E-Mail ALSPO H/08

Subj: **PROCEDURES FOR CORRECTING THE SPOUSE'S DATE OF BIRTH FOR FAMILY SGLI PREMIUM DEDUCTIONS**

Ref: (a) Direct-Access Users Guide: Dependent/Beneficiary
    (b) Direct-Access Users Guide: Elections and Beneficiaries
    (c) COMDT COGARD Washington DC 141606Z JUN 07/ALCOAST 299, CG-12, COMDTNOTE 7220
    (d) COMDT COGARD Washington DC 071927Z JUL08/ALCOAST 326, CG-12, COMDTNOTE 7220
    (e) Personnel and Pay Procedures Manual, PSCINST M1000.2(series), Chap 5-A
    (f) Direct-Access Users Guide: Divorce, Annulment or Death of Spouse

Introduction   This E-Mail ALSPO provides procedures correcting the spouse's date of birth for Family Servicemembers' Group Life Insurance (FSGLI) premium deductions.

Purpose   FSGLI premiums are based on the date of birth of the member's spouse. If the date of birth is wrong, then at some point the FSGLI premium will be wrong. FSGLI premiums are small at first--$5.50 (at maximum coverage) for a spouse under 35 and the premium will continue to increase every five years thereafter. The incremental increases are small up to age 45, whereas subsequent increases (age 45, 50, 55, & 60) are larger. In most cases, the incremental increases are small enough to go unnoticed, so errors could persist for years. It is vital that spouse's date of birth be correct in DEERS, JUMPS and Direct-Access.

Current Spousal Premium Rates (Monthly)
Source: http://www.insurance.va.gov/sgliSite/FSGLI/fsgliPremiums.htm
(Effective July 1, 2006)

Amount of Insurance	Age of Spouse						
	Under 35	35-39	40-44	45-49	50-54	55-59	60 & Over
$100,000	$5.50	$7.00	$9.00	$14.00	$27.00	$40.00	$52.00
$90,000	$4.95	$6.30	$8.10	$12.60	$24.30	$36.00	$46.80
$80,000	$4.40	$5.60	$7.20	$11.20	$21.60	$32.00	$41.60
$70,000	$3.85	$4.90	$6.30	$9.80	$18.90	$28.00	$36.40
$60,000	$3.30	$4.20	$5.40	$8.40	$16.20	$24.00	$31.20
$50,000	$2.75	$3.50	$4.50	$7.00	$13.50	$20.00	$26.00
$40,000	$2.20	$2.80	$3.60	$5.60	$10.80	$16.00	$20.80
$30,000	$1.65	$2.10	$2.70	$4.20	$8.10	$12.00	$15.60
$20,000	$1.10	$1.40	$1.80	$2.80	$5.40	$8.00	$10.40
$10,000	$0.55	$0.70	$0.90	$1.40	$2.70	$4.00	$5.20

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Direct-Access/ JUMPS Spouse Date of Birth Mismatch

PSC (mas) identified more than 1500 accounts where the spouse's birth date does not match in Direct-Access and JUMPS.

1. The effort to identify mismatches was undertaken after a system logic error was discovered; Direct-Access transactions to start FSGLI for members who had been divorced and subsequently remarried were including the date of birth of the member's former spouse, not the new spouse.

    a. The logic error was corrected (PSC System Change #35391). Transactions submitted since 28 December 2007 included the date of birth for the new spouse.

2. Mismatches not caused by the logic error occurred when the SPO corrected a spouse's date of birth, perhaps in conjunction with the annual dependency validation process, and did not notify PSC of the change (as *was* required in Step 5 of reference (a)).

    a. Effective immediately, SPOs must submit a new FSGLI election transaction whenever they correct a spouse's date of birth for a member who is participating in FSGLI-spouse coverage. The FSGLI election transaction will update JUMPS (Segment 32), even if there is no change in the coverage amount. Previously, JUMPS would only be updated if the election transaction resulted in a change in coverage. Manual intervention was required by PSC to update the segment (hence the need to notify PSC).

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SPO Action for Correction of Mismatches

PSC will e-mail the list of mismatched accounts to the responsible SPOs with this ALSPO message. The SPOs and the number of records to correct are listed in enclosure (1).

SPOs must take action to resolve the discrepancies by 1 December 2008. Follow this procedure to correct the discrepancies.

