

Instructions for Submitting Household Goods/Hold Baggage Claims Under the Defense Personal Property Program (DP3); Full Replacement Value (FRV); and against the Government under PCLAIMS

DEFENSE PERSONAL PROPERTY PROGRAM (DP3)

The Department of Defense has changed the process for shipping household goods and for submitting claims that may arise as a result of the shipment of the household goods. The Army is now using The Defense Personal Property Program (DP3) to ship the household goods of Army personnel and to reimburse them for any losses or damages resulting from shipment. The program includes the Defense Personal Property System (DPS), a one-stop website for handling the entire moving process. DPS allows service members to manage pre-move self-counseling, arrange household goods pickup and delivery, and monitor shipment status en route. It also allows service members to file claims directly with the mover for lost or damaged goods. Although the majority of the shipments moved by the Army are now moved under the DP3 program, there are still some that are not being moved under DP3.

Regardless of how your shipment was moved, Transportation Service Providers (TSPs) are required to provide Full Replacement Value (FRV) coverage for your move, at no cost to you.

You must file separate claims (and separate notice documents) for each shipment. Do not mix up hold baggage and household goods.

THREE TYPES OF HOUSEHOLD GOODS/HOLD BAGGAGE CLAIMS

DPS Shipments (FRV): The identifying factor of a DPS shipment is a Government Bill of Lading (GBL) number consisting of 4 letters and 7 numbers, e.g., DBAZ0002366. If your shipment is managed under DPS, you **MUST** submit your claim and Notification of Loss or Damage to the Transportation Service Provider (TSP) online at <http://www.move.mil>. The notice of damage and loss to the TSP must be submitted within 75 calendar days of delivery and, to receive FRV, the claim must be submitted within 9 months. If you have questions or need assistance, please contact your military claims office (MCO). If you subsequently elect in DPS to transfer your claim to a MCO, the claim does **NOT** automatically transfer. You must prepare and submit a claim to the MCO if you cannot reach an agreement with the TSP.

Non-DPS Shipments Subject to FRV: The identifying factor of a Non-DPS shipment will be a GBL number consisting of 2 letters and 6 numbers (ZX-281059). Even if your shipment is not managed under DPS, TSPs are required to provide Full Replacement Value (FRV) coverage for your move, at no cost to you, provided that you give timely notice within 75 days of the damage and file with the TSP within 9 months of delivery. You must file your claim with the TSP to be eligible for FRV.

Claims Filed with MCOs: For non-DPS shipments, you may file your claim with a MCO. However, MCOs are required to adjudicate your claim using the fair market or depreciated value of your loss. This may result in a **significant decrease** in the amount of your compensation payment. You may file a claim with the MCO if you are unable to reach an agreement with the TSP, including DPS shipments, on a fair and proper settlement of your claim. When filing with a MCO, Claimants may be reimbursed for FRV only if the U.S. Army Claims Service is later able to collect for FRV from the TSP.

THE CLAIMS PROCESS

DAY OF DELIVERY

Be prepared for the movers. Have your original inventory available for comparison with items that are unloaded from the moving truck.

As items are unloaded, check your inventory and make a note of any damages observed to the items coming off the truck.

At the time of delivery, you will be given **Notification of Loss or Damage at Delivery (1850) and the Notification of Loss or Damage after Delivery (1851) forms for DP3 shipments, or, if a non DP3 shipment, Notice of Loss and Damage (DD Form 1840 /1840R) forms.**

Enter those damages that you have observed during delivery on the DD Form 1840 or the Notification of Loss or Damage at Delivery, whichever form applies to your shipment. List the inventory number and item and describe the nature of damage or loss.

Once all of your items are unloaded you should sign and date the front of the appropriate form and the driver will also sign the form and retain the original and give you a copy of the form.

IMPORTANT: Returning the signed form to the driver or carrier is not the same as filing a claim with the carrier. Failure to complete the next steps in the claims process may prevent reimbursement for your damaged items.

AFTER THE DELIVERY

Unpack all of your items to inspect them for any possible damages that resulted from the move.

