



## PBGC Facing Challenges Head-On

by Executive Director Steven A. Kandarian

Since I last wrote you earlier this year, economic pressures on PBGC have continued to increase. To address this situation, I testified before Congressional committees in August and September about the challenges facing pension plans and PBGC.

I discussed a number of measures the Administration favors to begin to strengthen the private defined benefit pension system.

I remain hopeful that Congress will take appropriate action to help financially ailing pensions return to a sound financial footing. This in turn would serve to strengthen PBGC because well-funded pension plans are less likely to require financial rescue by the agency.

As news reports have indicated, the total amount of ben-

efits that PBGC now owes is greater than the amount of money we have on hand to pay. The difference between

our assets and the benefits we owe is our financial deficit.

When talking about our benefit obligations, however, it should be remembered that we are going to pay these amounts over a

long period of time. In the meantime, we have more than \$30 billion in assets on hand to cover benefit payments of about \$2.5 billion a year, and we will continue to pay benefits while we work with Congress and the Administration on solutions to our financial challenges.

Even though the demands

upon PBGC are growing beyond our expectations, we remain committed to providing you with premier customer service. We know you have high expectations of us and we will work not only to meet those expectations, but to exceed them.

If you have any questions about PBGC or your pension, or if you need any assistance, there are several ways to reach us. You may write to us at: PBGC, P.O. Box 151750, Alexandria, VA 22315-1750; call us using our toll-free telephone numbers listed on the last page of this newsletter; or contact us through e-mail at [mypension@pbgc.gov](mailto:mypension@pbgc.gov). We also encourage you to visit our Web site at [www.pbgc.gov](http://www.pbgc.gov) for the latest news developments, useful publications and other information about how PBGC protects your pension.



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## Have You Heard About the New Health Coverage Tax Credit?

Certain PBGC benefit recipients who are age 55 or over and are covered by qualified health insurance may be eligible for the Health Coverage Tax Credit (HCTC), which is administered by the Internal Revenue Service (IRS). HCTC is a new tax credit that can pay nearly two-thirds of eligible individuals' qualified health plan premiums.

The tax credit is not available to everyone. For example, a PBGC benefit recipient who is entitled to Medicare Part A is ineligible for

the HCTC. A PBGC benefit recipient who is receiving either Medicare Part B or Medicaid is also ineligible for the HCTC.

You may obtain information about this program, including what is considered qualified health insurance, by calling the HCTC Customer Contact Center's toll-free telephone number at 1-866-628-4282 (for TTY/TDD users, call 1-866-626-4282) or by going to the IRS Web site at [www.irs.gov](http://www.irs.gov) — IRS Keyword: HCTC.

## Survey Shows Our Service to You Continues to Improve

PBGC's service to you, our customers, continues to improve according to the 2003 American Customer Satisfaction Index (ACSI) survey. PBGC's score on the ACSI survey improved from 74 last year to 77.

The PBGC score is seven points higher than the federal government's current overall score of 70. The score is comparable to that of private sector life insurance companies also measured in the ACSI. Customers rated PBGC more highly this year on all elements including getting your calls to the right person, handling the call effectively, and treating you with respect.

Here is what one customer said: "The person I talked to actually volunteered to help me. When I didn't get my check she said, 'I'll call the bank.' I didn't have to

talk to them like I was talking to a machine. That is actually unbelievable in this day and age! I got service from a stranger that was like the kind of service she would give to a best friend, sister, or mother."

"To continue improving our service, we will focus attention on resolving concerns and providing more clear and timely correspondence," said Kate Blunt, PBGC's strategic planning director.

We've recently begun using a new program called Customer Relationship Management (CRM) to help improve our service to you. Through this program, PBGC employees will be able to track all contacts with the agency, including phone calls, e-mails, and written correspondence, all from one

location.

We are currently testing this program with just a few plans. When CRM is fully in place, everyone at PBGC who serves you will have faster access to your information to provide more consistent and timely responses to your inquiries.

When PBGC takes over a pension plan, we act quickly to ensure the transition is seamless and problem-free. We normally work closely with administrators of plans being taken over to accurately account for the plans' financial assets and to safely transfer all employees' pension records. In addition, we keep you abreast of news and information about PBGC via our Web site ([www.pbgc.gov](http://www.pbgc.gov)) and other communications including a regular newsletter.

## Survey Reveals Reasons for Requesting Benefit Estimates, Satisfaction with Them

A survey of people who called our Contact Center earlier this year to request estimates of the benefits they will receive when they retire revealed why they made the request:

- 20 percent for long-term planning;
- 32 percent to determine whether to retire now or later; and
- 48 percent for other reasons, many of whom "just wanted to see."

When asked how long it took to receive an estimate, responses varied widely. However, more than 40 percent said they received estimates within 15 days. In addition, 60 percent said they received the esti-

mate after only one request to the agency.

Of those who received estimates, most were pleased:

- 93 percent said the estimate had the necessary information;
- 91 percent said it was clear and understandable;
- 94 percent said it was helpful; and
- 87 percent said it was timely.

Summarizing the survey, PBGC's Strategic Planning Director Kate Blunt said "We're doing a good job with the estimates themselves but we need to make the process faster and easier for everyone who requests an estimate."