Step	Action
1	Verify the birth date. Obtain it from the Spouse's Information section of the Family Coverage Election form (SGLV 8286A) originally submitted by the member and compare it to the date of birth listed on the BAH/Dependency form (CG-4170A), which has been validated by the member. <table><tr><th>If the spouse's date birth is</th><th>Then</th></tr><tr><td>the same on both forms</td><td>Use the date for the next step</td></tr><tr><td>is not the same on both forms*</td><td>Contact the member and request he/she provide the birth date and use that date for the next step.</td></tr></table> *Note: If the date on the SGLV-8286A is incorrect, the member must submit a new election. If the date on the CG-4170A is incorrect, provide the member with a new CG-4170A for validation after correcting the date in Direct-Access (the correction procedure is on the next page).

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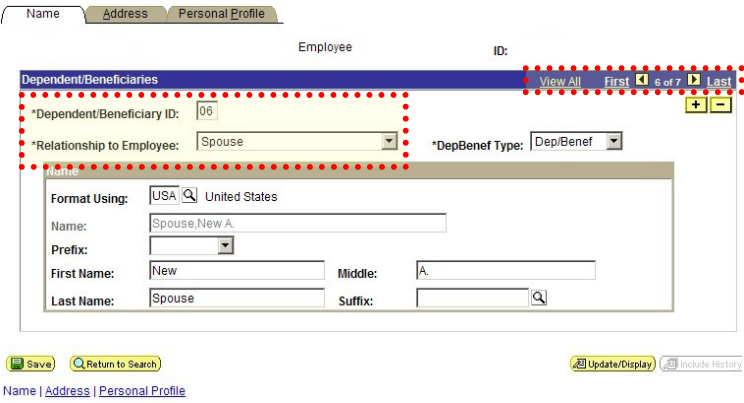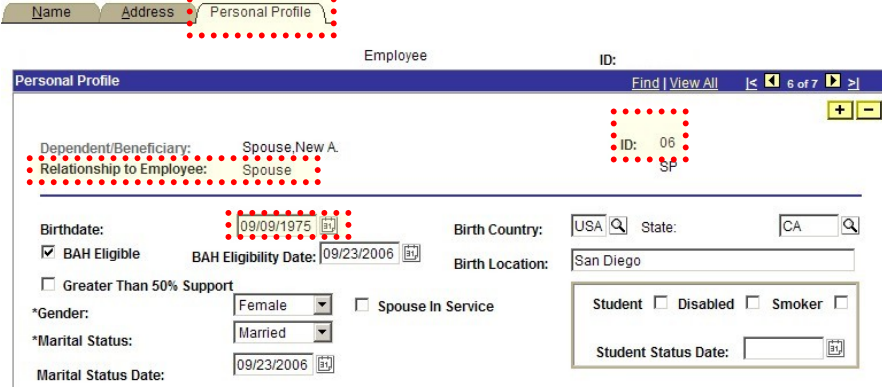
SPO Action for Correction of
Mismatches (cont'd)

Step	Action		
2	Locate the member on the mismatch report provided by PSC:		
	If the verified DOB is	**And**	**Then**
	correct in JUMPS	not correct in Direct-Access	enter the correct date of birth in Direct-Access (See "Correct the Date of Birth in Direct-Access" on the next page). Print a new CG-4170A for the member's validation. No further action necessary because the correct date of birth is in JUMPS and the premium deductions are correct.
	not correct in JUMPS	correct in Direct-Access	a new FSGLI election transaction is required in order to pass the correct date of birth to JUMPS (See "Enter an FSGLI Election Transaction" on the next page).
	not correct in JUMPS	not correct in Direct-Access	enter the correct date of birth in Direct-Access (See "Correct the Date of Birth in Direct-Access" on the next page) and enter a new FSGLI election transaction to pass the correct date of birth to JUMPS (See "Enter an FSGLI Election Transaction" on the next page). Print a new CG-4170A for the member's validation as well.

