

*Your
Federal
Survivor
Benefits*



United States
Office of
Personnel
Management

Retirement and
Insurance
Services

YOUR FEDERAL SURVIVOR BENEFITS

PERSONAL STATISTICS

This Explanation of Benefits was prepared
as of July 18, 2004

Dear SUSAN SMITH

As the survivor of a former Federal employee, you are entitled to receive certain benefits from the Federal Government. This *personalized* booklet describes your monthly benefits, and provides other essential information. Review it carefully and keep it with your important papers and documents.

This has to be an especially difficult time for you. The Office of Personnel Management (OPM) can explain your survivor benefits in detail and answer all your questions. We can be reached toll-free at 1-888-767-6738 (Annuitants in the Washington, DC area should call 202-606-0500).

Please use us as a resource if you are unsure about the benefits to which you are entitled. OPM looks forward to serving you in the years ahead.

Joseph E. Donald, Jr.
Assistant Director
Retirement Services Program
Office of Personnel Management

Name:	SUSAN SMITH
Civil Service Final (CSF) Number:	CSF 1 111 222
Social Security Number:	999-99-9999
Date of Birth:	10/24/1952
Retirement System:	CSRS
Beginning Date of Benefits:	06/08/2004
Current Correspondence Address:	SUSAN SMITH AND FOR 1 CHILD 1111 JACKSONVILLE ANYWHERE AR 12345

The amounts shown in this booklet are based upon records on file with us as of July 18, 2004. If you believe any of this information is incorrect, please contact us at once. See the chapter "How to Contact OPM" in this booklet for instructions. Please keep this with your personal records for future reference.

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MONTHLY SURVIVOR BENEFIT

Monthly Benefit

Survivor benefits began: June 8, 2004
Date of first regular monthly payment: August 1, 2004
Initial gross monthly survivor benefit payable to you: \$1,514.00

Survivor benefits are payable on the first business day of each month. Each monthly payment represents benefits for the prior month. (e.g., the August 1, 2004 payment is for the month of July).

MONTHLY SURVIVOR BENEFIT

Monthly Additions And Deductions

The net amount of your first regular payment: \$1,175.39

If the net amount changes for any reason, we will send you a Notice of Annuity Adjustment explaining the change.

Total Gross Monthly Benefit \$1,514.00

Less:/Plus:

Health Benefits Premiums -\$331.61

Federal Income Tax -\$7.00

Net Monthly Benefit \$1,175.39

Total Gross Annuity includes: \$1,121.00 for you and \$393.00 you will receive on behalf of 1 child/children in your care.

See Retroactive Benefits Explanation for adjustment payment information.

BENEFIT SUMMARY

The following information summarizes the survivor benefit payable to you.

Basis Of Computation

Your current spouse survivor annuity is based upon an election made by the annuitant of the full amount of the retirement annuity prior to reduction to provide the survivor benefit, then increased by subsequent cost-of-living adjustments (COLA's).

The amount of child/children's survivor benefits are set by law, subject to cost-of living adjustments, regardless of the deceased parent's Federal retirement annuity or salary amounts.

We credited payment of \$1,288.00 to cover military service performed after December 31, 1956. This payment amount is included in the retirement contributions shown in the Contributions and Tax Information chapter. That payment permits continuation of credit for all military service regardless of eligibility for Social Security benefits.

Children's Benefits

Any dependent, unmarried child under age 18 (or disabled child over 18 if disabled prior to age 18, or full-time students under age 22) may be eligible for a survivor annuity.

BENEFIT SUMMARY

According to our records, 1 child/children of the deceased in your care are currently eligible for monthly survivor benefits. You will receive \$393.00 on their behalf. Please let us know if the status of any of the child/children changes in a way that will affect eligibility for benefits (i.e., if they reach age 18 and are neither disabled nor a student, recover from a disability after age 18, reach age 22 as a student, cease being a full-time student prior to age 22, or marry at any age).

