

R&A Quarterly Newsletter



December 2017

Information you can use to help retirees and annuitants!

Director's Message

With 2017 coming to a close and a new year on the horizon, there are going to be plenty of opportunities to help our retirees and annuitants. Tax season is almost here and one of the best ways to help retirees prepare is to make sure they are using *myPay* and that their mailing address is correct. The first article in this edition has many helpful tips on using *myPay*.

There was a change in the law that will affect about 12,000 of our retirees that you may receive questions about. Because of the change in the law, starting in April, Survivor Benefit Plan (SBP) premiums will be deducted from Combat Related Special Compensation (CRSC) when regular retired pay falls below the premium amount. Information about this upcoming deduction is in the article on CRSC SBP Premium Deduction.

There has also been a change in the way child annuities are paid when one child's account is suspended. The article about college-age child annuitants outlines the change and how it may affect those annuitants.

Finally, we have enhanced the Callback Assist program in our customer care center. Callers will be able to schedule a time in the future they would like a customer service representative to return their call, when their call requires a more specialized answer. This is a great feature that will help reduce wait times when call volumes are high, so please read that article and share this information with any retirees who may feel frustrated about needing to wait on the phone.

Thank you for all you do to help our retirees and annuitants. I hope that you find the information in this newsletter useful. Please plan on participating in the next RSO call, which will take place near the end of January 2018.

Have a happy and safe holiday season!

Thank you,

Roland Wadge
Director,
Retired and Annuitant Pay

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RSO/RAO Website
go.usa.gov/xn93X

Important!

Except where otherwise noted, the articles in this newsletter are written for retiree service organizations and are not intended to be published or forwarded.

If you're working on a newsletter or other articles for release to military retirees, please contact Nathan Lynix at 216-204-2497 for more information.

Get Ready for Tax Season

Tax season is a busy time. One way that you can help retirees and annuitants is to show them how to prepare for tax season and the tools and resources available to answer their questions. Here are some helpful tips to use when assisting with *myPay* and with getting their IRS Form 1099R.

1 The fastest and most secure way to obtain a copy of a 1099R is *myPay*. Retirees can log in to *myPay*, and print their 1099R from the comfort of their home or at your office. Instructions are at: go.usa.gov/xn93Z

2 If the member is not on *myPay* and does not want to go through the process of getting a password, there are other self-service options to get or replace an IRS Form 1099R. If the mailing address they have on file with DFAS is current, they can get a copy of their 1099R through our telephone self-service option. To use telephone self-service:

- Call 800-321-1080
- Select option “1” for Retired and Annuitant Pay
- Select option “1” for Self-Serve
- Enter the Social Security Number when prompted

Their 1099R should be in the mail within seven to ten business days to the address we have on record.

3 If the address they have on file with DFAS is out of date and they’re not a *myPay* user, they can get their 1099R sent to an updated address by submitting their request online. They can request their 1099R be sent either to their current address or to a new address using an online form. Plus, they can request prior year 1099Rs. They will receive their 1099R in the mail in seven to 10 business days. Find instructions at: go.usa.gov/xn93B

4 If a retiree prefers traditional mail, they can send us a written request by fax or mail, but they should make sure they leave time for processing. It takes 30 to 60 days to process requests received by fax or mail. Find instructions at: go.usa.gov/xn93K

5 Members with unique situations can speak directly to one of our customer care representatives. Depending on call volume, they may have to wait on hold while we assist other customers. For more information, check out: go.usa.gov/xn938

Accessing *myPay*

If the member cannot access their *myPay* account, here is how they can get access:

How to Request a Temporary Password

- Go to <https://mypay.dfas.mil>
- Click “Forgot or Need a Password?”
- Enter their Social Security Number and click the “Yes” button on the bottom right.
- Choose “mail to my address of record with Military Retired” and click “Send me a Password.” Or, if they have a valid email address in *myPay*, they can have it emailed.

They should receive their temporary password in 10 business days by mail or two hours by email. If they don’t, they need to update their mailing address.

How to Create a Permanent Password and Login ID

- Once they receive their temporary password, they should return to *myPay*. If they have never accessed *myPay*, click “Create an Account.” If they are reactivating their account, please see “*How to Reactivate an Account*” below.
- Enter their Social Security Number and temporary password and click “Accept/Submit.”
- Create a permanent Login ID and password.
- Select eight security questions that they can answer later if they need to reset their password. Click “Submit Questions.”
- Answer each question and click “Submit Answers.”
- If they do not have an email address on record, add one.
- Select “Main” in the upper right corner to use *myPay*.