Complete the DD Form 1840R or the Notification of Loss or Damage after Delivery by listing all damaged and missing items and by providing a description of the damage. The description of transit damage should be as complete as possible. If you list minor damage and subsequently claim significant or major damage, your claim for the major damage may be denied. Please note the inventory item number of the item.

IMPORTANT: NOTIFICATION OF LOSS OR DAMAGE

Once you have documented any missing or damaged items on the form you were given, you have 75 calendar days from the date of delivery of your household goods to submit the form to your carrier. For DP3 shipments, the form must be filed online. If you have difficulty accessing the system to file the Notification of Loss and Damage, **to ensure proper notification to the TSP within 75 days of delivery of your household goods and avoid partial or full denial of your claim, immediately contact the nearest Military Claims Office (MCO) and submit your Notice of Loss or Damage At/After delivery form to that office.** It is recommended that you submit the forms to the MCO within 70 days to meet the 75 day notice requirement. The MCO will then dispatch the form to the TSP to ensure there is proof of timely notice. However, you will still need to enter the notice in DPS as soon as you are able to access the system.

If items are not listed on the notice documents submitted to the TSP, you may not be paid for these items. The TSP must receive notice of EVERY DAMAGED OR MISSING ITEM from the notice documents submitted within 75 days of delivery.

REMEMBER: SENDING THE NOTICE TO THE TSP IS NOT THE SAME AS FILING YOUR CLAIM. AFTER FILING TIMELY NOTICE, THERE ARE TIME LIMITS FOR FILING AN FRV, DPS-FRV, OR MCO CLAIM.

FILING WITH THE TSP = FULL REPLACEMENT VALUE PROGRAM (FRV)

1. You may contact the MCO or the Transportation Office to obtain the address and telephone numbers for the TSP. It is important that you provide the SCAC Code (4 letters) from the notice document or other information that allows the MCO to identify the proper TSP.
2. It is your responsibility to contact the TSP and obtain the necessary documents from them to file a claim. You have 9 months from the date of delivery of your household goods/hold baggage to file a claim with the TSP in order to obtain FRV. Under FRV, the TSP is required to replace any item that is lost or destroyed with a new item, or pay you the cost of a new item of the same kind and quality, without deducting for depreciation. An item is destroyed if it cannot be repaired, or if the cost of repair would exceed the cost of a new item. The carrier is not required to replace items which can be repaired for less than the Full Replacement Value of the item. The carrier is only required to arrange for the repair of those items, or to pay for the cost of the repairs. Repair will be to the extent necessary to restore the item to its condition when it was received by the carrier. A few large items, such as pianos, organs, ATVs, personal watercraft, vehicles and motorcycles, as well as firearms and objects of art, are not covered by FRV. Likewise, the carrier cannot replace some missing items with new ones. These are items that have value because of their age, such as collectible figurines, antiques, collectible plates, baseball cards, comic books, and coin and stamp collections.

3. At least 60 days from the time the TSP has received your claim and the information needed to make a decision on your claim, the TSP will do one of the following.

(a) Make an offer to replace or repair all of your items.

(b) Make an offer to replace or repair some of your items.

NOTE: ONCE YOU ACCEPT AN OFFER FROM THE TSP, THE TSP HAS 30 DAYS TO COMPLETE PAYMENT OF YOUR CLAIM.

(c) Deny your claim.

(d) Fail to respond to your claim.

4. At this point, you can choose to do one of the following:

(a) Accept the TSP's full or partial reimbursement offer, or

(b) Transfer the entire claim, or under certain limited circumstances, specific line items of your claim, to the Fort Sam Houston claims Office.

