

# Sometimes, Your Benefit Really Is Too Small

By Tammy Flanagan

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I love it when a story has a happy ending, don't you? Some of you may remember last year I [wrote about a widow named Janet](#) who was the surviving spouse of a Civil Service Retirement System-Offset retiree. Janet suspected she was being shortchanged by a significant amount in her CSRS survivor annuity.

It all started last June when Janet wrote to me requesting help. Here is an excerpt from that email:

My husband passed away January 15, 2015. He was a CSRS Offset annuitant who retired in January 2014. My CSRS survivor annuity was supposed to be \$3,649/month (55% of my husband's unreduced monthly annuity of \$6,531.72, plus 1.6% COLA for 2015). Because he was covered under the CSRS Offset retirement plan, OPM told me that my survivor annuity would be reduced by an offset of \$1,107.80/month. I applied for Social Security Survivor benefits, and was awarded \$396.10/month as a widow. This amount was small because I have my own Social Security benefit of \$1,816.10. The widow's benefit amount was based on my husband's work record, which resulted in a higher Social Security benefit than the one I earned for myself. Why is my CSRS survivor annuity being reduced by \$711.70 more than the \$396.10 that I gained from Social Security?

If Janet's late husband had been covered under "pure" CSRS, there would have been no offset to her survivor annuity. She would have been entitled to the full annuity in addition to her own earned Social Security retirement benefit. However, because Janet's husband was covered under CSRS Offset, there was the potential for a reduction in her CSRS survivor annuity because of her husband's dual coverage under CSRS and Social Security.

Janet's concern (and mine as well) was the fact that she was being offset by more than \$700 over the amount of her Social Security widow's benefit. This didn't seem right to Janet, and it didn't seem like the correct interpretation of the offset rules to me either.

Sometimes persistence pays off. Here is a timeline of the effort to correct the error we perceived:

- 1/15/15: Death of Janet's husband.
- 4/15/15: Janet receives notice of the offset.
- 7/15/15: Janet sends a letter to the Office of Personnel Management requesting reconsideration of the amount of the offset.
- 9/18/15: Janet receives a document from OPM denying her request for reconsideration. I suggest that Janet file an appeal with the Merit Systems Protection Board.
- 10/27/15: As a result of the MSPB appeal, OPM rescinds its decision denying Janet's request for reconsideration.
- 12/17/15: Conference call with an MSPB judge and an OPM representative to gather additional information.
- 12/23/15: Janet meets with her congressman to try to get some action on her case.
- 12/31/15: MSPB issues a decision to close the case and allow OPM to request a second computation of the offset from the Social Security Administration.
- 2/4/16: The initial decision becomes final, allowing OPM to submit the request to Social Security to recompute the amount

of the offset.

- 2/17/16: OPM sends the case to its post-retirement unit for review of the offset calculation (which requires coordination with SSA).
- 5/3/16: Janet receives a letter from OPM stating: “We have completed the follow-up action on your survivor benefits and authorized additional payment that should have been included in your survivor benefit. Based on Social Security Administration’s verification, we reduced your gross monthly annuity benefit by the offset amount. Your corrected adjusted gross monthly benefit after the offset reduction is \$3,421, instead of \$2,541. An additional payment was authorized in the amount of \$10,912, which was owed to you covering 1/16/15-4/30/16.”

Abraham Lincoln once said, “The probability that we may fail in the struggle ought not to deter us from the support of a cause we believe to be just.” In this case, Janet’s efforts made an \$880 per month difference in her income.

Although it took more than 15 months, and she received no apology for the error, Janet finally received the correct survivor annuity. In her case, as in many others, being informed about the benefits she deserved and dogged in pushing to receive them really paid off.

*Photo: Flickr user [frankieleon](#)*

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<http://www.govexec.com/pay-benefits/retirement-planning/2016/05/sometimes-your-benefit-really-too-small/128628/>