BENEFIT SUMMARY

Benefits End

All survivor annuities end when the survivor dies, if not before. Survivor annuities are payable through the end of the month prior to the date of the event that ends eligibility for the annuity.

Survivor annuities payable to widows, widowers, and former spouses end if the survivor remarries before age 55 and was not married for at least 30 years to the deceased employee or annuitant. Widows, widowers, and former spouses who remarry after they turn 55 continue to be eligible for survivor annuity benefits. The survivor annuity for a former spouse who is entitled because of a court order ends if the terms of the court order are satisfied.

Insurable-interest survivor annuities are payable for the life of the survivor, regardless of age or marital status.

A child's survivor annuity ends if the child: marries at any age; reaches age 18 and is neither disabled nor a student; reaches age 22 as a student; ceases being a full-time student after age 18 but prior to age 22, or; recovers from a disability after age 18 and is not a student.

If you are receiving a FERS Supplementary Annuity, that portion of your annuity will end (1) if you remarry before age 55, (2) if you receive Social Security Mother's, Father's or Disabled Widow(er)'s benefits before age 60, or (3) when you reach age 60.

HEALTH INSURANCE BENEFITS

Your Federal Employees Health Benefits coverage is described below:

Your plan name:	GEHA BENEFIT PLAN Self-And-Family
Enrollment code:	312
Your cost each month:	\$331.61
Government share:	\$600.36
Total cost:	\$931.97

Other Information

Self and Family

You are enrolled under a Self and Family plan. You may change to Self Only at any time. However, if you switch to Self Only, you can only change back to Self and Family under special circumstances such as: the birth or adoption of a child of the deceased, loss of other health insurance by a child of the deceased, or an Open Season. A new spouse or a new spouse's children cannot be covered by your health benefits as a survivor annuitant. Family members who lose coverage under your plan (i.e., a non-disabled, dependent child who reaches age 22) may qualify for Temporary Continuation of Coverage (TCC) for up to 36 months. Under TCC, the covered individual must pay the full cost of coverage (individual and government share), plus an administrative fee of 2%.

HEALTH INSURANCE BENEFITS

Medicare

Medicare is the primary health benefits provider for most eligible individuals age 65 and over. When you reach age 65, you should contact your local Social Security office or call the toll-free number for the Social Security Administration: 1-(800) 772-1213 1-(800) 325-0778 (TDD)

Health Benefits Open Season

Once a year, in November and December, we hold a Health Benefits Open Season during which you can change plans, or switch from Self Only to Self and Family (if eligible). We will provide information prior to the beginning of Open Season. Open Season material should be carefully read, as it contains information on premium changes and plans that are no longer available. If you have not received the information package by early November, please call us.

CONTRIBUTIONS AND TAX INFORMATION

Retirement Contributions

The amount of contributions credited to the deceased's retirement account was \$50,023.00.

This amount includes the deposit made to cover military service after December 31, 1956.

Total gross annuity paid to the deceased was \$66,734.10. There are no contributions left in the account, and we will make no lump sum payment of retirement contributions at death. However, you will continue to receive your monthly annuity, even though benefits paid exceed contributions. Depletion of retirement contributions has no effect on survivor annuity benefits elected.

Federal Income Tax

Your survivor benefit is subject to Federal income tax. However, because the deceased already paid Federal income tax on his or her retirement contributions, an amount equal to those contributions may be received as tax-free income.

Whether you can receive a portion of your survivor annuity tax-free depends upon when the deceased retired and whether or not he or she already recovered all retirement contributions as tax-free income. To determine whether you are entitled to a tax exclusion for part of your survivor annuity, and to compute the monthly tax-free amount if applicable, you should ask the Internal Revenue Service for their Publication 721, Tax Guide to U.S. Civil Service Retirement Benefits.

To ask for this and other publications, you can call the IRS at 1-800-829-3676 or visit the IRS web site at www.irs.gov.

CONTRIBUTIONS AND TAX INFORMATION

Federal Income Tax Withholding

Your survivor benefit is subject to Federal income tax withholding.

