B-258580

October 12, 1994

Linda K. Hurd Assistant Director for Personnel/Payroll Systems Human Resources Division M:H:S: Department of the Treasury Internal Revenue Service Washington, D.C. 20224

Dear Ms. Hurd:

We refer to your letter of September 16, 1994, asking several questions about the application of the Debt Collection Act of 1982, 5 U.S.C. § 5514 (1988), and collection of an indebtedness arising out of an employee's nonpayment of his/her share of the cost of enrollment in the Federal Employees Health Benefits Program (FEHBP), 5 U.S.C. § 8901-8914 (1988). The questions have arisen due to a decision by the Internal Revenue Service (IRS) to discontinue paying an employee's share of the cost of enrollment in FEHBP while the employee is in a nonpay status or when the employee's salary is insufficient to pay the premium.

The General Accounting Office has been given the authority to promulgate standards for the collection of claims under provisions of the Debt Collection Act. See, 5 U.S.C. § 5514(a)(3) and 37 U.S.C. § 3711(e)(2) (1988). And we have done so in 4 C.F.R. Parts 101-105 (1994). However, we believe that the questions that you have raised concerning whether payment of the employee's share of the premium under the FEHBP should be made to either the Office of Personnel Management (OPM), the Fund, or to the carrier, relate directly to OPM's authority to manage and regulate the program under the provisions of 5 U.S.C. § 8913 (1988). Therefore, we decline to take jurisdiction in this matter.

We would also point out that the OPM Final Rule pertaining to administrative offset under the Debt Collection Act, referred to in your letter, published at 59 Fed. Reg. 35213 (July 11, 1994), exempts from its coverage collection of debts under FEHBP. The current OPM regulations pertaining to contributions and withholding under FEHBP are located in Subpart E, Part 890, 5 C.F.R. (1994). Accordingly, in order to prevent any further delay to your response, we are forwarding your letter to OPM with the request that it respond directly to your Office (copy enclosed).

Sincerely yours,

Robert L. Higgins Associate General Counsel

Enclosure