to use as it will walk an individual through medical and dental plan options and FSAs to match benefits to an individual's needs or preferences.

(to continue next page)



“Health Savings Account (HSA)”

“Health Reimbursement Account (HRA)”

Nonappropriated Fund Health Benefits Program: Beneficial Plan Provisions (continued)

Group Health Coaching and Support — at No Cost to the Member

With Healthy Lifestyle Coaching, the member will be able to work with a wellness coach to address their health goals such as losing weight, quitting smoking, eating better, managing stress, and more! This program offers weekly interactive, group coaching sessions over a 6-week period, as well as one-on-one support. Healthy Lifestyle Coaching is available for anyone enrolled in the NAF HBP with Aetna and is available in the US only.

Health Incentive Credit Program

To encourage healthy lifestyle actions, individuals can earn Health Incentives of up to \$300 and families \$600 by participating and completing the following health actions:

- Online Health Assessment - \$75
- Biometric/metabolic syndrome screening - \$150
- 3 Calls to work on a goal with a Disease Management Nurse - \$75 (CONUS Only)
- Online Journey - \$75 each (up to 4 Journeys each for employee/retiree and covered spouse)
- Preventive exam for children under age 18 - \$50

These earned credits will be applied to your medical deductible and/or coinsurance as claims are processed. If enrolled in the HDHP and have the HSA/HRA, these health incentives will be added to your HSA or HRA account. You can learn more about the program by going to nafhealth-plans.com>Wellness>Health Incentives Program.



The SECURE Act How It Affects Your Thrift Savings



The Setting Every Community Up for Retirement Enhancement (SECURE) Act was signed into law on December 20, 2019 and became effective on January 1, 2020. The Secure Act implemented significant changes to IRAs, traditional TSP owners, and Roth TSP owners. This bill will be used as a tool to assist Federal employees with saving for retirement as well as setting Federal Employees up to live a secure and dignified retirement.

The previous policy requires Federal employees to begin taking the required minimum distributions (RMDs) from their Thrift Savings Plan at age 70.5. The SECURE Act has changed the required minimum distributions (RMDs) to age 72. With this change, Federal employees will not have to begin taking distributions from their Thrift Savings Plan until age 72. This rule was put into effect to ensure that individuals spend their retirement savings during their lifetime and not use their retirement plans for estate planning purposes to transfer wealth to beneficiaries.

Through the Secure Act, Congress was able to eliminate

the use of the “stretch” IRA. The “stretch” IRA will be replaced with a 10-year rule for the vast majority of beneficiaries. This limits the ability of traditional IRA and Roth IRA owners to extend the life of their traditional and Roth IRAs by leaving the accounts to much younger heirs such as grandchildren.

The Secure Act also allows parents to take penalty-free withdrawals from defined contributory retirement accounts (such as the TSP) upon the birth or adoption of a child. Parents can withdraw up to \$5,000 (per spouse) from a retirement account within a year of a child’s birth or adoption. The law waives the 10 percent early withdrawal penalty that retirement plan owners younger than age 59.5 would be normally subject to.

References:

<https://www.forbes.com/sites/jamiehopkins/2019/05/24/8-major-ways-the-secure-act-could-impact-your-retirement-plan/#154922123437>
<https://waysandmeans.house.gov/sites/>

Leveraging Sick Leave to Enhance Your Retirement Annuity (continued)

Using the same Hi-3 salary and Federal years of service, but changing the employee's age to 62 would enhance the annuity calculation as follows:

• $\$100,000.00 \times .011 \times 30 = \$33,000$ or 33 percent of their high-3 average salary

However, as indicated in the Office of Personnel Management's (OPM) Benefits Administration Letter (BAL) Number 18-103, a retiree who is age 62 or older, but has less than 20 years of Federal civilian service, may still be eligible to receive the 1.1 percent enhanced factor by adding the addition of unused their sick leave.

Background:

The National Defense Authorization Act (HR 2647) was signed by the President Obama on October 28, 2009 and now allows for, beginning with FERS retirees after January 1, 2014, unused sick leave to be credited in the computation of their retirement annuities. The statute however, "prohibited the use of sick leave to establish title to annuity" if not already established based on "age and creditable service."

The eligibility requirement for an immediate unreduced retirement annuity at age 62 is five (5) years of creditable service. As such, if a retiree is at least 62 years of age or older, and has less than 20 years of Federal service, but has additional sick leave that increases their total Federal service to at least 20 years, their annuity will be computed using the enhanced 1.1 factor.

Each pay period, Federal employees receive 4 hours of sick leave which by the end of 26 pay periods, totals 104 hours. Over a 10-year period for example, this totals to over 1,000 hours of leave. Utilizing OPM's 2087 hour Sick Leave Conversion Chart, 1,000 hours of sick leave would result in 5 months and 23 days of additional service credit for a retiree.

In addition to providing financial security in the unfortunate event of an extended absence due to illness, sick leave also can be added to an employee's length of service. Therefore, as a FERS employee, you should remain mindful of leveraging your unused sick leave to maximize your retirement annuity.

<https://www.opm.gov/retirement-services/publications-forms/benefits-administration-letters/2018/18-103.pdf>

<https://www.opm.gov/retirement-services/publications-forms/benefits-administration-letters/2010/10-101.pdf>



“A retiree who is age 62 or older, but has less than 20 years of Federal civilian service, may still be eligible to receive the 1.1 percent enhanced factor by adding the addition of unused sick leave.”

Benefits, Wage, and
NAF Policy Line of
Business



BENEFITS • WAGE • NAF Policy
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@Lob#3

#DCPASExcellence

<https://twitter.com/LOB3Colleagues>

2020 Mark Center Training Schedule

The Benefits and Work Life Program Division holds training on Federal Employee benefits at the Mark Center in Alexandria, VA. Each course is four days long and space is limited to 25 participants.

Registration opens 60 days prior to the start date of each course and will remain open for 30 days, or until the class is full.

Registration is available online, but a DoD CAC is required: <https://www.apps.cpms.osd.mil/cpmstraining/app/training.aspx>



BASIC	INTERMEDIATE	ADVANCED
June 1-5	July 13-17	May 5-8
September 7-11	September 14-18	September 21-25

*****NOTE: Due to COVID-19, all future trainings are subject to be changed or cancelled.**