



The Deputy Secretary of Energy
Washington, DC 20585

July 20, 2006

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

FROM: CLAY SELL *Clay Sell*
SUBJECT: Payment of Health Benefit Expenses for Reservists Called to Active Duty

Section 1101 of the National Defense Authorization Act for 2005 (Public Law 108-375) and the Veterans Benefits Improvement Act of 2004 (Public Law 108-454) authorize agencies to pay both the employee and Government contributions (and any additional administrative expenses related to health care coverage) up to 24 months for certain Federal employees who have been called to active duty. P.L. 108-375 provides benefit coverage to employees who are called to active duty in support of a contingency operation and is retroactive to September 14, 2001. P.L. 108-454 is intended to cover employees who are called to active duty but do not meet the requirements of P.L. 108-375. P.L. 108-454 applies to elections made on or after December 10, 2004. Employees not covered by P.L. 108-375 who made elections before December 10, 2004, can continue enrollment for only 18 months.

Former Secretary Spencer Abraham authorized payment of employee and Government contributions when the limit was 18 months. In keeping with the Department's past practices of supporting our reservists, I am authorizing payment for an additional six months, up to 24 months, for eligible employees.

Organizations should identify those employees who have previously been activated to determine whether they are now eligible for the additional benefit retroactively. An eligible Federal employee is one who:

1. is, or was at the time, enrolled in the Federal Employees Health Benefits (FEHB) Program;
2. is, or was at the time, a member of a reserve component of the Armed Forces;
3. is, or was at the time, called to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10 United States Code) or is absent due to service in the uniform services;
4. is, or was at the time, placed on leave without pay or separated from service to perform active duty; and
5. serves, or served, on active duty for more than 30 consecutive days.

cc: Human Resource Directors
Headquarters Resource Managers
Chiefs of Payroll Staffs