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Correct the Date of Birth in Direct-Access

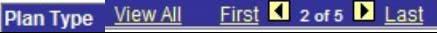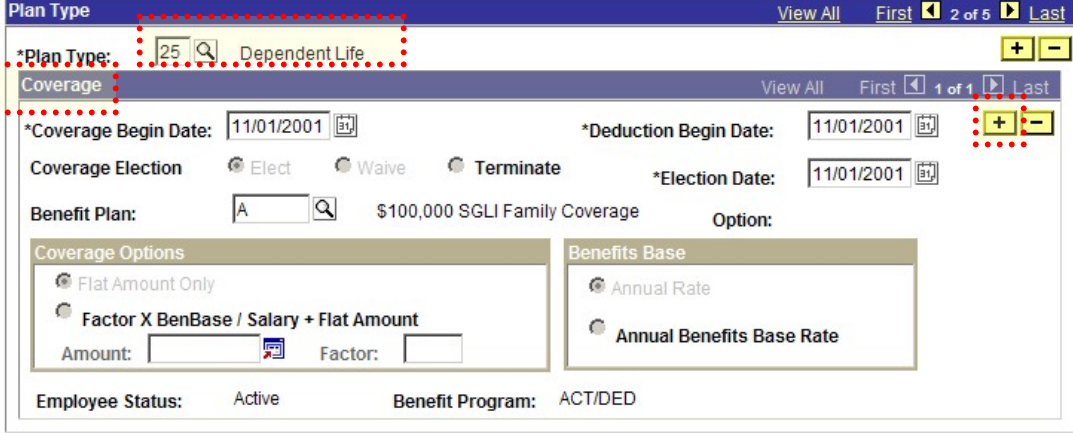Follow these steps to correct the spouse's date of birth in Direct-Access:
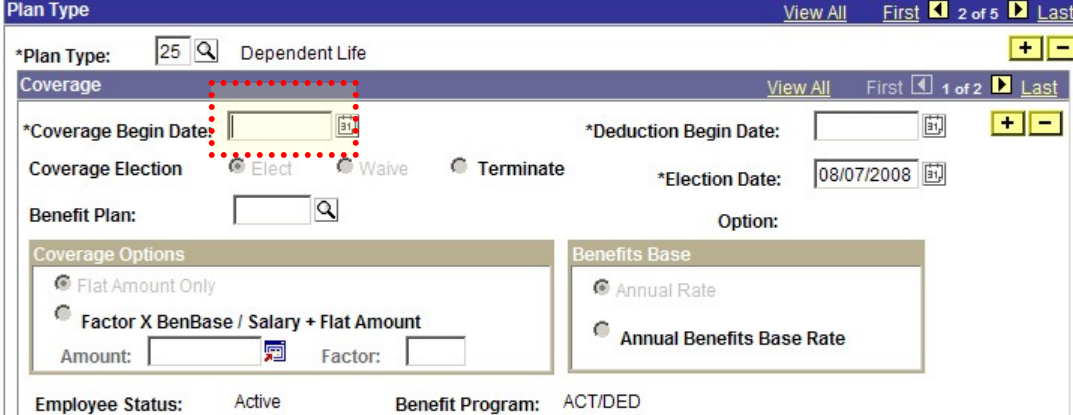
Step	Action
1	Select menu items in the following order: Compensate Employees > Administer Base Benefits > **Use Dependent/Beneficiary**
2	Enter the member's employee ID number and click the search button.
3	The Dependent/Beneficiary Name tab will be displayed. Click on the *View All link*, *Next Arrow button*, or the *Last link* if necessary to locate the row for the member's spouse.
4	Click the **Personal Profile tab:** Enter the correct date of birth in the **Birthdate** field.
5	Click the save button.