****Transferring a line item is not a guarantee of more favorable treatment, but does ensure that the issue is examined by the Government for fairness.**

****Contact the MCO to transfer your claim. You should notify the TSP in writing regarding the items you will and will not be accepting.**

****Do not cash any settlement checks offered by the TSP without seeking advice from the MCO.**

****Some Claimants have reported that they have been asked to sign a Waiver of Liability, if you are asked to sign such a Waiver, do not sign it. Contact your MCO immediately.**

FILING THROUGH DPS = FRV

1. As previously stated, if you began your move in DPS, you will complete your claim in that system as well. Just go to the website, <http://www.move.mil>, click on "Access DPS" and look for the "Claim" tab at the top center of the page.
2. The website provides video instructions and PowerPoint slides for getting a password, filing notice of damage and loss, filing your claim, and providing feedback concerning the DPS claims process.
3. FRV rules apply to DPS Shipments (see FILING WITH THE TSP = FULL REPLACEMENT VALUE PROGRAM (FRV) above). If you cannot come to an agreement with the TSP regarding settlement, you may transfer your claim to a MCO. The "transfer to MCO" button or icon at the DPS website does not automatically transfer your claim information to the MCO. You must submit your claim with your respective service's MCO.

FILING WITH CLAIMS OFFICE (MCO) = ACTUAL OR DEPRECIATED VALUE

1. If you elect to file with the Government or are unable to settle your claim with the TSP, you must file your claim with the MCO with two (2) years from the date of delivery. This time limit is set by statute. **NOTE: FILING THE CLAIM WITH THE CARRIER DOES NOT TOLL THE TWO YEAR STATUTE FOR FILING WITH THE GOVERNMENT.** At a minimum, you must submit a written demand for payment to stop the running of the statute of limitations. Additional documentation and substantiation may be submitted later. The DD Form 1842 and DD Form 1844 must be submitted in writing for payment of a claim. These forms are also generated through the claims online filing database (PCLAIMS).

2. Soldiers and civilian employees can submit their claims online through the Personnel Claims Army Information Management System (PCLAIMS) in addition to submitting a claim in writing. This program allows members to input the data regarding their claim and generates DD Form 1842(Claim Form) and DD Form 1844 (Claims Analysis Chart). Data can be saved in these forms before the claim is submitted.
 - a. Access PCLAIMS at <https://www.jagcnet4.army.mil/8525763F005D2EF5/> or by going to JAGCNET and clicking on the “Claims” link, which will take you to the U.S. Army’s Claims Homepage. Once at the homepage, click on the “Personnel Claims Online Filing Database” link. For more information on using the PCLAIMS website, please see attached.

 - b. There is a Claimant’s Manual that provides instruction on how to navigate PCLAIMS on the help page of the PCLAIMS website.

3. MCOs are required to adjudicate your claim using the fair market or depreciated value of your loss. You may file a claim with the MCO if you are unable to reach an agreement with the TSP, including DPS shipments, on a fair or proper settlement of your claim. Claimants may be reimbursed for FRV if the U.S. Army Claims Service is able to collect FRV from the TSP.

Regardless of whether you file directly with the carrier or with a military claims office, you must file your claim within two years of delivery.

FINAL NOTES

PROVING YOUR CLAIM FOR DAMAGES

Regardless of whether you file the claim with the TSP or the MCO, you will need to substantiate your claim; specifically, you must substantiate

- 1) **Ownership of the item.**
- 2) **That the movers lost/damaged the item.**
- 3) **The value of the damaged item/lost item.**

1. Proof of Ownership: You must substantiate that you owned any missing items. Such evidence may include an inventory, receipts, bills, prior appraisals, itemized finance statements, photographs, owner's manuals, and warranties. Do not ship these with your household goods.

2. Cost of Repair: The cost to repair an item cannot exceed its current value. You will need a repair estimate for furniture and electronic equipment, unless the damage is either very minor (does not exceed \$100), or so bad that it is obvious to the claims office that the item is not repairable. **Note: TSPs are responsible for arranging for repair estimates for claims submitted under the FRV program. This portion addresses repair estimates submitted with the MCO.**

Furniture: The estimate should describe the damaged areas and the repairs necessary to restore the item to its pre-move condition. It should only cover the new damage listed on the notice document. The estimate should be itemized, descriptive and should be signed and dated by the furniture repair technician. You will enter the estimate of repair in the PCLAIMS data for the furniture item claimed. This amount will automatically be entered as the amount claimed on the DD Form 1842 and DD Forms 1844 generated by the program.