Because you have not provided us with Federal income tax withholding instructions, we are required to withhold Federal tax at the rate applicable to a married person claiming three withholding allowances. If you want to change your withholding election you can do so through our automated telephone system or our web site see chapter on How To Contact OPM.

You can start, stop, or change your Federal income tax withholding at any time by calling our automated telephone system. See chapter on How To Contact OPM for detailed instructions.

State Income Tax

We cannot provide specific information on the tax treatment of your survivor benefits for state tax purposes. You should contact your state tax office for further assistance.

We can, however, withhold Arkansas income tax from your survivor benefit. You will need to provide us with the specific dollar amount you want withheld each month (whole dollars only, minimum amount \$5.00). To start, stop, or change your state income tax withholding, call our toll-free automated telephone line, Annuitant Express, at 1-800-409-6528, or the Retirement Information Office at 1-888-767-6738.

See chapter on How To Contact OPM for detailed instructions.

RETROACTIVE BENEFITS EXPLANATION

Adjustment Payment Information

You are due a net retroactive payment of \$1,074.88.

That amount represents the difference between the interim payments already made to you, and the full amount you were due. The following explains the computation of this adjustment payment.

Gross Benefits due from 06/08/04 through 06/30/04	\$1,594.26
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Less:/Plus:

Health Benefits Premiums	-\$331.61
Standard Optional Life Insurance	-\$1.36
Federal Income Tax	-\$183.00
Basic Life Insurance	-\$3.41

Net adjustment due you	\$1,074.88
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This amount due you will be paid in a separate check which you should receive shortly.

HOW TO CONTACT OPM

Calling About Your Benefits

You may call our Retirement Information Office at: **1-888 US OPM RET (1-888-767-6738) or (1-800-878-5707) (TDD)***

Customers within the Washington, DC, calling area must call: **(202) 606-0500 or (202) 606-0551 (TDD)***

We are committed to providing you with the best customer service possible. Please have your survivor annuity claim (CSF) number available when you call. When you call us at the number shown above, you will be greeted by an automatic answering system which will guide you through a menu listing the topics our customers call about most frequently.

*Telecommunications Device for the Deaf

Using The Automated System

To use this system's automated features, you will need your survivor annuity claim (CSF) number and the Personal Identification Number (PIN) which we will send shortly. Although the automated system is available to you, you have the option of talking to a Customer Service Specialist.

If you call on a rotary telephone, you will not be able to use the automated features. However, you can stay on the line, and your call will be sent to a Customer Service Specialist.

The automated system is available seven days a week. Customer Service Specialists are available from 7:30 am to 7:45 pm Eastern time, Monday through Friday. They are not available on Federal holidays.

HOW TO CONTACT OPM

What You Can Do By Telephone

Almost all of the business you will ever need to conduct with us can be done over the telephone. Below is a sample of the many things that can easily be processed based on your call:

- * Report a lost or missing payment.
- * Sign up for direct deposit, or change your address.
- * Start, stop, or change your Federal income tax withholding.
- * Start, stop, or change your state tax withholding.
- * Sign up for or change a U.S. Savings bond allotment.
- * Make a health benefits open season change.

We continue to add features to our automated system to make it easier for you to take actions for yourself instead of having to wait for us to act. If you need to contact us, call first; in most cases, the telephone call will be all we need.

Contacting Us On The Internet

Our Internet address is: <http://www.opm.gov/retire/>

We provide benefit information and assistance on the Internet. You will find retirement brochures, forms, and other information at this site.

You can also make most of the changes listed above through our web site. To do so, you will need your survivor annuity claim (CSF) number and the Personal Identification Number (PIN) which we will send shortly.

HOW TO CONTACT OPM

Contacting Us In Writing

We are arranging to handle more and more retirement business based on telephone calls from our customers. This is because there are many things you can do for yourself without assistance. More importantly, most of the business you will ever need to conduct with us can be done by telephone without the need to write.