How to Reactivate an Account

- Once they receive their temporary password, return to *myPay* (<https://mypay.dfas.mil>).
- Log into *myPay* using their Login ID and their new temporary password.
- Create a new permanent password.
- Select “Main” in the upper right corner.

Coming this April: CRSC SBP Premium Deductions

You may start to hear questions from retirees about a change DFAS is making in deducting Survivor Benefit Plan (SBP) premiums from Combat-Related Special Compensation (CRSC) pay. Although this change will not be implemented until April of 2018, we want to make sure you are aware of what will be happening. We are finalizing how this change will be implemented through all of our systems, and we will share more information in the coming weeks on the RSO Call, the RSO website on DFAS.mil, and in the upcoming issues of this newsletter.

DFAS will start deducting Survivor Benefit Plan (SBP) premiums from Combat-Related Special Compensation (CRSC) when retired pay is not sufficient to cover the full amount of the premiums. This new deduction is due to a change in the law which requires DFAS to deduct SBP premiums from CRSC.

This change affects retirees who receive CRSC and currently pay SBP premiums via direct remittance.

Retirees who currently have SBP premiums deducted from their Department of Veteran Affairs (VA) pay will not be affected.

This change will benefit retirees and their survivors by preventing a debt when a retiree forgets to pay the SBP premiums directly. When SBP premiums are not paid during a retiree's lifetime, it creates a debt which must be repaid from the SBP annuity a survivor receives.

DFAS is planning to begin deducting SBP premiums from the April CRSC entitlement (paid on May 1) for SBP premiums that are due in the month of April 2018 for all retirees with CRSC who are currently paying their premium payments directly (through direct remittance).

Retirees can also request to voluntarily have their SBP premiums deducted from CRSC prior to the April SBP premium.

If a retiree wants to have their SBP premiums voluntarily deducted from CRSC before the April SBP premium, they can call the customer care center or send a letter. Once the request has been processed, we will contact the member by telephone (when possible) and send a letter stating when the deduction will start and the amount.

For some retirees this will be a big change. It is important that the RSO community and DFAS present the same message: this change will make keeping SBP premiums up to date easier on the retiree, and it is the result of a change in the law.

Please check our website for more information regarding this change. Information will be updated there as more details are available.

Please Help Us Spread the News: Tell Retirees About Our New Mailing Addresses!

For retirees:

Defense Finance and Accounting Service
U.S. Military Retired Pay
8899 E 56th Street
Indianapolis IN 46249-1200

For annuitants:

Defense Finance and Accounting Service
U.S. Military Annuitant Pay
8899 E 56th Street
Indianapolis IN 46249-1300

The old P.O. boxes in London, Kentucky will remain open for one year, with all mail forwarded to the new address. However, sending mail to the old address will add seven to ten business days to normal processing times. The telephone and fax numbers have not changed.

And remember to update any forms, envelopes, website pages, presentations, or templates with DFAS's outdated mailing address!

Important Payment Changes College-Age Child Annuitants Need to Know

One option available for retirees to provide financially for their children is to elect the Survivor Benefit Plan (SBP). SBP for children is calculated and paid differently than for a spouse. The total amount paid is the same, but where the whole amount would go to the member's spouse, instead that same amount is divided equally among all eligible children.

An eligible dependent child under the plan must be:

- A legal child under the age of 18
- Unmarried
- If older than 18, enrolled in an accredited college or university (children enrolled in higher education are eligible until they reach age 22 or leave school)
- Incapacitated or disabled children are eligible under special rules

DFAS has implemented a new procedure for reappportioning Survivor Benefit Plan (SBP) funds for child annuitants. The new procedure was prompted by an opinion issued by the Office of the General Counsel (OGC). Under the new procedure, a dependent child's share will not be reappportioned until evidence is received that the child's eligibility has ended.

To receive continuing SBP funds, a child annuitant who is over 18 and attending school must submit a Child Annuitant's School Certification (DD 2788) form, certifying their full-time attendance in school during the term. If the school certification for a child annuitant over the age of 18 is not received within 60 days of the last day of the school term, the child annuitant's account is suspended and the portion of the funds due the annuitant are held.

Previously, if the child annuitant did not submit proof of eligibility, six months after the account was suspended the funds were reappportioned and paid equally to the eligible siblings of the child annuitant. Now, when a child annuitant's account is suspended, the funds will be held until the child is proven eligible or ineligible. A child annuitant can permanently lose eligibility to SBP if they get married, join the military, turn 22 years old, or pass away.

This change in procedure will reduce debts created for child annuitants who were paid money that was due to a sibling.

