

CLIENT UPDATE

United States Office of Personnel Management



- CLIENT:** United States Office of Personnel Management (OPM)
- SERVICE:** Federal Employees Group Life Insurance (FEGLI) Program
- CAMPAIGN:** 50th Anniversary Open Season

The Federal Employees Group Life Insurance (FEGLI) Program was created in 1954 to provide competitive group life insurance coverage for Federal employees and their families. Today FEGLI is the world's largest group life insurance program, covering over 4 million Federal employees, retirees, and family members.

To celebrate FEGLI's 50th Anniversary, a special FEGLI 2004 Open Season was authorized allowing eligible employees to enroll – if they were not previously enrolled, or enhance their existing coverage if currently enrolled – without providing evidence of insurability (no medical questions or physical exams). This is a significant event that occurs less than once every five years.

Having created the successful marketing communications efforts for the two previous Open Seasons in 1993 and 1999, DeBow Communications was invited to participate in a creative competition conducted by Metropolitan Life Insurance Company (MetLife), the administrator of the FEGLI Program. In a blind review, our concepts for the campaign were chosen by the senior management of the United States Office of Personnel Management (OPM) the Federal agency responsible for the FEGLI Program.

While many elements of our initial creative presentation were well received, the Clients (both MetLife and OPM) were particularly enamored with our unique logo design. As you'll see this image dominated the entire campaign, which included a comprehensive direct mail package, on-site promotional materials (including posters and tent cards) as well as an educational video.

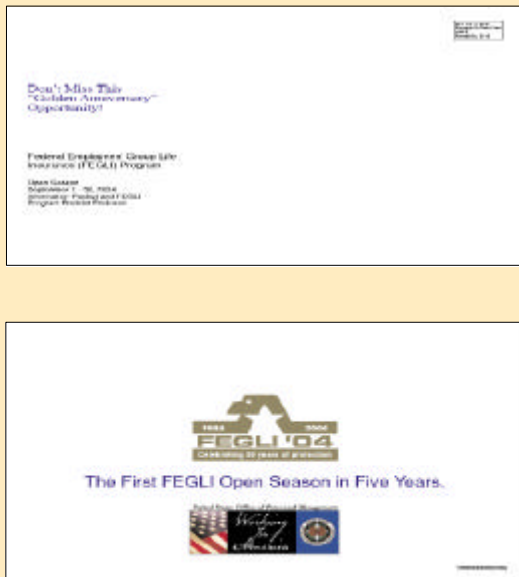


DIRECT MAIL

The primary communications vehicle for this campaign was a comprehensive direct mail package that was distributed -- to home address, if known, or at the workplace -- to the more than 1.75 million Federal and 750 thousand United States Postal Service employees eligible for the program.

As shown below, the package consisted of a carrier envelope, an endorsement letter from the Director of the United States Office of Personnel Management, an 8-page brochure containing a detailed description of the program and answers to the most common questions, a special worksheet to allow employees to calculate their insurance needs, and a multi-part application form.

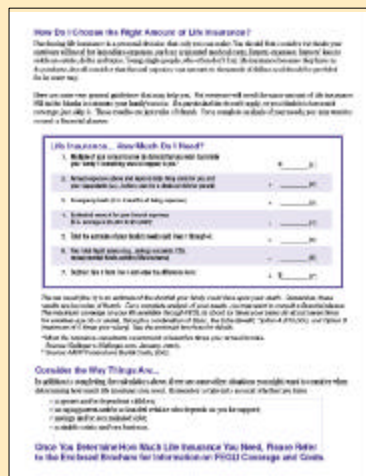
OUTSIDE ENVELOPE



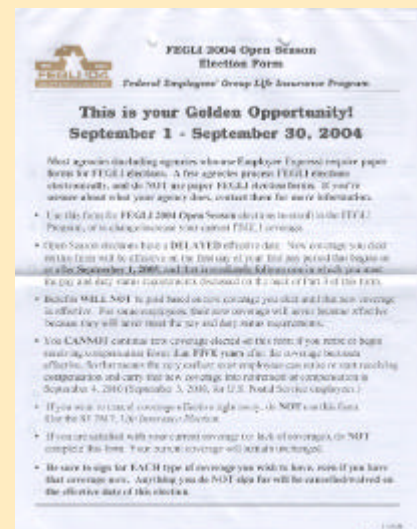
DIRECTOR'S LETTER




WORKSHEET



ENROLLMENT FORM



EIGHT-PAGE BROCHURE




There Are a Million Reasons to Have Life Insurance.

