

Pension Newsletter

Pension Benefit Guaranty Corporation
United States Government Agency

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Welcome to PBGC

By Acting Director Vince Snowbarger

Over the last year and a half, PBGC has become responsible for present and future pension payments to some quarter million participants whose pension plans failed during that period.

PBGC exists to back up pension promises made to Americans when their pension plan sponsors cannot keep those promises. Since PBGC was created in 1974, our mission and focus have been to provide security to workers entitled to defined benefit pensions. If you are new to PBGC, we welcome you and want to assure you that, although your pension plan has failed, you have not lost your pension benefit as well. When the time comes for you to begin receiving pension payments, PBGC will be here to provide you the retirement income you're entitled to by law.

Between now and then, you will find that we put a high premium on customer service, to make sure you have the information you need when you need it and to answer your questions accurately and forthrightly.



Vince Snowbarger

I encourage you to visit our Web site, www.pbgc.gov, to learn about how PBGC works, to find the latest news about PBGC, and to take advantage of **MyPBA**, our online service for participants in trustee plans. **MyPBA** is a convenient way for you to conduct business with us electronically, and it's available to you at home throughout the year. You can find more information about **MyPBA** on our Web site at www.pbgc.gov/newusersguide.

If you have questions or problems with your pension, call our Customer Contact Center at 1-800-400-7242. For issues that cannot be resolved by our Customer Contact Center, our participant Problem Resolution Officer is ready to assist you—you can reach the PRO by calling 1-800-400-7242 ext. 4014, by e-mailing participant.pro@pbgc.gov, or by writing to:

Problem Resolution Officer
Pension Benefit Guaranty Corporation
1200 K St. NW, Room 12531
Washington, D.C. 20005

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VIEW THIS AND PAST NEWSLETTERS ONLINE AT www.pbgc.gov/dvnewsletter

Does PBGC Pay Survivor Benefits?

Whether PBGC pays survivor benefits (i.e., payments that continue to a beneficiary upon your death) depends on the form of benefit that you choose when you retire. If you choose a form that provides survivor payments, you will be asked to name the person whom you wish to receive those payments (your beneficiary).

If you are married and choose a form of benefit that does NOT provide survivor payments, or choose a form with survivor payments but name a beneficiary other than your spouse, your spouse will need to consent in writing to your choice. PBGC offers several annuity forms that provide survivor payments:

- A joint-and-survivor (J&S) annuity pays you a benefit for life and, upon your death, pays your beneficiary a percentage of your benefit for his or her life. PBGC offers J&S annuities that pay 50%, 75%, and 100%. For example, with a 50% J&S annuity, your beneficiary's payments will be 50% of the benefit you were receiving.

- A certain-and-continuous (C&C) annuity pays benefits for a set period of time or for your life, whichever is longer. PBGC offers a 5-year, 10-year, or 15-year C&C annuity. If you die before the end of the period, your beneficiary receives your payment for the rest of the period. For example, if you chose a 10-year C&C annuity and died after receiving 7 years of payments, your beneficiary will receive the remaining 3 years of payments.

If you are eligible for a benefit, die before retiring, and are married at the time of your death, PBGC will pay your spouse a pre-retirement survivor annuity. The amount of this annuity will depend on your pension plan; however, this payment often is equal to the survivor portion of the 50% J&S annuity.

For more information, go to www.pbgc.gov/about/faqs.html and click on "Your PBGC Benefit Options."

Open Government at PBGC

PBGC recently published an Open Government page on our Web site (www.pbgc.gov/open) in response to President Obama's Open Government Initiative (www.whitehouse.gov/open). This new page makes important PBGC data sets available to the public for

the first time and explains how you can provide suggestions to improve the Corporation's work and performance. PBGC's newly published information complements the many other Federal agency data sets located at www.data.gov. We plan to add additional data sets in the future.

The data sets are intended to increase our accountability while improving public knowledge of PBGC and its operations. The data is in a downloadable format that works with popular software, so users can easily use the information in their own applications.

PBGC's Office of Inspector General Is Vigilant Against Pension Fraud and Abuse

PBGC's Office of Inspector General (OIG) works to detect and prevent fraud, waste, abuse, and violations of law, as well as to promote the efficiency and effectiveness of PBGC's operations. PBGC and the IG take pension fraud very seriously and aim to prevent it. Here are two examples of the office's work to investigate and prevent pension fraud against retirees:

- OIG investigated a case in which a person's benefits continued after his death and discovered his companion continued to spend the payments. The office initiated recovery procedures that resulted in the companion repaying PBGC approximately \$10,000 in pension overpayments.

- OIG assisted in recovering more than \$54,000 from a man who failed to report his aunt's death to PBGC. The nephew continued to receive and cash his aunt's pension payments from PBGC after her death. The nephew admitted to appointing himself as beneficiary and to using government funds to which he was not entitled.