If you need to write, our mailing address for general correspondence is:

U.S. Office of Personnel Management
Retirement Operations Center
Post Office Box 45
Boyers, PA 16017-0045

Please include your CSF claim number with your correspondence to insure prompt and accurate response.

Visiting Us In Person

You are also welcome to visit us in person. Our Retirement Information Office is located at:

U.S. Office of Personnel Management
Central Retirement Information Office
Room 1323
1900 E Street NW
Washington, DC 20415

You will need to bring some form of identification to enter the building.

HOW TO CONTACT OPM

Other Useful Telephone Numbers

In addition to contacting OPM, you may also need to contact the following Federal agencies and programs:

Thrift Savings Plan:	(504) 255-8777 (Thrift Line) (504) 255-6000 (Information) (504) 255-5113 (TDD)
Social Security Administration:	1-(800) 772-1213 1-(800) 325-0778 (TDD)
Centers for Medicare and Medicaid Services (formerly HCFA):	1-(800) 633-4227 (MEDICAR)
Internal Revenue Service:	1-(800) 829-1040 (General Tax) 1-(800) 829-3676 (Publications and Forms)
Federal Long Term Care Insurance Program (FLTCIP) www.LTCFEDS.com	1-(800) 582-3337 1-(800) 843-3557 (TDD) Call or visit the website to find out if you're eligible to apply for this insurance, or if you have questions about existing coverage.
Federal Employees' Group Life Insurance (FEGLI) Program www.opm.gov/insure/life	1-(800) 633-4542 Call or visit the website if you have any questions about the status of a filed life insurance claim.

COST OF LIVING, ADJUSTMENTS AND NOTICES

COLA Increases

We will periodically increase your annuity based on Cost of Living Adjustments (COLA's) provided by law. Shortly before you receive your new payment amount, we will send you a Notice of Annuity Adjustment showing the payment change.

Future Check Adjustments

Your health insurance premium can change each year, effective January 1. Any change in premiums will appear in your February 1 payment, which represents your annuity and insurance premium deduction for the month of January.

As your various monthly deductions change for any reason, we will send you a Notice of Annuity Adjustment explaining the change.

COST OF LIVING, ADJUSTMENTS AND NOTICES

Other OPM Notices

Each October, we will send you information about the upcoming Health Insurance Open Season (see Health Benefits chapter). That material will explain what kind of changes you can make in your coverage, what your new premiums will be, and if you do make a change in coverage, we will send you a confirmation that the change has been made.

By the end of each January, we will send you a form 1099R, Statement of Survivor Annuity Paid. This statement will report how much you received from OPM, any Federal and state taxes withheld, and should be used to file your tax return(s). If you do not receive the statement, please call our Retirement Information Office at: **(1-888-767-6738)**. Customers within the Washington, DC, calling area must call: **(202) 606-0500**.

Each time we update your address (either your direct deposit information, or your correspondence address), we will send you a confirmation of that change and let you know which will be the first payment to go to the new address, if applicable.

We recently sent you a Retirement Services Reference Card, to keep as a permanent record of your retirement claim number.

PAMPHLETS AVAILABLE

These are some of the pamphlets and forms available by contacting OPM:

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|----------|-------------------------------------------------------|
| RI 25-26 | Information For Survivor Annuitants |
| RI 25-27 | Survivor Benefits For Children |
| RI 79-2 | FEHB Information For Retirees and Survivor Annuitants |

KEEPING YOUR ADDRESS UPDATED

SUSAN SMITH
AND FOR 1 CHILD
1111 JACKSONVILLE
ANYWHERE AR 12345

We recommend that you make arrangements to have your benefits sent directly to your financial institution by direct deposit. Direct deposit offers a safe and convenient way to receive your monthly benefit.

It is very important that you keep your address up-to-date. Besides your monthly benefit, we will be sending a wide variety of important information to you, and it is important that you let us know each time your address changes.

Providing your new address to us is easy. Just call our Retirement Information Office at 1-888-767-6738 (202-606-0500, Washington, DC area). We will be happy to take the information over the phone.

SUSAN SMITH
AND FOR 1 CHILD
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