

U.S. CIVIL SERVICE COMMISSION

PROGRAM CATEGORY D.—ADMINISTERING RETIREMENT AND INSURANCE PROGRAMS

The Civil Service Commission has the responsibility for the development, direction, coordination, and evaluation of the Government-wide retirement, life insurance, and health benefits programs for Federal employees, annuitants, and their survivors. The Bureau of Retirement and Insurance is the Bureau designated to carry out operations.

Authority:

Chapters 83, 87, and 89 of title 5, United States Code ("Retirement, life insurance, and employees' health benefits").

48 United States Code 1373a ("Panama Canal annuities").

74 Statute 849, as amended ("Retired employees health benefits").

Objectives: To provide employees, their families, and/or survivors with financial protection against loss of income due to retirement, disability, death, dismemberment, and for the costs of illness.

What is done:

Provide leadership and technical guidance to agencies who share in specific responsibilities for their employees.

Issue regulations and instructions.

Receive, deposit in Treasury, and account for withholdings from employees and annuitants, Government and agency contributions to the funds.

Adjudicate retirement benefit claims and determine annuitants' continuing eligibility for life insurance and/or health benefits.

Maintain individual retirement records after separations.

Contract with insurance companies and other organizations to furnish life and health insurance benefits.

Authorize payments from trust and other funds.

Develop and maintain financial, actuarial, and statistical reporting data.

Audit records and financial statements of insurance underwriters and carriers.

How it's done:

Delegate responsibility to Federal agencies for their employees via Federal Personnel Manual instructions and other similar media.

Adjudicate claims for retirement system benefits and authorize Treasury Department to issue checks to retirement system beneficiaries.

Request assistance from CSC regional offices in obtaining medical examinations for disability retirement applicants and annuitants.

Enter into contracts with insurance underwriters who then pay claims for life insurance and health benefits.

Maintain communication with Federal agencies, life insurance contractors, and health benefits carriers regarding matters of coverage, deposits, payments of premiums, questions on payment of claims by contractors, and required reports.

What it costs: To carry out the above programs requires approximately 563 employees at an annual salary cost of \$4,611,000, plus \$1,191,000 in other objects of expense, or a total of \$5,802,000 for fiscal year 1968. These administrative expenses are derived from four trust funds made available for this purpose, rather than by direct appropriation. The amounts from each fund are transferred to the CSC salaries and expenses appropriation, subject to a total annual limitation. Administrative costs of Federal agencies, life insurance and health benefits contractors are not included in these figures.

NOTE.—The retirement and insurance programs are financed through contributions shared by employees (and/or annuitants) and the Government. These moneys are deposited in each fund and are available for payment of claims, subscription charges to the carriers, and for administrative expenses of the Commission. Retirement fund receipts are estimated at \$3.4 billion with benefit expenditures at \$2.1 billion in 1968. Insurance programs show receipts of \$1.1 billion and outgo of \$1.0 billion for the same period.

Outputs: The major workloads in 1968 are estimated as follows:

Retirement:

New annuity and death claims received	102,000
Average number of annuitants on the roll	852,000
Health benefits—number of annuitants enrolled	547,000