

Pension Newsletter

Pension Benefit Guaranty Corporation
United States Government Agency

Fall/Winter 2006



A Quieter Year for PBGC

By Interim Director Vince Snowbarger

I am happy to report that the past year has been a quieter time for PBGC. There have been fewer pension plan terminations than in any of the preceding five years and, as a result, PBGC has had to take responsibility for the pensions of only 46,000 people in 2006—about one-sixth the number the agency took in during 2005.

PBGC also stands to get some financial relief from the pension reform bill passed by Congress and signed into law by President Bush. The biggest benefit will be a substantial increase in the amount of premium revenue PBGC expects to collect in coming years. This is not to say that PBGC's financial problems have gone away. The agency's financial position is improving, but PBGC continues to owe billions more in benefits than it currently has the funds to pay. Over time, however, we are hopeful that the new funding rules and other protections in the pension reforms will help return the insurance program to solvency and enable it to meet all of its benefit obligations.



Vince Snowbarger

While we work to implement the new law, our highest priority remains to provide you with the best customer service possible. PBGC's Customer Contact Center is ready to assist you with your requests and can be reached by telephone toll-free every weekday between 8 a.m. and 7 p.m. Eastern time (see p. 4). Our online service—My Pension Benefit Account (My PBA)—is yet another way for you to conduct business with PBGC and is available around the clock, seven days a week (see p. 2). To use My PBA, simply go to the

Workers & Retirees page of PBGC's Web site (www.pbgc.gov) and find the section labeled "Access Your Pension Account." From there you can open an account or log in to your existing account. Our Web site can also provide you with the latest news about PBGC, copies of our publications, and specific information about your pension plan.

We always welcome your ideas for how we can improve our service to you. Please feel free to call our toll-free telephone number or send us an e-mail at mypension@pbgc.gov with your suggestions.

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Electronic Deposit: Safe, Secure and On Time

When it's time to begin receiving your pension from PBGC, consider signing up to have your payment deposited electronically to your bank account. When PBGC sends your payment electronically, your benefit amount is transferred to your account on the same date every month and your funds are available sooner than if you have to cash or deposit a mailed check.

Electronic deposits are safe, secure and simple. And they eliminate the risk of lost or stolen pension checks or postal delays. To begin receiving your benefit payments electronically, use My PBA or call our Customer Contact Center.

Your Information Is Secure

PBGC has taken measures to ensure your personal data is secure when you use online services at our Web site, www.pbgc.gov. PBGC employs a security system when we process information received from any form on the site. We do not store any personal data from people on the site. This makes identity theft or computer fraud through use of our Web site highly unlikely to occur.

Are You Aware of Pension Fraud?

To confidentially report pension fraud, waste, or mismanagement, contact the PBGC Office of Inspector General Hotline by:

- ◆ Calling 1-800-303-9737;
- ◆ Visiting our Web site at: <http://oig.pbgc.gov>; or
- ◆ Writing to: Pension Benefit Guaranty Corporation, Office of Inspector General, P.O. Box 34177, Washington, DC 20043-4177.

Use “My PBA,” PBGC’s Online Pension Service

With “My PBA,” PBGC’s online pension service, you can update your personal information to:

- ◆ Designate a beneficiary.
- ◆ Request a benefit estimate.
- ◆ Start the application process.
- ◆ Change your contact information.

My PBA offers a number of advantages to you:

- ◆ It’s easy to use.
- ◆ It’s fast, free, and available 24 hours a day, seven days a week.
- ◆ Online transactions are safe, confidential and completely secure.
- ◆ Forms are processed faster online. There is no waiting for forms in the mail.

To get started, go directly to:
www.pbgc.gov/mypba.

Have a Problem With “My PBA”?

If you are unable to create an account with PBGC’s online service, My PBA, you may have an inaccurate pension plan name or PBGC case number. Or, your pension plan may not yet be eligible for an online account.

When this occurs, you will receive a message that My PBA could not match your plan name or number or that your plan is not eligible for an account. You will then be requested to call our Customer Contact Center for assistance. Before you call, have ready any materials or letters you received from PBGC with your pension plan name or case number.

If you have created an account and are having difficulty logging in with a new temporary user ID and password, make certain you are entering your user ID and password **exactly** as shown in the e-mail you received from PBGC. The user ID is all capital letters. The password is a combination of letters and numbers.

