



# Pension Newsletter

Pension Benefit Guaranty Corporation

Spring 2003

## Protecting Your Benefit is Our Primary Duty

by Executive Director Steven A. Kandarian

Since PBGC's creation as a U.S. government agency in 1974, our mission has been to protect the basic pension benefits that you earned under your defined benefit pension plan. That mission is very important to us because we know what it means to you. After nearly 30 years in operation, we now pay monthly benefits to 355,000 people. Including people like you, who have not yet retired, we are responsible for the benefits of more than 780,000 people and we expect that number to approach 1 million by the end of this year. We know and understand the uncertainty and concern you feel after seeing your pension plan ended. PBGC is here to make sure you receive the pension you worked so hard to earn.

Public reports in recent months have described the financial problems experienced by pension plans like yours. You may also have seen reports that PBGC has some financial challenges of its own. Let me reassure you: With more than \$25 billion in assets, PBGC can pay benefits well into the future. Your pension is secure with PBGC.

We are also taking steps to address our situation and to rebuild the financial strength we



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enjoyed a few years ago. There are no easy answers, but we are working hard, together with other agencies of the federal government and the Congress, to explore all appropriate solutions. Our goal is improved funding of private pension plans to protect workers, retirees and the financial health of the pension insurance system.

If you have any questions about PBGC or your pension, or if you need any assistance, there are several ways to reach PBGC. You may write to us at: PBGC, P.O. Box 151750, Alexandria, VA 22315-1750; call us using our toll-free telephone number of 1-800-400-7242 (TTY/TDD users may call the Federal Relay Service toll-free at 1-800-877-8339 and ask to be connected to our toll-free number); 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.

## Doing Business Electronically With PBGC

As the number of people PBGC serves continues to grow, we recognize the advantages that electronic government offers for improving our responsiveness and quality of service to everyone. To that end, we put a high priority on our goal to have an online self-service center for you, to be called My Pension Benefit Account (*My PBA*), fully operating by the end of this year.

This new service will provide you with round-the-clock access to PBGC for conducting certain electronic business transactions. Initially, you will be able to correct your contact information to reflect changes in your address or telephone number and request electronic direct deposit of your benefit payments after you retire.

Ultimately, we expect *My PBA* will allow you to handle

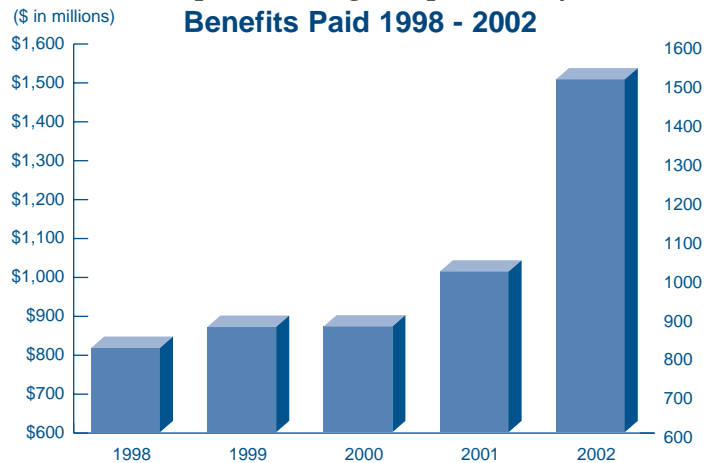
many essential transactions electronically, including applications for pension benefits, beneficiary applications, power of attorney designations, and selection of options for benefit payments.

Look for notices on our Web site later this year announcing the availability of this new service.

# PBGC Completes Record Year for Terminations

In its fiscal year that ended on September 30, 2002, PBGC took responsibility for the benefits of 187,000 participants in terminated plans. This was the largest one-year increase in the number of people owed guaranteed benefits in PBGC's history. Plans terminated during the year included the largest ever taken over by PBGC—the LTV Steel Hourly Pension Plan, which covered some 65,000 workers and retirees. Numerous other large plans ended during the year, including those of Anchor Glass Container Corporation, Polaroid Corporation, Durango Apparel, and Payless Cashways. By the end of the year, PBGC was responsible for the benefits of more than 780,000 people, including about 326,000 people who had not yet retired.

PBGC's benefit payments also grew with the number of people to whom it owes guaranteed benefits. PBGC paid more than \$1.5 billion in pension benefits during the year, nearly 50 percent more than the record amount it paid during the previous year.