If you suspect fraud or illegal activities have been committed against yourself, a family member, a friend, or PBGC, please contact the OIG Hotline: call 1-800-303-9737, or write to OIG Hotline, P.O. Box 34177, Washington DC 20043-4177, or via the Web at <http://oig.pbgc.gov/investigation/details.html>.

Changes Made to the Health Coverage Tax Credit

The Health Coverage Tax Credit (HCTC) Program is administered by the IRS and can help you and your family save on health insurance. Legislation contained within the 2009 American Recovery and Reinvestment Act enhanced the HCTC.

One of the most significant changes is that the tax credit now pays 80% of health insurance premiums for eligible individuals. Additionally, you can be reimbursed for payments you made to qualified health insurance during the enrollment period for the monthly HCTC Program.

The most recent change—starting in January 2010—allows your family members to continue to receive the HCTC for up to 24 months after certain life events, such as your enrollment in Medicare. For more information on this and other important changes to the HCTC, visit the HCTC Web site at www.irs.gov/hctc.

To receive the HCTC, you must be 55 years or older, receiving annuity payments or a lump sum from PBGC, and enrolled in a qualified health plan. If you have questions about your eligibility or would like to learn more about the program and how to register, call the HCTC Customer Contact Center at 1-866-628-4282 (TTD/TTY: 1-866-626-4282).

Include Pension Information in Your Estate Plan

When you make or amend your estate plan, the document should include pertinent information about your pension for your beneficiaries and next-of-kin. The name of your pension plan or plans, your Social Security number, and power-of-attorney information (if applicable) should be included.

In settling your estate, PBGC **must** be notified following the death of a person covered by a pension plan under our administration.

PBGC Newsletter Alert Now Available

PBGC's current and past newsletters for future retirees are available online. Now you can sign up to receive an automatic e-mail alert when a new issue is published. This service is free and can be canceled at any time. To sign up, visit the newsletter page (www.pbgc.gov/dvnewsletter) and click "Sign up to receive Future Retiree Newsletter e-mail updates."

Your Military Service and PBGC: What You Should Know

If you were serving in the military when your pension plan ended, you may be due a higher benefit from PBGC. The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) protects the reemployment rights of veterans. It also provides certain protections for pension benefits.

USERRA grants pension service credit during your military service if, soon after leaving the military, you returned to work for the employer that sponsored the plan. Until recently, PBGC guaranteed this additional service only if you returned to work **before** your pension plan ended, but new regulations allow PBGC to recognize this service even if you returned to work **after** the plan ended.

You could be affected by this change if:

- you were serving in the military when your plan ended; and
- you returned to work for the same employer shortly after leaving the military; and
- PBGC did not already include this service in your benefit calculation.

If you meet these requirements, PBGC will calculate your retirement benefit including your military service up to the date the plan ended.

Please call us at 1-800-400-7242 if you think you are affected by this change. If we do not have your military information, we will ask you for some documentation from your company and from the military to establish your eligibility.

Información en Español

Para recibir la Hoja Informativa en español, llame a nuestro Centro de Contacto del Cliente al 1-800-400-7242. Para los usuarios del servicio TTY/TDD, llame al Servicio de Retransmisión Federal, al número telefónico gratuito, 1-800-845-6136, y pida que lo comuniquen con el 1-800-400-7242. Además hay varias publicaciones de PBGC en español y todas están disponibles bajo el icono “en Español” que se encuentra en la parte superior de la página principal de nuestro sitio Web, www.pbgc.gov.

Las coordinadoras de servicios en español para la PBGC son Orfanny Vanegas y Linette Henry. Si usted necesita ayuda, llame al 1-800-400-7242, envíe un mensaje a foreignlanguagesupportteam@pbgc.gov, o escriba a: PBGC, Contacto de Habla Hispana, PBGC, P.O. Box 151750, Alexandria, VA 22315-1750.


Keep Us Informed. Call 1-800-400-7242

It is important to let us know when you have a change in address, e-mail address, or telephone number. You can do this by using our online service, **MyPBA**, which is available at www.pbgc.gov/mypba, or by calling our Customer Contact Center toll-free at 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 PBGC's toll-free number.] You may also write to us at: PBGC, P.O. Box 151750, Alexandria, VA 22315-1750. If you write us, please include **your full name, the pension plan name, the pension plan number, and the last four digits of your Social Security Number** on your correspondence. It also helps to include **your current e-mail address**.

Our Customer Contact Center is available to receive your calls Monday-Friday, 8:00 a.m. to 7:00 p.m. Eastern time. In order to avoid a wait, however, it is generally better to call after the third business day of each month and on a Wednesday, Thursday, or Friday. If you do call during a busy time, you don't have to hold for the next available representative. Instead, you have the option to request that the next available representative call you back. Your request actually holds your place in line and you can generally expect to receive a call back within 10 minutes. Our system will automatically dial back the telephone number you indicate, but you must be using a touch-tone telephone. The representative will make three attempts to reach you in case you step away from your telephone momentarily.

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