Get Help with Health Insurance Costs

If you are between the ages of 55 and 65 and not eligible for Medicare at the time you begin to receive PBGC benefits, you may be eligible for a tax credit that helps pay for qualified health insurance. If you are eligible, you can use the Health Coverage Tax Credit (HCTC) to pay 65% of the cost of your qualified health insurance. The HCTC, administered by the Internal Revenue Service, is available as an advance tax credit for monthly health coverage payments or as a refundable credit you claim on your federal tax return.

If you are eligible for HCTC, you may also be able to apply for National Emergency Grant (NEG) funds, which are available in certain states to help individuals pay for qualified health coverage until they begin receiving the advance tax credit through the HCTC Program. Contact the U.S. Department of Labor at 1-877-US-2JOBS (1-877-872-5627) and ask if your state has a NEG Program. For more information about the HCTC, visit the IRS Web site at www.irs.gov (IRS Keyword: HCTC), or call the HCTC Customer Contact Center at 1-866-628-4282 (TTD/TTY: 1-866-626-4282).

Consider Having a Power of Attorney

At some time, you may want to choose someone to deal with PBGC on your behalf. You can do this by submitting a power of attorney form. This form allows you to authorize another person to act as your agent to do specific things, such as apply for pension benefits or respond to PBGC's request for information or documents.

PBGC's Power of Attorney form is available:

- ◆ online at www.pbgc.gov/docs/715.pdf, or
- ◆ by calling PBGC's Customer Contact Center.

When calling, please have your Social Security number, plan name and PBGC case number ready. Note that this form cannot be used during periods of incapacity, which requires a durable power of attorney. Call our Customer Contact Center for information on a durable power of attorney.

Your Pension and Divorce

If you are getting a divorce or a legal separation, a court may treat your pension benefit as an asset of the marriage that can be divided along with other marital property as part of a divorce settlement. PBGC will pay part or all of your pension benefits to your spouse, former spouse or dependent children only under a qualified domestic relations order (QDRO).

PBGC's booklet, *Qualified Domestic Relations Orders & PBGC*, is available to help your attorney and others who prepare domestic relations orders in a divorce or legal separation. The publication reviews the agency's requirements for court orders that divide pensions and includes model orders that may be used to draft domestic relations orders for terminated plans that PBGC administers.

The publication is being updated, and the new edition will be available in the near future. Until the update is completed, you may view the current online version of the booklet on PBGC's Web site at www.pbgc.gov/divorce.htm.

If you already had a QDRO when PBGC took over your plan, the agency will review the QDRO. If we have questions, we will contact all the parties involved.

Help PBGC Find People Owed More than \$97 Million in Benefits

Since we started our Pension Search Directory a decade ago, we have located more than 22,000 people owed more than \$107 million in pension benefits. The average amount owed has been \$5,688. Currently, we are seeking information on more than 37,000 people owed more than \$97 million.

We need your help to find these people. They could be your relatives, co-workers, neighbors or friends, and you can help them

claim a benefit they may have forgotten about. The best part is helping them find their benefit.

If you know the person's name, the company they worked for, or even the state where the company was located, you can use our Pension Search Directory for assistance. Simply access our Web site at www.pbgc.gov/workers-retirees. Scroll down to the section headed "Pension Search: Help us find missing participants" and click on the words "Search a

list of plan participants we are looking for." The Pension Search page allows you to search the list by the person's name, by the name of the company the person worked for, or by state. Should you find someone, click on the name and answer the following questions with any information you can provide. This can be a current mailing address, dates of employment, or the person's e-mail address. Then click on "submit" and we will take it from there.

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 telefónica 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, 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

Let us know when you have a change in address, name or telephone number by using our online service, My PBA, which is available at www.pbgc.gov/mypba, or by calling our Customer Contact Center toll-free at 1-800-400-7242. You may also write to us at: PBGC, P.O. Box 151750, Alexandria, VA 22315-1750. 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.

Our Customer Contact Center is available to receive your calls Monday-Friday, 8:00 a.m. to 7:00 p.m. Eastern time, by dialing: **1-800-400-7242**.

Address Service Requested

PRESORT STANDARD
POSTAGE AND FEES
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