How Many Reasons Do You Have?

1954 2004
FEGLI '04
Celebrating 50 years of protection

Open Season
Federal Employees' Group
Life Insurance (FEGLI) Program
September 1 - 30, 2004

Your Golden Anniversary Opportunity to Enroll or Update Your FEGLI Coverage for You and Your Family



There Are a Million Reasons to Have Life Insurance . . . and Three Good Reasons to Take Advantage of This FEGLI Open Season!

FEGLI Open Season Do Not Happen Very Often

It has been 50 years since the last FEGLI Open Season, and no one knows when the next one might be. There may never be a better time for you to review your FEGLI coverage (if any) and to be sure that you have the protection you need for you and your family.

No Medical Questions to Answer or a No Physical Examinations

During this FEGLI Open Season, if you're an employee in an eligible position, you can enroll in the FEGLI Program even if you previously waived all coverage. If you're already enrolled, you can select new or different coverage up to the maximum available. You don't have to answer any questions about your health or have a physical examination as you probably would if you purchased individual life insurance coverage in the private sector.

Group Premiums with Convenient Payroll Deduction

The FEGLI Program offers group premiums and the convenience of automatic payroll deduction. The cost coverage through your pay agency. The FEGLI Program doesn't use insurance agents.

Remember, the FEGLI 2004 Open Season Ends on September 30, 2004.

Do I Have the Right Amount of Life Insurance?

It has been 50 years since the last FEGLI Open Season and if you have experienced significant changes in your life—such as a marriage or the birth of a child—your life insurance needs may have changed as well. This Open Season is the time to review your life insurance needs.

If you are not currently enrolled in the FEGLI Program, there may never be a better time to enroll than this Open Season.

If you are currently enrolled, this Open Season is the perfect time to select more coverage (if you don't already have the maximum), or change the type of coverage (if necessary) that you need.

How Much Life Insurance Do I Need?


Choosing the right amount of life insurance protection for your loved ones is a personal decision that only you can make. However, there are some general guidelines you may want to consider when making your decision.

Let's find a simple worksheet in this packet to help you make your decision.

What Are My Coverage Choices and How Much Do They Cost?

The FEGLI Program offers eligible employees three insurance coverage—other three valuable options for greater protection. The most cost-effective is to select an optional coverage.

There are no FEGLI Program changes for this Open Season. Take a look at the next few pages for details about FEGLI coverage and costs.



Basic Insurance

Basic insurance provides term life insurance at group rates, and provides the benefit of protection. Your Basic Insurance Amount (BIA) (equal to the greater of (a) your annual rate of basic pay multiplied by the next even dollar, plus \$1,000, or (b) \$10,000).

The Federal Government pays one-third of the cost of your Basic Insurance. Your share of the cost, regardless of age, is shown below*.

Payment Method	Withdrawing for each \$1,000 of insurance
Annually	\$4.54
Monthly	\$1.03

* These rates are based on the 2004 age classification rates.

Extra Benefit

Basic insurance also provides an Extra Benefit to employees under age 40 or no additional cost. The Extra Benefit doubles the amount of Basic Insurance payable if you die when you are age 35 or younger. The Extra Benefit decreases 10% each year until there is no Extra Benefit at age 40.

Accidental Death & Dismemberment (AD&D)

AD&D insurance is included in Basic at no additional cost. A D&D insurance provides additional benefit in the event of a fatal accident, or an accident that results in the loss of a limb or sight.

AD&D insurance under Basic is equal to your BIA and does not include the Extra Benefit. AD&D insurance is also automatically included in Option A—Standard at an additional cost in the amount of \$5,000.

If possible, AD&D insurance benefits are paid in addition to any other FEGLI benefits that may be payable.

Option A - Standard

If you have or elect Basic, you may elect Option A. Standard of best practices for life insurance coverage. You pay the full cost of the insurance. Your cost is based on your age, as shown below*. AD&D coverage is included in this amount of \$5,000 or an additional cost.


Age Group	Withdrawing for \$1,000 of insurance	Monthly
Under 35	\$4.50	\$1.03
35-39	5.40	1.25
40-44	6.60	1.58
45-49	8.10	1.95
50-54	9.90	2.35
55-59	11.70	2.75
60+	13.50	3.15

Option B - Additional

If you have or elect Basic, you may elect Option B. Additional is an amount equal to one, two, three, four or five times your annual rate of basic pay, with nothing if up to the next even dollar. You pay the full cost of the insurance. Your cost is based on your age, as shown below*. AD&D coverage is included in this amount of \$5,000.