Continued on next page

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SGLI PREMIUM DEDUCTIONS

**Enter a FSGLI
Election
Transaction**

Follow these steps to enter a new FSGLI election transaction.
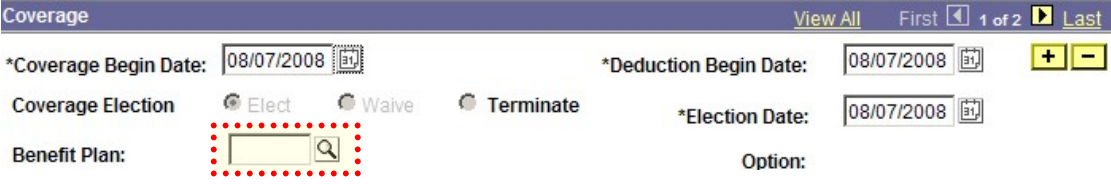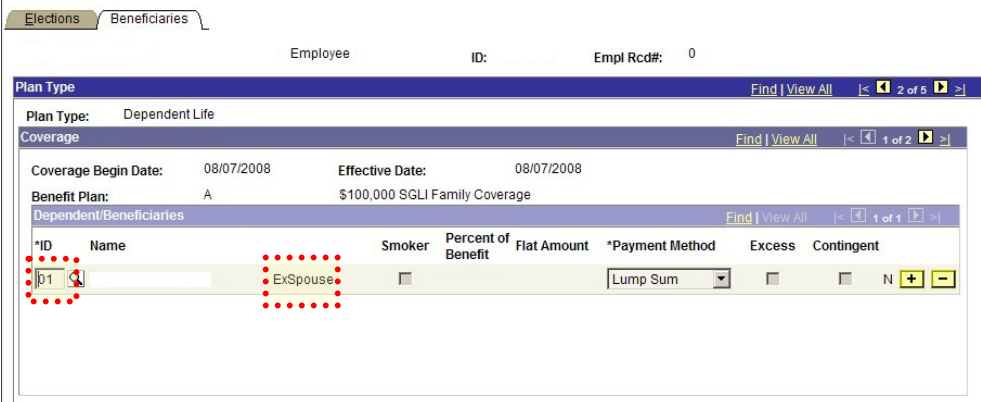
Step	Action
1	Select menu items in the following order: Compensate Employees > Administer Base Benefits > **Life and AD/D Benefits**
2	Use the row navigation buttons/links to go to the *Plan Type 25-Dependent Life* row Plan Type View All First ◄ 2 of 5 ► Last
3	Insert a new row in the **Coverage** section of the *Plan Type 25-Dependent Life* election
4	Enter the current date in the **Coverage Begin Date field.**

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Subj: **PROCEDURES FOR CORRECTING THE SPOUSE'S DATE OF BIRTH FOR FAMILY SGLI PREMIUM DEDUCTIONS**

Enter a FSGLI Election Transaction (cont'd)

Step	Action
5	Enter the **Benefit Plan code** for the coverage amount the member had in effect: Code/Coverage Option 0 Zero Option Family SGLI 1 $10,000 Family SGLI Coverage 2 $20,000 SGLI Family Coverage 3 $30,000 SGLI Family Coverage 4 $40,000 SGLI Family Coverage 5 $50,000 SGLI Family Coverage 6 $60,000 SGLI Family Coverage 7 $70,000 SGLI Family Coverage 8 $80,000 SGLI Family Coverage 9 $90,000 SGLI Family Coverage A $100,000 SGLI Family Coverage
6	Click the **Beneficiaries tab.** *In this example, the member divorced and remarried. The SPO updated dependency data, but they did not stop FSGLI when the member divorced and they did not submit a new FSGLI election when the member remarried.*

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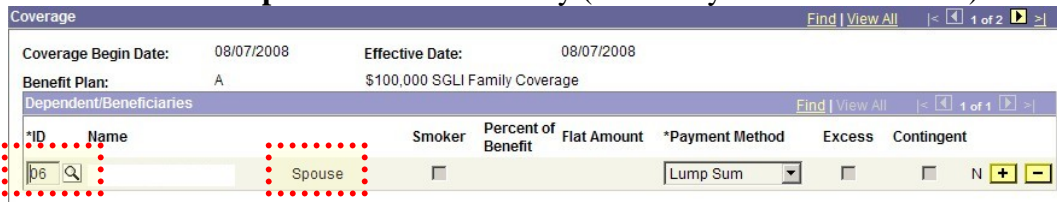

Enter a FSGLI Election Transaction (cont'd)

Step	Action
7	Add the member's **spouse** as the beneficiary (delete any other beneficiaries). *[Screen capture of Coverage panel showing Coverage Begin Date: 08/07/2008, Effective Date: 08/07/2008, Benefit Plan: A, $100,000 SGLI Family Coverage, Dependent/Beneficiaries with ID 06, Spouse, Lump Sum payment method]*
8	Click Save. This will create a new transaction with the correct date of birth for JUMPS processing.

Overpayment / Underpayment of FSGLI Premiums	FSGLI transactions submitted using the above procedure will not generate overpayments (collections) or refunds of premiums. If the corrected date of birth results in a premium change, it will be effective the month following submission of the transaction (an exception is: if transactions are submitted on the first of the month, the premium changes are effective that month). See "Effective Dates" in reference (a) for more information.