## 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 presione el número 2 en su teléfono. Representantes de la PBGC que hablan español estarán dispuestos 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:

### ***Buscar la Pensión***

***Perdida*** es una guía para localizar fondos de pensiones de ex-patronos. Si desea una copia, escriba a: PBGC, Communications and Public Affairs Department, 1200 K St. NW, Suite 240, Washington, DC 20005-4026.

***Su Derecho a Apelar*** es un folleto que explica su derecho a apelar la determinación final de su beneficio calculado por la PBGC. Si desea una copia, escriba a: PBGC Participant and Employer Appeals

Department, 1200 K St. NW, Suite 480, Washington, DC 20005-4026.

***Su Forma Segura de Recibir su Dinero*** explica cómo recibir su dinero directamente por medio de depósito electrónico bancario. Para obtener copias de este folleto, escriba a: PBGC, 1200 K St. NW, Room 8139, Washington DC 20005-4026.

- La coordinadora de servicios en español para la PBGC es **Orfanny Vanegas**. Si Ud. necesita ayuda, llame al 1-800-400-7242, extensión 3143, o escriba a: PBGC, Servicio al Cliente de Habla Hispana, 1200 K St. NW, Room 8139, Washington, DC 20005-4026.

# Service at the Highest Level

“PBGC’s goal is to provide the highest level of service to everyone we serve,” says PBGC Executive Director Steven Kandarian. “We will be satisfied with nothing less.”

PBGC service is indeed improving according to the second annual American Customer Satisfaction Index (ACSI) compiled by the University of Michigan. The ACSI is an internationally accepted measure used by 170 major companies and 50 federal agencies to provide an objective and independent report on customer satisfaction. The 2002 report shows PBGC’s satisfaction score at 74, up from 73 last year and

one point above the government-wide average.

We’re proud of improvements we’ve made in serving customers like you. For example, we have cut in half the time it takes to determine your final benefit amount. And we are trying to get you benefit estimates within 15 days after you make a request. We can’t yet provide this information to everyone because sometimes the information we get from a company takes more time to audit for accuracy. We want to give you the right information. Sometimes it takes us longer to get this done.

There’s still more we can do, though, and the ACSI

results show us that you want quicker answers to your benefit questions and more responsive follow-up from our representatives.

Here are just some of the improvements we are working on right now: online access to information about your benefits, faster final benefit determinations, annual updates on the status of your plan and, more and more often, getting you the information you need during your very first call. We’re aiming high, and we hope you’ll personally experience our devotion to service at the highest level.

## Getting You Information You Need

Our contacts with you via phone calls, letters and surveys reveal that you want to be kept informed regularly about your pension and PBGC.

To keep you abreast of the latest information about your pension and the agency, we:

- Sent you an informational letter at the time your pension plan was taken over by PBGC.
- Mailed you a welcome folder containing informational materials about PBGC.
- Send you this newsletter twice a year to update

you with new information.

- Hold participant meetings across the country when we take over a large pension plan and can easily gather together a significant number of people in the plan.
- Send you a Benefit Determination Letter (after we have carefully reviewed your plan records and information, which can be a lengthy process) with the specific monthly benefit you will receive from us when you retire.

- Maintain a Web site - [www.pbgc.gov](http://www.pbgc.gov) - with specific information on large plans under PBGC’s administration and other important and useful information about PBGC and the federal pension insurance system.
- Provide a toll-free phone number - **1-800-400-7242** - for calls to our Contact Center (for TTY/TDD users, phone the Federal Relay Service at **1-800-877-8339** and ask to be connected to **1-800-400-7242**.)

## The Best Times to Call PBGC

Before calling PBGC for assistance, please keep in mind that the best times to call us are before 10 a.m. or after 3 p.m. Eastern Time (our Contact Center is open for business between 8 a.m. and 5 p.m. Eastern Time, Monday through Friday). You are also less likely to have to wait for a customer service representative if you call after the first week

of each month.

When you phone us, be sure to have your Social Security number ready and, if possible, your PBGC case number. Calling PBGC during non-peak hours of business with your Social Security and case numbers available will help us provide you with faster service.

## Keep PBGC Informed

Should you move or change your name or telephone number, PBGC needs this new information to serve you best.

If you change your address, you can visit your local post office to pick up a change-of-address form (Postal Form 3576). Then simply fill it out and address it to: **PBGC, P.O. Box 151750, Alexandria, VA 22315-1750.**

To help us properly identify you and your records, 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 **1-800-400-7242** to provide us with information about changes in your name, address, or phone number. Up-to-date information helps us stay in touch with you.

*TTY/TDD users, call 1-800-877-8339 and ask to be connected to 1-800-400-7242.*

Address Service Requested

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