Age Group	Withdrawing for each \$1,000 of insurance	Monthly
Under 35	\$4.50	\$1.03
35-39	5.40	1.25
40-44	6.60	1.58
45-49	8.10	1.95
50-54	9.90	2.35
55-59	11.70	2.75
60+	13.50	3.15

* These rates are based on the 2004 age classification rates. The rates are subject to change if you are not a member of the FEGLI Program.



Option C - Family

If you have or elect Basic, you may elect Option C. Family (a.k.a. 100%, 200%, 300%, 400% or 500% coverage) provides term life insurance coverage on your spouse and your eligible dependent children. Each multiple is equal to \$5,000 on your spouse and \$2,500 on each of your eligible dependent children. The cost is the full cost of the insurance. Your cost, which covers all eligible family members, is based on your age, as shown below*. AD&D coverage is included in this amount of \$5,000.

Age Group	Withdrawing for each \$1,000 of insurance	Monthly
Under 35	\$4.50	\$1.03
35-39	5.40	1.25
40-44	6.60	1.58
45-49	8.10	1.95
50-54	9.90	2.35
55-59	11.70	2.75
60-64	13.50	3.15
65-69	15.30	3.55
70-74	17.10	3.95
75-79	18.90	4.35
80+	20.70	4.75

* These rates are based on the 2004 age classification rates. The rates are subject to change if you are not a member of the FEGLI Program.

Delayed Effective Date for New Coverage

New coverage elected during this Open Season has a delayed effective date. New coverage becomes effective on the first day of your first pay period that begins on or after September 1, 2005, and that immediately follows a pay period in which you paid the cost of your new coverage. Benefit will not be paid based on new coverage until that new coverage becomes effective.

If you do not want to wait, you can elect coverage without a delayed effective date by providing a statement of need and a signed statement of need (SF 202). You can also elect optional coverage without a delayed effective date by providing a statement of need (a signed statement of need), a statement of need, a statement of need, or a statement of need. However, in both cases, your election and coverage levels are limited.

Continuing Coverage Into Retirement

This Open Season is not a last opportunity to elect coverage. You can continue your coverage into retirement. You can elect to continue your coverage into retirement if you are at least 55 years of service immediately before you retire. Take a look at the examples.

Example: If you currently have Basic and have elected Option A, which is based on your age, you can elect to continue your coverage into retirement. If you are at least 55 years of service immediately before you retire, you can elect to continue your coverage into retirement. If you are at least 55 years of service immediately before you retire, you can elect to continue your coverage into retirement. If you are at least 55 years of service immediately before you retire, you can elect to continue your coverage into retirement.

FEGLI 2004 Open Season Website

For more information on this Open Season and the FEGLI Program, visit www.fedlife.gov. You'll find the FEGLI Program booklet along with the FEGLI Calculators, which you can use to calculate the premiums for various combinations of FEGLI coverage. You'll also find a copy of the FEGLI 2004 Open Season Election Form (FE 1044), extensive help only subject questions and other Open Season related info.

Frequently Asked Questions

Q How do I know if I'm in an "eligible position?"
A A basic full-time employee in an eligible position and an active FEGLI. If you're unsure, contact your human resources office.

Q When will my new coverage become effective?
A New coverage becomes effective on the first day of your first pay period that begins on or after September 1, 2005, and that immediately follows a pay period in which you paid the cost of your new coverage.

Frequently Asked Questions (continued)

- Q What are the pay and rate status requirements?
A Full-time employees must be in a pay and duty status for at least 25 hours in the pay period before coverage is effective. For part-time employees, it's one-half of their regularly scheduled hour of duty. Annual leave, sick leave, annual leave or any other type of leave is not pay and duty status.
- Q Why is there a delayed effective date?
A We need the delayed effective date for the 1000 Open Season. The delayed effective date is to ensure that the coverage is not in effect until the next pay period. This is to ensure that the coverage is not in effect until the next pay period.
- Q What do I need to do to enroll or change my FEGLI coverage?
A Before this Open Season ends, you must submit an Open Season Election Form (FE 1044), which you'll find in this packet. Most agencies (including agencies who are Employees' Group) require paper forms for FEGLI elections. A few agencies provide FEGLI elections electronically, and a few use paper FEGLI election forms. If you're unsure about what your agency does, contact them for more information.
- Q When does this Open Season end?
A Thursday, September 30, 2004.
- Q What is the next FEGLI Open Season?
A FEGLI Open Seasons are rare. The next one will be the next one might be, so be sure to take advantage of this Open Season.