Members have a debt if they underpaid FSGLI premiums due to an incorrect date of birth for the current spouse. However, Commandant (CG-1222) determined that it would not be cost-effective to collect these debts. PSC (mas) will not take collection action on cases identified before December 2008 (this is the deadline for SPOs to correct the date of birth discrepancies).

Members who have been overpaying FSGLI premiums, due to a spouse's incorrect date of birth will be due a credit. Upon request of the member, PSC (mas) can refund up to two months of premium overpayments. Requests, which can be submitted via e-mail, must be sent via the SPO to PSC Customer Care.

Per paragraphs 3.H and 3.J of reference (c), request for refunds of more than two months of premiums must be approved by Commandant (CG-1222). The maximum refund is six months and may be approved if there are "very unusual" circumstances. References (c) and (d) explain "very unusual" circumstances; see paragraphs 3.J and 3.H.

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Other FSGLI Issues

References (c) and (d) clearly state member and SPO responsibilities for accurate and timely submission of elections and transactions. The FSGLI program/benefit has been in place for nearly seven years (P.L. 107-14). However, as a result of spot audits (conducted by PSC in support of the CFO audit) and MLC compliance inspections, it appears some key administrative responsibilities have been frequently overlooked:

(1) Enlistments/Appointments. When a member enlists or is appointed in the Coast Guard or Coast Guard Reserve, and the member has a spouse, the SPO shall notify the member that the spouse is automatically insured at the maximum $100,000 level unless the member desires to decline or reduce coverage. The SPO shall input a transaction into Direct-Access to record the member's decision (maximum, reduced, or declined).

(2) Marriage. When a member marries, the SPO shall notify the member that the spouse is automatically insured at the maximum $100,000 level unless the member desires to decline or reduce coverage. The SPO shall input a transaction into Direct-Access to record the member's decision (maximum, reduced, or declined).

(3) Divorce, annulment or death of spouse. When a member has a change in dependency, due to divorce, annulment or death of spouse, the SPO shall input a transaction into Direct-Access to stop the member's FSGLI coverage for the spouse. See reference (f) for procedures.

(4) Birth/Adoption of child. When a member acquires or loses a child dependent, the SPO shall update Direct-Access to record the dependency change. FSGLI provides $10,000 insurance for children as long as the member has any amount of SGLI greater than zero. For children, FSGLI coverage is free.

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Other FSGLI Issues (cont'd)

(5) Reinstating/Increasing family coverage. Members who have declined or reduced FSGLI coverage can later apply for or increase coverage by completing a form SGLV-8285A and providing proof of insurability (proof of good health). Form SGLV-8285A must be retained in the SPO PDR and a copy must be sent to CGPC (adm-3) for the E-PDR. Form SGLV-8285A is not to be purged from the SPO PDR when a new form SGLV-8285, SGLV-8286 or SGLV-8286A is received (these are all different forms).

(6) Spousal notification. Units must notify the member's spouse, by letter, when the member declines SGLI or FSGLI coverage. This is to inform the spouse that they have 120-days from the date the coverage is terminated to convert FSGLI to commercial coverage. A recommended format for the spousal notification letter can be found in reference (e). A copy of the notification letter must be attached to member's form SGLV-8286 (if member declined or reduced SGLI coverage) or form SGLV-8285 (if member declined FSGLI coverage) filed in the SPO PDR.

Questions

Questions regarding the content of this E-Mail ALSPO may be directed to PSC Customer Care at:

☎ (866) 772-8724/(785) 339-2200

🖱 http://www.uscg.mil/hr/psc/ccb/

Released by Internet release authorized.

