

BEST NEWSLETTER

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EBIS: www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm



2003 Edition, Issue 5 – December 2003

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Comments from Our Branch Chief

For 2003, we saw the roll-out of two new benefits programs for Federal employees: Thrift Savings Plan (TSP) Catch-Up Contributions and the Flexible Spending Account (FSA) Program. Although both programs are an excellent benefit for Federal employees, enrollment is not automatic; you have to elect to participate each year.

TSP Catch-Up Contribution enrollment for 2004 became available for eligible employees beginning 30 Nov 03. Enrollment is not tied to an open season, so eligible employees may enroll or make changes in enrollment for 2004 at any time.

Flexible Spending Account (FSA) Open Season enrollment for 2004 has been extended until 15 Dec 03. The amount you may contribute to a Health Care FSA has increased from \$3,000 to \$4,000 and over-the-counter medicines are now reimbursable.

We also have a new 1-800 phone number. See the next article for details.

MARIA F. MOLLY

Chief, Benefits and Entitlements Branch

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New 1-800 Phone Number

As the result of an Air Force Customer Transformation effort to link together personnel and payroll call centers, Air Force has established a **new 1-800 number**.

All Stateside callers, including those located in the San Antonio, Texas area, **should begin using the new number now: 1-800-616-3775**. To reach the BEST automated system, press 2 for Air Force serviced civilian employee, then 2 for BEST Benefits and Entitlements services. If calling from overseas, you'll continue to use our existing number for now, first dialing the toll-free AT&T direct access number for the country you are calling from, then 800-997-2378. We expect international access to the new 800 number to be in place by 31 Jan 04. AT&T direct access numbers can be obtained on the Web at www.business.att.com/default/?pageid=bt_dialing_instr&branchid=bt#outside.

You'll be able to contact BEST via both the new 1-800 number and our current phone numbers until 31 Jan 04, when the current numbers will be disconnected.

The numbers for **hearing impaired** employees have not changed. They remain TDD 1-800-382-0893, or (210) 565-2276 if calling within the San Antonio area.

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HEALTH AND LIFE INSURANCE, THRIFT SAVINGS PLAN

Thrift Savings Plan (TSP) Catch-Up Contributions for 2004

TSP Catch-Up Contribution enrollment for 2004 is available beginning 30 Nov 03 for eligible employees. The maximum contribution limit for 2004 is \$3,000. Catch-Up contributions are additional tax-deferred contributions, separate from regular TSP contributions. According to new guidance just received, to be eligible to make Catch-Up contributions you must be age 50 or older in the year in which deductions begin, and you must be making regular TSP contributions at either the maximum TSP percentage allowed by your retirement plan or an amount that will result in reaching the IRS annual elective deferral limit by the end of the year.

You'll enroll via the Employee Benefits Information System (EBIS) web application or the BEST phone system. Elections made 30 Nov through 13 Dec 03 will be effective 14 Dec 03, with the first deduction occurring on the 2 Jan 04 pay date. Enrollments submitted on or after 14 Dec 03 will be effective at the beginning of the following pay period. Currently, the edits in both the Personnel and the BEST automated systems do not allow employees who turn age 50 in 2004 to submit an election until 1 Jan 04. Changes have been submitted to correct these edits. If you'll be age 50 in 2004 and you wish to submit your Catch-Up contribution election prior to 1 Jan 04, please call the BEST automated system and transfer to a benefits counselor to conduct your enrollment.

We expect to receive and load a change to the TSP Catch-Up modules in the next few weeks. Until the change is loaded, if using the BEST phone system you'll hear, "During 2003 the maximum annual amount is \$3,000." What you should hear is "During **2004** the maximum annual amount is \$3,000." The maximum annual amount is correct, only the year is voicing incorrectly. If using EBIS, select the "Change" option if you contributed during 2003; otherwise, select the "New Enrollment" option.

See the heading of this newsletter for the link to EBIS and the BEST phone system number. Additional information about the TSP Catch-Up contributions program can be found at www.afpc.randolph.af.mil/dpc/best/Catch-Up.htm, or you may contact a BEST benefits counselor if you have questions.

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Thrift Savings Plan (TSP) Open Season Ends 31 Dec 03

The holiday season is rapidly approaching, and many of us are so busy we tend to forget to make our TSP Open Season election. There's still time to sign up for or change the amount of your regular TSP contributions, but remember the TSP Open Season ends on 31 Dec 03.

During the TSP Open Season, employees under the Federal Employees Retirement System (FERS) may contribute up to 14 percent of basic pay and those under the Civil Service Retirement System (CSRS) may contribute up to 9 percent.

Increase your retirement benefits -- contribute to the Thrift Savings Plan. You'll defer paying income taxes on your contributions and earnings. Enroll today via the Employee Benefits Information System (EBIS) web application or the BEST phone system. Additional information on the TSP program is located on the BEST homepage under Thrift Savings Plan, and on the TSP Web site at www.tsp.gov.

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LONG TERM CARE (LTC) INSURANCE

Payment of Long Term Care Insurance Premiums after Retirement or Transfer to Another Agency

Do you currently pay your Long Term Care insurance premiums through payroll deduction? If the answer is yes, and you'll soon be retiring or transferring to another agency, here's some information you need to know in order to ensure your premiums continue through payroll or annuity deduction.

