

Limited-Scope Benefit Determinations

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A. Introduction

PBGC issues benefit determinations that address an individual's entitlement to benefits. These benefit determinations are "full-scope." They cover all aspects of the person's benefit entitlement.

In some cases, it may be appropriate for PBGC to make a limited-scope benefit determination either before or after issuance of the full-scope benefit determination. These could include situations involving an individual (e.g., that a participant is not entitled to a disability benefit) and those involving a group of participants (e.g., that participants are not entitled to shutdown benefits).

With this second edition, PBGC expands the scope to cover limited-scope benefit determinations sent after an earlier benefit determination has been issued, includes conforming changes to Internal Guidance Benefit Corrections, and makes other minor clarifications.

B. Scope and Effective Date

This internal guidance provides the rules on issuing limited-scope benefit determinations. It is effective upon issuance.

C. Internal Guidance

A limited-scope benefit determination is a benefit determination that addresses one or more aspects of an individual's benefit entitlement, but not all aspects of that entitlement. It may be issued before or after a full scope benefit determination based on the facts and circumstance of a case. In some cases, a limited-scope benefit determination supplements an earlier benefit determination.

1. Limited-Scope Benefit Determinations for Individuals

PBGC may issue a limited-scope benefit determination to an individual upon review of the facts and circumstances with supervisory approval. Situations in which it may be appropriate to issue a limited-scope benefit determination to an individual include:

- Participant is not entitled to disability benefits,
- Surviving spouse is not entitled to survivor annuities,
- An earlier benefit determination was correct but omitted or did not address other significant information required to adequately describe the benefit entitlement, or
- Form of Benefit was not accurately reflected in the original benefit determination.

2. Limited-Scope Benefit Determinations for Groups of Participants

PBGC may issue limited-scope benefit determinations to a group of participants or other individuals upon review of the facts and circumstances with PSD Federal approval. Situations in which it may be appropriate to issue a limited-scope benefit determination to a group of participants or other individuals, for instance, may include:

- Shutdown benefits are determined not to be payable,
- Special payments or supplements are not payable, or
- Form of Benefit was not accurately reflected in the original benefit determination.

See Section D.7.a.2. of Internal Guidance Benefit Corrections for examples of the use of limited-scope benefit determinations in correcting previously issued benefit determinations