More information about SBP is available at: go.usa.gov/xn939

Callback Assist Upgrade: Scheduled Callback Now Available

Earlier this summer, the Cleveland Customer Care Center shared an article explaining the Callback Assist feature that was recently implemented to improve service to our valued customers. We've improved this feature now by adding a Scheduled Callback option, which allows customers to select a time and date (up to one week in the future) to receive a return phone call from the Cleveland Customer Care Center when they need to speak to a representative for a more specialized answer.

Here's how it works. When a caller is transferred for a more specialized answer, and the customer care center is busy, the customer will hear a message giving the option to request a callback or continue to hold for a representative. When the customer selects the option to schedule a callback, the system will prompt them to select their current time of day. After that, the customer will enter the time they would like to receive a callback

and the phone number to call. The system will verify the phone number before hanging up. It is important to know that the time selection will be a 30-minute range, not a specific time. If the selected time slot is not available, the system will inform the customer to choose from another available time slot. Once the request is complete, the customer can hang up. The system will place an outbound call at the scheduled time, connecting them to one of our representatives.

Please share this new feature with retirees and annuitants who come to you expressing issues with wait times or connecting with a representative. The Cleveland Customer Care Center hopes they find this feature helpful as we work to exceed their expectations when calling DFAS.

Quality Corner

Automated Retirement Authorization (33) Transaction Report August 24 - November 22, 2017

	Air Force (AC)	Air Force (RC)	Army (AC)	Army (RC)	Navy (AC/RC)	*** Marine (AC)	*** Marine (RC)	Quarterly Report Summary
Transactions	3,398	653	5,953	1,884	2,258	1,424	158	15,728
Accepted	3,293 97%	380 58%	5,023 84%	1,541 82%	2,215 98%	1,129 79%	106 67%	13,687 87%
Rejected	105 3%	273 42%	930 16%	343 18%	43 2%	295 21%	52 33%	2,041 13%
*Total Reject Reasons	146	395	974	366	45	299	65	2,290
**Top 3 Most Common Reject Reasons	72 49%	204 51%	911 93%	313 85%	34 76%	282 94%	44 68%	1,860 81%

Top 3 Most Common Reject Reasons			Total	Percent
Air Force (AC)	03002 - INVALID GR-HI-HLD-AD		31	21%
	03072 - LAW RQRS TAFCSO WHEN GR-CURR IS 01-10 OR 21-25		28	19%
	03075 - APPL-RET-SEP-DT IS AFTER RET-SEP-EFF-DATE-PROJ		13	9%
Air Force (RC)	03107 - TOT-PTS MUST BE > 0 FOR RESERVE RETIREMENT		106	27%
	03049 - RET-ELIG-DATE IS AFTER RET-SEP-EFF-DATE-PROJ		61	15%
	02266 - NEW GAIN ACTION MATCHES COMPLETE ACCOUNT		37	9%
Army (AC)	03031 - SVC-1405 > SVC-PAY		714	73%
	03007 - GR-CURR-EFF-DT DOES NOT PASS STD DATE EDIT		165	17%
	02266 - NEW GAIN ACTION MATCHES COMPLETE ACCOUNT		32	3%
Army (RC)	02262 - INPUT NAME DOES NOT MATCH NAME ON DICTIONARY		250	68%
	02266 - NEW GAIN ACTION MATCHES COMPLETE ACCOUNT		43	12%
	00001 - INVALID NAME		20	5%
Navy (AC/RC)	02266 - NEW GAIN ACTION MATCHES COMPLETE ACCOUNT		16	36%
	03295 - CSB 2 OR 3 IF DIEMS => 860801 & ACT-SVC => 15 YRS		16	36%
	02262 - INPUT NAME DOES NOT MATCH NAME ON DICTIONARY		2	4%
*** Marine (AC)	00001 - INVALID NAME		203	68%
	00021 - NAME CONTAINS A BLANK IN 1ST OR 2ND CHARACTER		28	9%
	02266 - NEW GAIN ACTION MATCHES COMPLETE ACCOUNT		51	17%
*** Marine (RC)	00001 - INVALID NAME		35	54%
	03018 - SVC-1332 < 200000 FOR RESERVE RETIREMENT		5	8%
	00021 - NAME CONTAINS A BLANK IN 1ST OR 2ND CHARACTER		4	6%

* Note a single transaction can reject for multiple reasons. If the [Total Reject Reasons] is greater than the number of transactions [Rejected], one or more transactions have rejected for multiple reasons.

** Sum/Percentage of the Top 3 most common reject reasons.

MCTFS update inadvertently sent transactions with missing names in November. Transactions resent to DFAS with names. This has been resolved.

Source Data: WebViewer (Online Information System)

Web Address: <https://dfasview.csd.disa.mil/>

ReportID: H3008

The new DFAS website for the RSO/RAO community: One place for the most up-to-date information.
go.usa.gov/xn93X