## On the Road



**PBGC holds informational meetings for people in large, newly trusted plans as soon as possible after taking over the plan. Participants in plans with scheduled meetings will receive notice from PBGC by mail.**

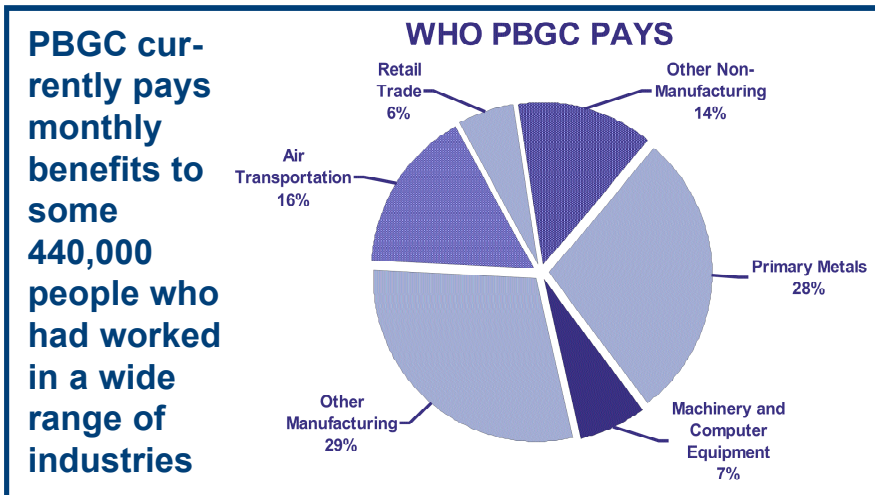
## PBGC Gears Up for Increased Workload

You may have heard through news reports that the number of people due benefits from PBGC is increasing significantly. We want to reassure you that the agency is ready to handle the workload.

To ensure that everyone due a pension from PBGC receives prompt, courteous and satisfactory service, the agency has added staff at its Washington, DC, headquarters and at its 11 Field Benefit Administrator offices

around the nation. Additionally, recent improvements for retrieving information and forms electronically from PBGC's Web site ([www.pbgc.gov](http://www.pbgc.gov)) allow quick and easy access to online services.

While the population that PBGC serves has grown significantly in the past few years, the agency's ongoing efforts to improve services to you, our customers, will ensure that your needs will be met.



## Información en Español

¡El compromiso de la PBGC es brindar el mejor servicio a nuestros clientes de habla hispana!

- # Para recibir información en español, llame al Centro de Información al 1-800-400-7242, y apriete el número 2 en su teléfono.
- Representantes de la PBGC que hablan español estarán listos para responder a sus preguntas.
- # Todas las cartas y formas que explican los beneficios garantizados por la PBGC están disponibles en español.
- # Las personas que deseen apelar una decisión de la PBGC pueden hacerlo en español. Además, si el cliente lo desea, la PBGC puede responder en español.
- # La PBGC puede organizar reuniones para explicar los beneficios en español.
- # Hay tres publicaciones de la PBGC en español, y todas están disponibles en nuestro sitio de la Internet, [www.pbgc.gov](http://www.pbgc.gov).

# La coordinadora de servicios en español para la PBGC es **Orfanny Vanegas**. Si Ud. necesita ayuda, llame al 1-800-400-7242, o escriba a: PBGC, Contacto de Habla Hispana, 1200 K St NW, Room 9109, Washington, DC 20005-4026.



## Keep PBGC Informed

Should you move or change your name or telephone number, PBGC needs this new information to stay in touch with you.

You can use a change-of-address form (Postal Form 3576) from your local post office to let us know if you moved. Simply fill it out and mail it to: PBGC, P.O. Box 151750, Alexandria, VA 22315-1750. To help us properly identify you, we ask that you put the last four digits of your Social Security Number on the line marked "account number."

You can also send an e-mail message to **[mypension@pbgc.gov](mailto:mypension@pbgc.gov)** or call our Contact Center toll-free at the phone numbers listed on this page to provide us with information about changes in your name, address, or phone number.

## Call Before Writing

For faster, more efficient service, please call our Contact Center at the phone numbers listed below before writing us a letter. When you call, we will inform you if we need any information or materials sent to us by mail. Calling before writing saves you the time and effort of writing and may provide immediate answers to your questions or needs.

In order to avoid a wait, it is best to call after the 10th of each month before 10 a.m. or after 3 p.m. Eastern Standard Time (the Contact Center's hours of operation are 8:00 a.m. to 5:00 p.m. Eastern time). In addition, we invite you to browse our Web site (**[www.pbgc.gov](http://www.pbgc.gov)**) as it provides answers to many frequently asked questions about pensions and PBGC's policies and regulations.

## Contact Center Phone Numbers

Bethlehem Steel plan participants	<b>1-800-453-9584</b>
LTV Steel plan participants	<b>1-800-707-7242</b>
National Steel plan participants	<b>1-800-707-7242</b>
All other pension plan participants	<b>1-800-400-7242</b>

TTY/TDD users may call the Federal Relay Service toll-free at 1-800-877-8339 and ask to be connected to the toll-free number listed above for your plan.

Address Service Requested

PERMIT STANDARD  
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PBGC  
Permit No. G-92

Pension Benefit Guaranty Corporation  
P.O. Box 151750, Alexandria, VA 22315-1750

