# Subpart 2102.1 - Definitions

**Parent topic:** PART 2102 - DEFINITIONS OF WORDS AND TERMS

## 2102.101 Definitions.

In this chapter, unless otherwise indicated, the following terms have the meaning set forth in this subpart.

*Contract* means a policy or policies of group life and accidental death and dismemberment insurance to provide the benefits specified by 5 U.S.C. chapter 87.

*Contractor* means an insurance company contracted to provide the benefits specified by 5 U.S.C. chapter 87.

*Contract price* means premium.

*Contract year* means October 1 through September 30. Also referred to as contract term.

*Director* means the Director of the Office of Personnel Management.

*Employees' Life Insurance Fund* means the trust fund established under 5 U.S.C. 8714.

*Enrollee* means the insured, or, where applicable, the assignee.

*FEGLI Program* means the Federal Employees' Group Life Insurance Program.

*Fixed price with limited cost redetermination plus fixed fee contract* means a contract which provides for:

(1) A fixed price during the contract year with a cost element that is adjusted at the end of the contract term based on costs incurred under the contract; and

(2) A profit or fee that is fixed at the beginning of the contract term. The amount of adjustment for costs is limited to the amount in the Employees' Life Insurance Fund. The fee will be in the form of either a risk charge or a service charge.

*Grace period* means 31 days from and including the payment due date of the first business day of the month.

*Insurance company*, as provided in 5 U.S.C. 8709, means a company licensed to transact life and accidental death and dismemberment insurance under the laws of all the States and the District of Columbia. It must have in effect, on the most recent December 31 for which information is available to the Office of Personnel Management, an amount of employee group life insurance equal to at least 1 percent of the total amount of employee group life insurance in the United States in all life insurance companies.

*OPM* means the United States Office of Personnel Management.

*Premium* means an amount intended to cover the estimated annual benefits and administrative costs

plus a fixed service or risk charge, made available to the Contractor in 12 equal installments. At the end of the contract year, a reconciliation of premiums, benefits, and other costs is performed as a limited cost redetermination.

*Reinsurer* means a company that reinsures portions of the total amount of insurance under the contract as specified in 5 U.S.C. 8710 and is not an agent or representative of the Contractor.

*Subcontract* means a contract entered into by any subcontractor that furnishes supplies or services for performance of a prime contract under the FEGLI Program. Except for the purpose of FAR subpart 22.8 - Equal Employment Opportunity, the term subcontract does not include a contract with a reinsurer under the FEGLI Program.

*Subcontractor* means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor under the FEGLI Program contract. Except for the purpose of FAR subpart 22.8 - Equal Employment Opportunity, the term subcontractor does not include reinsurers under the FEGLI Program.