If you are retiring, you need to let Long Term Care (LTC) Partners know. Deductions will not automatically transfer from your agency to your retirement system. As soon as LTC Partners hears from you, they'll work with the Office of Personnel Management (OPM) to set up premium deductions from your annuity. LTC Partners will bill you directly for premiums due while you're in receipt of "interim annuity payments" from OPM. This is because LTC premiums cannot be deducted from interim pay. Once your annuity is finalized, LTC Partners will begin to deduct premiums from your annuity. It's important you pay the direct bills promptly because once your annuity is finalized, annuity deductions cannot be adjusted to "catch up" uncollected premiums.

If transferring to another agency, your payroll deduction will not automatically switch over to the new location. You need to let LTC Partners know as soon as you know where and when you will be transferring. They will work with your new agency location to set up payroll deductions. Depending on when you contact LTC Partners, they may not be able to get your payroll deduction changed over in time for your first paycheck at the new location due to the timing of payroll information between LTC Partners and agencies. If that's the case, you will automatically receive a direct bill from LTC Partners for the premiums due that were not collected through payroll deduction. Payroll deductions are not adjusted to "catch up" uncollected premiums, so it's important for you to pay the direct bill(s) promptly to keep your long term care coverage current.

To report your transfer or retirement, please call the Customer Service Center at Long Term Care (LTC) Partners at 1-800-LTC-FEDS (1-800-582-3337, option #3) (TTY 1-800-843-3557). For more information, visit the OPM and Long Term Care Partners Web sites at www.opm.gov/insure/ltc/faq and www.ltcfeds.com, or speak with a long term care specialist by phone.

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Calendar of Events

FSA Open Season for 2004: 10 Nov - 15 Dec 03

Enroll via the FSAFEDS Web site at www.fsafeds.com or phone 1-877-372-3337, TTY 1-800-952-0450

TSP Open Season Ends 31 Dec 03

Enroll via EBIS (www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm) or BEST phone system 1-800-616-3775

TSP Catch-Up Contribution Enrollment for 2004 Available 30 Nov 03

Enroll via EBIS (www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm) or BEST phone system 1-800-616-3775

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HEALTH AND LIFE INSURANCE, THRIFT SAVINGS PLAN

Federal Employee Group Life Insurance (FEGLI) Premium Increase for Upper Age Bands of Option B

In Sep 02, the Office of Personnel Management (OPM) announced additional age bands for Option B life insurance and we advised you the premiums for these age bands would be phased in over a three-year period. The reason for the additional age bands is today's generally lower mortality rates. Premium increases for Phase I were effective 12 Jan 03. Premium increases under Phase II affect employees age 70 and above and will be applied at the beginning of the first full pay period in Jan 04, which for most Air Force-serviced civilian employees is 11 Jan 04. The increased premium will be reflected in the Leave and Earnings Statement for 30 Jan 04.

You may cancel or decrease Option B coverage at any time, but remember that opportunities to pick it up again are limited. To avoid paying the increased premium, elections should be submitted no later than 10 Jan 04 via the Employee Benefits Information System (EBIS) web application or the BEST phone system.

If you're planning to retire soon, check out the monthly rate column. A word of caution - Option B coverage reduced or cancelled prior to retirement cannot be picked back up after retirement.

Additional information is available on the OPM FEGLI Web page at www.opm.gov/insure/life, or you may contact a BEST benefits counselor for assistance if you have questions.

Option B Rate Table for 2004 (Cost Per \$1,000 of Coverage)

Age Band	Biweekly Rate	Monthly Rate
70 - 74	\$1.03 up from 87 cents	\$2.232 up from \$1.885
75 - 79	\$1.43 up from \$1.07	\$3.098 up from \$2.318
80 & Over	\$1.83 up from \$1.27	\$3.965 up from \$2.752

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New Procedure for Thrift Savings Plan (TSP) Participant Statements

On 5 Nov 03, the Federal Retirement Thrift Investment Board announced a new procedure for participant statements.

Effective with the statement for the quarter ending 31 Dec 03, participant statements will be available through the Account Access module of the TSP Web site. You'll need your social security number (SSN) and TSP Personal Identification Number (PIN) to login to the Account Access area. If you've forgotten your TSP PIN, you may request (through the Account Access login page or the TSP ThriftLine) that another be mailed to you.

TSP will no longer mail statements unless participants submit a request to have the statement mailed. As a result, statements for the quarter ending 30 Sep 03, mailed in Nov 03, are the last statements TSP participants will automatically receive by mail.

Participants who want to receive statements by mail must submit a request in one of the following three ways:

- TSP Web site (www.tsp.gov), Account Access, Account Transactions.
- The ThriftLine at (504) 255-8777, press 1 to access TSP account, enter SSN and TSP PIN at the prompt, then press 8 to request or cancel a request for a mailed statement.
- By completing and mailing the form "Request to Have Participant Statements Mailed" to the TSP Service Office, National Finance Center, P. O. Box 61500, New Orleans LA 70161-1500. This form was included with your participant statement for the quarter ending 30 Sep 03.

Participants may change the method of receiving statements as often as necessary by using the TSP Web site, ThriftLine, or the form.

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