



NATIONAL ENDOWMENT FOR THE HUMANITIES

OFFICE OF HUMAN RESOURCES

Separating (Non-Retirement) Employees **Benefits and Leave Fact Sheet**

Employees who are separating from Federal service, regardless of the way they separate (resignation, termination, expiration of appointment, etc.) are due the same benefits and leave payouts.

Federal Employees Group Life Insurance (FEGLI)

- You cannot continue FEGLI coverage if you leave the government, but you get 31 days of free coverage after you separate and you have the right to convert your FEGLI coverage to an individual (non-FEGLI) policy.

Dental and Vision Insurance (FEDVIP)

- FEDVIP insurance terminates on the date of your separation from NEH.

Federal Employee Health Benefits (FEHB)

- Your FEHB coverage technically ends on the last day of the pay period in which you separate from Federal service. However, FEHB provides a 31-day extension of coverage at no cost to you.
- You have the right to temporarily continue your FEHB coverage for up to 18 months after your separation. To continue your coverage, you may select any plan in the FEHB Program that you are eligible to enroll, and you must pay the full amount of the premium (both the employee and Government shares) plus a 2 percent administrative charge. Your Temporary Continuation of Coverage (TCC) enrollment and premium charges begin on the day after the 31-day period of free coverage ends. If you continue TCC to the end of the 18-month period, you will have another 31-day extension of coverage.

Leave Balances

- Your annual leave, comp time, restored leave, and credit hours balances will be paid out to you the pay period following your separation from federal service.
- Your sick leave balance will not be paid out and can be recredited to you if you return to federal service.

Unemployment

- You may be eligible for unemployment in the state of the duty station that is listed on your SF-50. Eligibility depends on several factors that are best explained by the appropriate state unemployment office.

Thrift Savings Plan (TSP)

- You are permitted to leave your money in the TSP. You do not have to take any money from your TSP savings until you reach the age when you have to start taking IRS-required minimum distributions. You can continue to allow your investments to grow in the TSP and take advantage of the TSP's low expenses, and you will always have secure access to manage your investments online in My Account.
- You cannot make direct contributions after your date of separation. However, you can still move money into your TSP account from other eligible retirement plans. If you have any TSP loans when you separate from federal employment, you must decide if you want to pay them off, keep them open and set up monthly payments, or allow them to be foreclosed and accept the outstanding balance and accrued interest as taxable income.

Federal Long -Term Care

- Your coverage will continue as long as you pay the premiums. You will need to make arrangements to pay them directly because you will no longer have a payroll deduction.

FSAFEDS

- Your flexible spending account will terminate on your separation date. You will not be able to continue using the account even if you have unused funds in your account.

FERS Retirement

- You can request a refund of your FERS contribution in a lump sum payment, or if you have at least five years of creditable service, you can wait until you are at retirement

age to apply for monthly retirement benefit payments. To be eligible for a refund, you must be separated or transferred to a position not covered by FERS for at least 31 days and must not be eligible for an annuity. Interest will be paid on the refund of those contributions if you worked more than one year. Your retirement contributions are not taxable, but interest included in the payment is taxable.

- You can roll over lump sum payments representing your retirement contributions, including voluntary contributions, and applicable interest. An eligible payment can be paid either to you or directly to an individual retirement account or other employer sponsored plan. Your choice will affect the amount of taxes you owe. OPM is required to withhold Federal income tax from taxable payments over \$200 at the rate of 20 percent. However, you may choose to take all or part of these payments in a direct rollover to an individual retirement account or an employer-sponsored retirement plan that accepts rollovers. The taxable portion can also be rolled over into the Thrift Savings Plan. If you make this election, OPM will not withhold the Federal income tax from the taxable payments. You can open an individual retirement account to receive a direct rollover.

Severance Pay

- You are eligible for severance pay if you meet **ALL** the following criteria:
 - Served in a covered agency;
 - Are being removed from Federal service by an involuntary separation;
 - Have 12 months of continuous Federal employment immediately before the involuntary separation;
 - Have a full-time or part-time work schedule (not intermittent);
 - Have a qualifying appointment without a time limitation (unless a special exception applies — for example, the employee holds a full-time position with a time-limited (temporary or term) appointment that was made within 3 calendar days after the end of a qualifying appointment without a time limitation);
 - Do not have a political appointment (Presidential, noncareer SES, Schedule C, or an equivalent appointment made for similar purposes);
 - Have not declined a reasonable offer in the employee's agency (see definition of "reasonable offer" in 5 CFR 550.703) before separation;
 - Are not eligible for an immediate retirement annuity at the time of separation;

- Are not receiving workers compensation (for work injuries incurred by the employee) at the time of separation — unless compensation is being received concurrently with pay;
- Are not in a position that has a single rate of basic pay that is fixed at an Executive Schedule (EX) rate;
- Do not have a rate of basic pay in excess of EX-I rate (\$250,600 in 2025; for future years, see Salaries & Wages, Rates of Pay for the Executive Schedule for the applicable year).