

could drop your disability insurance and utilize sick leave in the event that you become disabled.

## 5.7 Office of Workers' Compensation Programs (OWCP)

I wasn't sure where to stick this tidbit and figured this was a good spot. Keep in mind that once an injury is deemed "work related" and covered by OWCP, your own medical insurance will not cover medical expenses related to the injury. Therefore, each medical appointment and procedure requires the approval of someone at the Department of Labor (DOL). Probably not a big deal if you need some low-risk knee surgery, but be careful about complex conditions. One of my readers shared a case with me where it took six months for DOL to approve an MRI. Also, many of the "good" doctors won't accept OWCP patients because they don't want to deal with the bureaucracy at the DOL (no offense to DOL employees). I'm not saying that you shouldn't take advantage of OWCP, just know what you are getting into and make an informed decision.

Keep in mind that since October 3, 2003, FERS employees who received OWCP benefits for more than two months while on LWOP will be eligible for a 1% annuity enhancement<sup>121</sup>. This is intended to make up for the fact that while on LWOP, a FERS participant can't participate in Social Security or the TSP while on LWOP receiving OWCP compensation.

## 5.8 Government/Agency Death Benefits Payable to Your Survivors

Certain death benefits are payable to your surviving spouse, or to your next of kin, under the federal order of precedence:

**FERS Basic Employee Death Benefit (BEDB):** OPM will pay a lump-sum benefit to an eligible *spouse* (current and/or former in full or a ratio if awarded in divorce) upon the death of an employee who had completed at least *18 months* of creditable service and was married for at least *9 months*. If the death was accidental or there was a child born of the marriage to the employee, then the 9-month requirement is waived. For deaths after December 1, 2022, the fixed amount of the FERS BEDB is \$40,279.37 (annually indexed for inflation). The surviving spouse may elect to receive this amount as a lump sum or as 36 equal monthly installments. The surviving spouse will also receive:

- 1) One-half of the deceased's annual pay or High-3, whichever is higher;
- 2) A check for the deceased's accrued unused annual leave; and
- 3) The deceased's final paycheck.

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<sup>121</sup> <https://www.opm.gov/retirement-services/publications-forms/benefits-administration-letters/2004/04-105.pdf>