



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Strategic Human  
Resources Policy  
Division

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MEMORANDUM FOR DIRECTORS OF PERSONNEL AND AGENCY PAYROLL  
OFFICES

FROM:

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STRATEGIC HUMAN RESOURCES POLICY

Subject:

PPM-2007-001; Determination of Pay Subject to Garnishment for  
Employees With Salary Deductions Directed to Federal Dental and  
Vision Insurance Program (FEDVIP) or Health Savings Accounts  
(HSA)

This memorandum provides agencies with guidance for calculating pay subject to garnishment under 5 CFR part 581, *Processing Garnishment Orders For Child Support And/Or Alimony*, and 5 CFR part 582, *Commercial Garnishment Of Federal Employees' Pay*, when an employee is enrolled in the FEDVIP and/or HSA portion(s) of the Federal Flexible Benefits Plan.

Funds deducted to pay for benefits under the FEDVIP **are** excluded when calculating pay subject to garnishment pursuant to an order for child support, alimony, or commercial garnishment because 5 CFR 581.105(d) and 5 CFR 582.103(d), *Exclusions*, exclude amounts which are "deducted as health insurance premiums... ."

Funds deducted and deposited in an HSA **are not** excluded when calculating pay subject to garnishment pursuant to an order for child support, alimony, or commercial garnishment. An HSA, unlike the FEDVIP, is not considered insurance. It is a savings product that offers consumers another way to pay for their health care (Internal Revenue Service Publication 969 {2006}, *Health Savings Accounts and Other Tax-Favored Health Plans*) and; therefore, monies allotted by employees to fund their HSAs should be included when calculating pay subject to garnishment.

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