/s/
M. P. SULLIVAN
Executive Director

Encl (1): Distribution Listing for DA-JUMPS Mismatched Spouse DOB Corrections

SPO	NUMBER OF RECORDS TO CORRECT
CG ACADEMY (PERM PARTY)	11
CG AIRSTA ATLANTIC CITY	11
CG AIRSTA BARBERS PT	14
CG AIRSTA CAPE COD	18
CG AIRSTA CLEARWATER	18
CG AIRSTA DETROIT	1
CG AIRSTA ELIZABETH CITY	13
CG AIRSTA KODIAK	13
CG AIRSTA MIAMI	9
CG AIRSTA NEW ORLEANS	7
CG AIRSTA SACRAMENTO	8
CG AIRSTA SAN FRANCISCO	2
CG AIRSTA TRAVERSE CITY	8
CG ARSC	8
CG ATC MOBILE	19
CG ATTC ELIZABETH CITY	9
CG C2CEN	4
CG CAMSLANT	5
CG ELC	11
CG GP ASTORIA	22
CG GP PORT ANGELES	13
CG GROUP/AIR STATION NORTH BEND	12
GROUP/AIR STATION HUMBOLDT BAY	3
CG HITRON JACKSONVILLE	5
CG HSC	54
CG ISC ALAMEDA	33
CG ISC BOSTON (PERSRU)	25
CG ISC CLEVELAND (PERSRU)	14
CG ISC HONOLULU (SPO)	20
CG ISC KETCH DET JUNEAU	8
CG ISC KETCHIKAN (PERSRU)	18
CG ISC KODIAK	17
CG ISC MIAMI BEACH	18
CG ISC NOLA (PERSRU)	17
CG ISC PORTSMOUTH	63
CG ISC SAN PEDRO (PERSRU)	12
CG ISC SEATTLE (PERSRU)	25
CG ISC ST LOUIS (PERSRU)	12
CG LANTAREA	25
CG MLCLANT	10

Distribution Listing for DA-JUMPS Mismatched Spouse DOB Corrections

SPO	NUMBER OF RECORDS TO CORRECT
CG MLCPAC	21
CG MLE ACADEMY	3
CG MSU MORGAN CITY	4
CG MSU WILMINGTON	9
CG NESU SEATTLE	4
CG PATFOR SWA (SPO)	8
CG PC	28
CG PSC	45
PACIFIC STRIKE TEAM	2
CG RC	22
CG SECTOR BALTIMORE	13
CG SECTOR BOSTON	9
CG SECTOR BUFFALO	9
CG SECTOR CHARLESTON	32
CG SECTOR DELAWARE BAY	16
CG SECTOR DETROIT	25
CG SECTOR GUAM	6
CG SECTOR HONOLULU	10
CG SECTOR HOUSTON/GALVESTON	11
CG SECTOR JACKSONVILLE	37
CG SECTOR KEY WEST	27
CG SECTOR LA/LB	12
CG SECTOR LONG ISLAND SOUND	13
CG SECTOR LOWER MS	12
CG SECTOR MIAMI	17
CG SECTOR MOBILE	25
CG SECTOR NEW ORLEANS	21
CG SECTOR NORTH CAROLINA	19
CG SECTOR NORTHERN NEW ENGLAND	11
CG SECTOR NY	28
CG SECTOR OHIO VALLEY	13
CG SECTOR PORTLAND	8
CG SECTOR SAN DIEGO	38
CG SECTOR SAN FRANCISCO	23
CG SECTOR SAN JUAN	23
CG SECTOR SAULT SAINT MARIE	9
CG SECTOR SE NEW ENGLAND	10
CG SECTOR SEATTLE	7
CG SECTOR ST PETERSBURG	27
CG SECTOR UPPER MISSISSIPPI	12

Distribution Listing for DA-JUMPS Mismatched Spouse DOB Corrections

SPO		NUMBER OF RECORDS TO CORRECT
CG SFO ATLANTIC CITY		3
CG SFO EASTERN SHORE		5
CG SFO GALVESTON		35
CG SFO MORICHES		11
CG SFO SW HBR		6
CG SUPRTCEN ELIZABETH CITY		2
CG TACLET SOUTH		3
CG TISCOM		10
CG TRACEN CAPE MAY		29
CG TRACEN PETALUMA		18
CG TRACEN YORKTOWN		33
CG YARD		5
CGD EIGHT		6
CGD FOURTEEN		2
CGD ONE		8
CGD SEVEN		4
CGD THIRTEEN		7
DEPLOYABLE OPERATIONS GROUP		3
MARITIME SECURITY RESPONSE TM		6
NOAA CORPS PAYROLL UNIT		6
SPECIAL MISSIONS TRAINING CTR		7
USCG SECTOR CORPUS CHRISTI		28
USCG SECTOR LAKE MICHIGAN		28
TOTAL	103	1549