This brochure contains a brief look at the FEGLI 2004 Open Season. For more information about Open Season, please visit www.fedlife.gov. For details on your current FEGLI coverage (if any), please contact your human resources office.



10/04/04

POSTERS AND TENT CARDS

To generate maximum response to the campaign, special *FEGLI 2004 Open Season* Posters and Tent Cards were distributed to more than 6,000 workplaces throughout the world where these 2.5 million employees are located. These included posters of various sizes as well as special “Meeting Posters” to be used by local human resources offices.

MEETING POSTER

Federal Employees' Group Life Insurance (FEGLI) Program



FEGLI 2004 Open Season
September 1 to September 30, 2004

Learn More at a Meeting!

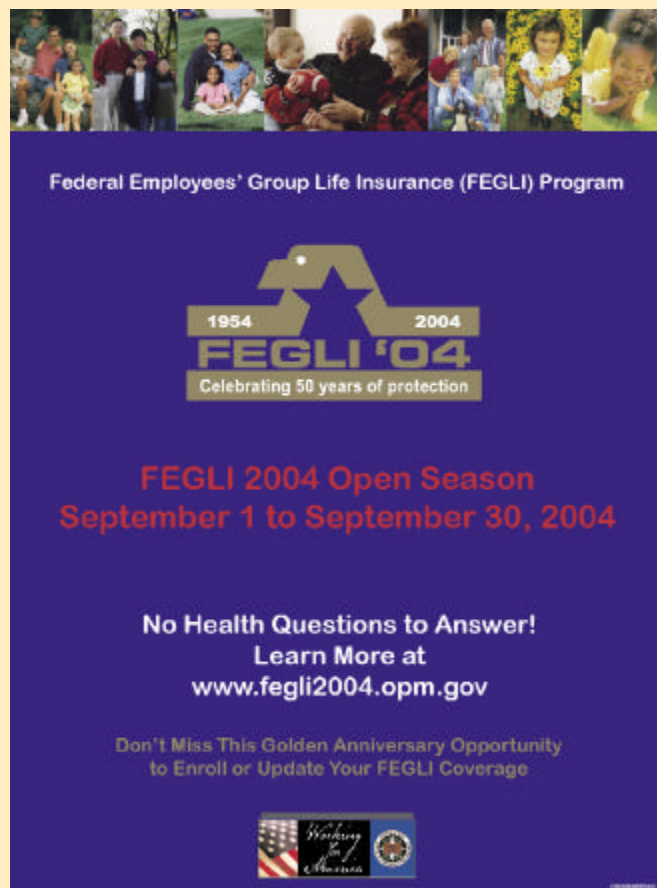
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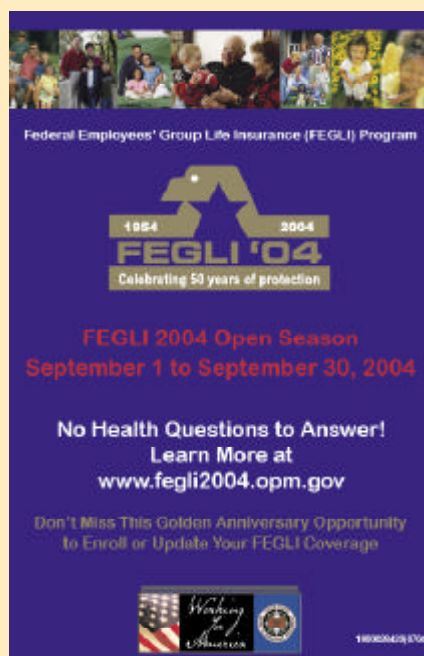
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ANNOUNCEMENT POSTER



TENT CARD



EDUCATIONAL VIDEO

Perhaps the most challenging component of the project was the creation of an informational video. We live in a litigious society, and the federal government is not immune. Historically, videos of this nature (including ones that we have previously produced for this as well as other clients) simply extolled the virtues of the program, and urged employees to participate. That's no longer the case. Today, informational videos not only have to ensure that the employees get the gist of the message, we now have to make sure that they not only understand all of the ramifications of the program . . . but that they cannot misunderstand the message.

Capturing all this information in our script gave us a 15 + minute presentation (in the past 12 minutes was thought to be too long, and that was before MTV), with a lot of very dry legalese. An attractive spokeswoman, a beautiful home setting, and a lot of motion helped to produce a compelling presentation.