Electronic Items and Appliances: If the damage claimed is internal (mechanical) in nature and there is no exterior damage to the item, have a qualified electronic/appliance repairman inspect the item and make a determination on the cause of damage (rough handling, manufacturer's defect, normal wear and tear, etc.), the extent of the damage and the repair cost. **Please note that the damage resulting from a manufacturer's defect or from normal wear and tear is not compensable. In the absence of clear evidence indicating another cause (the burden of proof is on the claimant), internal damage to electronic items and appliances is presumed to be the result of mechanical defect or normal wear and tear.**

If you are required to pay an estimate fee, the receipt **MUST** be submitted with your claim for consideration. Only fees for estimates considered necessary to substantiate the amount claimed for damaged property will be considered for payment, provided the action of the claimant in contracting for the estimates appears reasonable under the circumstances or was specifically directed by the approval or settlement authority. If considered necessary, you may be asked to obtain a second estimate. If the fee is to be applied to the repairs, you will not be reimbursed for the fee.

3. Replacement Cost: This is a factor in determining an item's fair market value when an item is lost or damaged beyond repair. Photos, receipts, brand and model numbers are important elements that help substantiate the fair market value of an item that is missing or damaged beyond repair. Replacement costs for comparable items must be submitted if the cost exceeds \$100.00. Such evidence may include the original bill of sale, a signed and dated statement from an AAFES manager (include make, model, description and price), an original or copy of catalog page showing the item (include name and date of catalog), The AAFES website is www.aafes.com. You may also provide a letter from a company to which you wrote requesting replacement cost or Internet downloads.

INSPECTIONS

Do not throw away any damaged items until your claim is settled, unless you have the prior approval of the Claims Office. The TSP who delivered your property and the Claims Office have the right to inspect your household good/hold baggage for shipment damage. The TSP has the right to inspect within forty-five (45) days after delivery of the shipment or dispatch of the notice document, whichever is later. For FRV claims, the TSP is also responsible for arranging repairs or obtaining repair estimates. This inspection is an important step in substantiating your claim with the TSP and the Government. If you prevent the carrier from inspecting, your claim may be reduced or disallowed if transit loss cannot be substantiated. The TSP's repair estimate may be used to adjudicate our claim. Please contact the MCO if you have questions regarding an inspection scheduled or conducted by the TSP.

SALVAGE RIGHTS – 90 DAY SALVAGE RULE

Salvage rules for FRV claims filed with the TSP: On shipments delivered in the United States, the TSP is entitled to take possession of and sell for salvage any damaged item on which it has paid either the depreciated or undepreciated replacement cost. The TSP is also entitled to claim salvage on any damaged item delivered in the United States that it has replaced with a new item. The TSP must coordinate a date and time with member to take possession of salvaged item(s) if they elect to exercise their rights to salvage item(s) or at member's request. The TSP must take possession at owner's residence, or other location acceptable to the owner, not later than 30 days after receipt of a completed claim from either the owner or the MCO. The 30-day pickup period can be extended by an agreement between the TSP, and the owner. For more specific information, please refer to the ***Claims for Full Replacement Value (FRV) Coverage Counseling Checklist and Member/Employee Information*** provided by the Transportation or on the Claims Office website.

Salvage rules for claims filed first with an Army Claims Office: The TSP may have the right to salvage value for items that cannot be economically repaired, even if you believe the item has no further use. Do not throw away destroyed items unless the Claims Office approves or after 90 days from the date the claims office notifies you that your claim was settled.

If you have any questions regarding claims, please do not hesitate to contact the Claims Office. Our office is located in Building 153. The office hours are 8:00 a.m. to 4:00 p.m., and we are open through the lunch hour. The telephone numbers are (210) 221-1973 and 221-2161. Our claims website is http://www.samhouston.army.mil/sja/claims_div.asp and our email address is fsh.claims@conus.army.mil.