



U.S. Army Retirement Planning Guide 2020



Retirement is a process, not an event!

Seek the advice of those who've gone before you

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U.S. ARMY RETIREMENT PLANNING GUIDE

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Front Cover Caption: Soldiers with 75th Ranger Regiment scale the cliffs like Rangers did during Operation Overlord 75 years ago at Omaha Beach, Pointe du Hoc, Normandy, France, June 5, 2019. More than 1,300 U.S. service members partnered with 950 troops from across Europe and Canada, converged in northwestern France to commemorate the 75th anniversary of Operation Overlord, the WWII Allied invasion of Normandy, commonly known as D-Day. (U.S. Army photo by Markus Rauchenberger)

FOREWORD

As you prepare to retire, you'll face a confusing maze of policies, procedures, and benefits decisions. Without a plan and a guide to this maze, you're likely to miss decision points, rush your decisions, and increase the stress on yourself and your family.

My intent is to provide you with a planning guide that will help you navigate your personal off-ramp from the Army superhighway. If you have suggestions for improvements to this guide, please send them to me at the addresses below.

First, I recommend you embrace the thought that "retirement is a process, not an event." Your peers, who are now retired, want you to know that you will regret delaying your planning and ignoring the execution of your plan. I urge you to listen to the subject matter experts, do your homework, ask questions, and involve your family – you aren't the only one making this transition.

Between this guide, your Retirement Services Officer, the *Change of Mission* newsletter, the MyArmyBenefits website and Help Desk, and the Transition Assistance Program website and counselors, you have incredible resources to make your retirement transition a success – but it will take your own planning and discipline to make it happen on schedule. It's important to note that there are two sets of mandatory preparation classes. The Transition Assistance Program AND the Retirement Services Program are complementary and mandatory. I urge you to start both 24 months before you retire – well before you drop your retirement request. And don't underestimate the mental transition you're about to make. Life in retirement will be different, but the grass is green on this side of the fence too. You will miss the sense of purpose, the camaraderie, and the Soldiers you've lived with for so long. But make no mistake, the Army will still need you after you retire. Your mission will change, but your duty to the country will not.

After you retire, I want you to be a Soldier for Life – a true advocate for the Army wherever you live. The mission for Retired Soldiers is to "HIRE and INSPIRE": Help veterans get jobs. Inspire our youth to follow in your footsteps into military service. Inspire Americans to know, understand, and support their Soldiers and their Army.

Thank you for your long and dedicated service to the nation.

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CHAPTER 1

INTRODUCTION

Getting your mind prepared

1-1 SOLDIER FOR LIFE MINDSET

What does it mean to be a “Soldier for Life? A Soldier for Life is someone who embraces a lifetime of service. Someone who traces their success as a civilian to the skills they developed in the Army. Someone who continues to identify with the Army even after hanging up the uniform. Someone who becomes a passionate advocate for service to the nation. A Soldier for Life rejects the idea that there is such a thing as a former Soldier. Soldiers for Life continue to live the Army Ethic and continue to serve the Army and their communities. A Soldier for Life bridges the gap between the Army and American civilians who don’t know what it means to be a Soldier or the value of a veteran.



Our Army has always been about people—our success has never been defined by the newest rifle, helicopter, or tank. History has demonstrated that it’s the quality and lethality of our Soldiers that has always made the difference in fighting and winning our nation’s wars.

The readiness of our Army depends on not only being able to meet our recruiting goals but also in ensuring that we continue to attract the best and the brightest Americans. Only 29% of American even qualify for the Army. Retired Soldiers help implement the Army vision and ensure that we continue to have “Soldiers and leaders of unmatched lethality.” Retired Soldiers who consider themselves Soldiers for Life, who have that enduring connection with the Army, are informal ambassadors for Army service. They connect the Army with Americans in thousands of towns all across America. They dispel the myths about Army service. They attract young Americans to the Army’s ranks.

1-2 RETIREMENT IS A PROCESS

Remember this: “Retirement is a process, not an event.” Retiring is more than just a formal ceremony at the end of your career. It’s everything you do in your last two years of service to prepare yourself and your family for the next phase of your life. It’s more than a checklist of tasks. It’s a mental transformation from training, deploying to fight, and winning our nation’s wars. You didn’t get to this point in your career without being a good planner and paying attention to details. You will need both of these skills to retire successfully, but make no mistake. Life after you retire will be different. To be sure, the grass on the other side of the retirement fence is green. You’ll find new and exciting challenges. Embrace this new adventure in your life, and remember the following:

a. Start with a positive attitude

Look back on your achievements and celebrate them! Only about 30% of officers and 10% of enlisted Soldiers retire from the Army. You will continue to succeed after your retirement. Consider the myriad opportunities to positively impact Americans and the other veterans you’re joining. There are almost one million Retired Soldiers. You’re joining the Army’s largest demographic – it’s fourth component. As a Soldier for Life, your mission will change, but your duty to the country will not. You’ll still be a Soldier, and the Army still needs you. The mission statement for Retired Soldiers is to “HIRE and INSPIRE.” We need you to settle wherever is best for you and your family, and then help veterans get jobs; inspire America’s youth to follow in your footsteps into military service; and inspire Americans to know and support their Army. The decisions you make during your transition will significantly affect your retirement, but more than 30,000 walk this path

successfully every year. Talk to your friends who preceded you into retirement, and you will find they are happy in their new careers and lives. View your transition as an opportunity.