The Open Season is announced with our branding and some upbeat music.



We put the FEGLI Anniversary in perspective with video clips from the past five decades.



The Director of OPM talks about the importance of employees reviewing their life insurance coverage, and adds her personal endorsement.




Our spokeswoman briefly reviews what will be covered and sets the tone for the remainder of the video in the dining room of a traditional home.



Video clips of significant life events (marriage, new child, new home, etc.) reinforce why employees need adequate life insurance coverage.


Basic Insurance



Government Pays 1/3 of Basic Premiums
Employee Pays 2/3 of Basic Premiums
U.S. Postal Service Covers
100% of Basic for its Employees

Basic Insurance coverage — and its cost structure — are explained. Basic is fairly straight forward and easy to explain. The addition of Accidental Death & Dismemberment (AD&D) coverage at no cost, however, lengthens the explanation.


Optional Insurance



You Must Have or Elect Basic in Order
to Elect any Optional Insurance

Spokeswoman moves to the Den, and answers the # 1 question; "Do I need to have Basic in order to choose coverage for my Spouse and Dependent Children?" The answer is "Yes."


Option A Standard



\$10,000 of Life Insurance
Equal Amount of AD&D

Moving to the Den/Sun Room, we begin to explain the details of the various options. Option "A" is simply a \$10,000 age-banded add-on with no cost AD&D.


Option B Additional



Multiples of
Your Annual Rate of Basic Pay
1, 2, 3, 4 or 5 Multiples
No AD&D

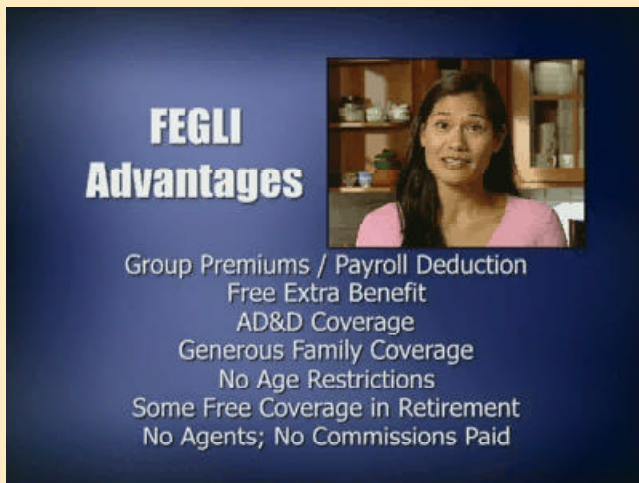
Option "B" is not quite as simple. Employees are asked to choose up to 5 multiples of their annual rate of basic pay rounded up to the next \$1,000, and then calculate that cost at age-banded premiums. How old are you? For the FEGLI Program your age is set on the first day of the pay period that starts after your birthday. Is that important? It is when you consider that the premium doubles from age 54 to 55.

Option C Family



Multiple of Coverage 1x, 2x, 3x, 4x, or 5x
Each Multiple = \$5,000 for Spouse
Each Multiple = \$2,500 for Each Eligible Child
Each Multiple is a Unit

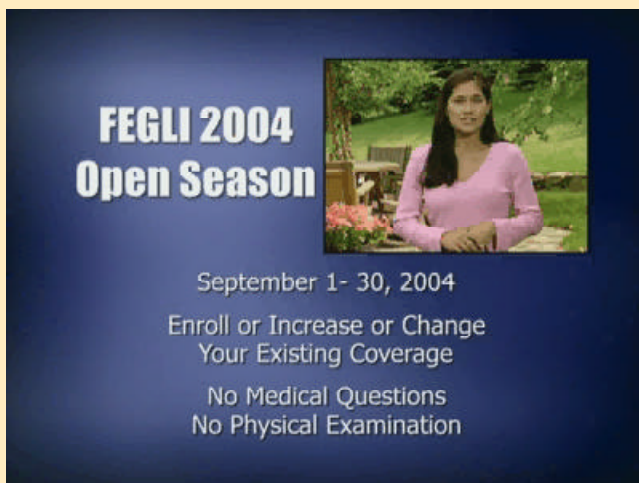
Option "C" covers employees families and once again, as with Option "B" offers up to 5 multiples of coverage. But these coverages are not multiples of your basic pay, but multiples of coverage "units" (each unit is equal to \$5,000 on your spouse and \$2,500 on each of your dependent children). And once again we are dealing with age-banded rates.



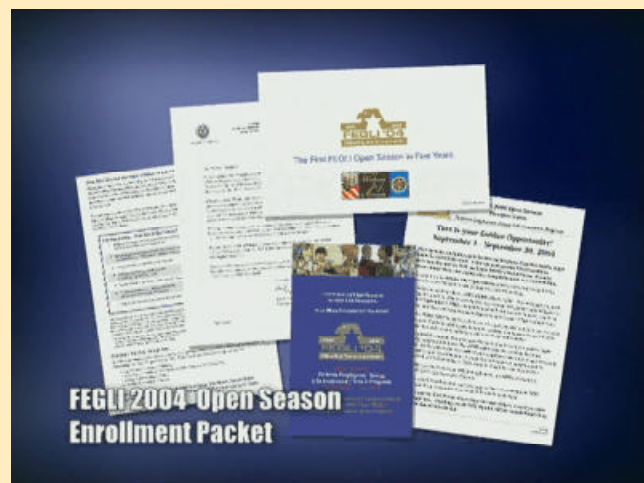
Moving to the Kitchen, we talk about the “menu” of advantages that are part of the FEGLI Program, stressing Group Premiums, Payroll Deduction and Generous Family Coverage to differentiate the FEGLI coverage from coverage being offered to these employees by private sector insurers.



Moving to the Sunroom, we explain that new coverage selected during this Open Season will not become effective for at least a year, so as to avoid adverse selection. This is particularly important to those employees who may be contemplating retiring who will need to have their new coverage effective for at least 5 years in order to carry it into retirement.



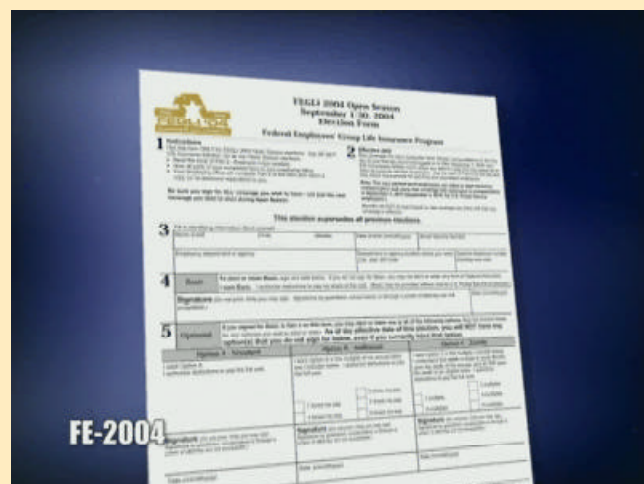
Moving outdoors to the Patio, we talk about the advantages of the Open Season itself, most notably that it allows employees to enroll – if not previously enrolled – or to increase or change their insurance coverage without answering any medical questions, or taking a physical exam.

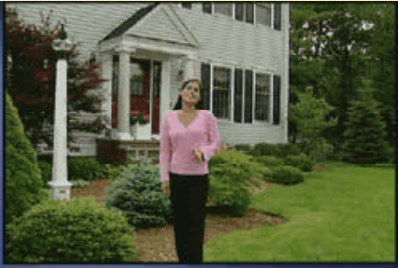


We then tell them through shots of the various elements how they can get the answers to any questions they may have, and how to enroll. This includes our Direct Mail “Enrollment Packet” as well as a special FEGLI 2004 Open Season website.



Moving to the Dining Room, we begin to deal with the “How-To” of completing the 5-Part Open Season Election Form. How complex? Well the long series of bullet points on the cover sheet (See Election Form on Page 2) are not instructions for completing the Election Form, they are just reminders of all of the caveats about whether or not to use this, or some other Form and the special issues involved in the Open Season itself.





Group Rates
Convenient Payroll Deduction
No Medical Questions
No Physical Examination



September 1 - 30, 2004
www.fegli2004.opm.gov

Moving outdoors to the Front Yard, we summarized the FEGLI Program and Open Season Advantages, remind viewers that the Open Season will end on September 30th, and that once it ends no one knows when the next one will be. We also remind them to visit the special Open Season website.



CAN WE TALK?

Clearly this brief look at the FEGLI Campaign leaves most of the story untold. We would welcome the opportunity to tell you more about this project as well as some of the other exciting programs we've been working on over the past months, provide you samples or a copy of the video, and discuss any upcoming projects you might be contemplating.

We look forward to talking to you soon . . .

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