b. Prepare early

You have a day job. Planning and executing your retirement on top of that job will be a challenge. It will be easier if you start gathering resources and developing your plan 24 months before you want to retire. Attend the mandatory Transition Assistance Program AND Retirement Planning Seminar at the 24 month mark, so you'll know what you're up against. Like combat, you should gather all available intelligence and perform reconnaissance of your objective. Then make your plan. Skip these or make a hasty plan, and your chances of success diminish.

c. Understand the impact of your retirement on others

If you have a family, remember that they are transitioning too! Take your spouse to the retirement planning seminar. Share information and decisions. In many families, the Soldier's spouse manages the family health care, budget, and other critical areas that will change when you retire. Your retirement will also impact your children. Involve them in the celebration of your career accomplishments. They played their part and managed through your absences. Their lives will change too.

CHAPTER 2

How to Plan Your Retirement

2-1 GENERAL

Below is a timetable we suggest you use as a starting point for your retirement planning. The Retirement Services Officer (RSO) or your military personnel officer can provide a more detailed checklist that addresses local requirements.

24 MONTHS BEFORE RETIREMENT

At this point, you may not be committed to retiring, or even have a retirement date in mind, but you should begin planning now. It takes a while to gather the necessary resources, learn all the decisions you and your family will make, and set up appointments to attend the required briefings and courses. Some things you'll want to do now are:

- a. Gather and read resources, such as this retirement planning guide; pertinent Army regulations and installation procedures that you must follow to retire.
- b. Determine the service providers who will assist you with retirement planning and processing.
- c. Estimate your monthly living expenses and build 3-6 months of savings to support your family after you retire.
- d. Build a timeline to retirement by outlining the major decisions you need to make and exactly when you must make them to stay on course for your retirement date. For example,
 - (1) Where will you live?
 - (2) Do you need to move your household goods?
 - (3) What do you want to do after you retire? If that includes working, what do you want to do? What are you qualified to do? Do you need to develop new skills or document your existing skills through a certification, credentialing, or licensing program? Are you interested in the Career Skills Program or an apprenticeship?
 - (4) Will your spouse work? Where are the job prospects best for your spouse?
 - (5) Will you or your family members have special medical needs that will influence where you reside? Do you need or want to reside close to a military treatment facility or VA medical facility? Medical and dental care options for Retired Soldiers are very different than those provided for Soldiers. Investigate this carefully and early.
 - (6) Will you, your spouse, or your children attend college and will in-state tuition be a factor in that decision?
 - (7) What are your remaining service obligations and when will they be completed?
 - (8) Did you transfer education benefits to family members? If you have over 16 years of service, you can't transfer them after Jan. 12, 2020.
 - (9) Are you scheduled to PCS in the next two years? You normally have to stay on station for one year after you PCS before you can retire.
 - (10) How much transition leave do you want to take? Do you need to start building to that amount?
- e. Use the MyArmyBenefits calculators to estimate your retired pay and Survivor Benefit Plan annuity and costs.
- f. Investigate converting your SGLI to VGLI or civilian life insurance.
- g. Schedule yourself (and your spouse if you have one) to attend the local retirement planning seminar.
- h. Schedule yourself (and your spouse if you have one) to attend the local transition assistance program and coordinate your attendance with your unit.

12 TO 24 MONTHS BEFORE RETIREMENT

If you are just starting to plan for your retirement, or have not yet accomplished all of the items listed above, start with that list. Between 12 and 24 months from retirement, your action dates will become more definite. Some things you'll want to do include:

- a. As close to 24 months as you can, attend BOTH the retirement planning seminar and the transition assistance program.
- b. Decide on your retirement date.
- c. Prepare your request for retirement to submit when you have 12 months left.
- d. Seek medical and dental care for any unresolved conditions.
- e. Put any documentation of medical care received during a deployment or from civilian providers into your military medical records.
- f. Begin accumulating a wardrobe for post-retirement employment if needed.
- g. Confirm your remaining service obligation.
- h. Apply to colleges if you or family members will attend right after retirement

6 TO 12 MONTHS BEFORE RETIREMENT

If you are just starting to plan for your retirement, or have not yet accomplished all of the items listed above, start with those lists, but work on this list simultaneously. Between 6 and 12 months from retirement, you will be finalizing your plans and beginning your search for a civilian job.

- a. At the 12-month mark, submit your retirement request and leave plan.
- b. At the 12-month mark, complete the pre-separation transition checklist (DD Form 2648) with the transition services office
- c. Between 6 and 9 months, schedule your retirement physical as close to the 6-month mark as possible, so you can use it in any claim for VA disability compensation while you're still on active duty.
- d. Submit your final request for permissive TDY and transition leave 60-90 days before you plan to take it. That could be as far out as 6 or 7 months before retirement depending on how much you take and when.

0 TO 6 MONTHS BEFORE RETIREMENT

If you are just starting to plan for your retirement, or have not yet accomplished all of the items listed above, start with those lists, but you have much to do and little time to do it. You must work on all lists simultaneously. Your focus should be almost all on your retirement now.

If you have been planning for some time now, this is the execution phase. You'll continue to work, but actions or decisions you postpone now may adversely impact your retirement or your benefits.

- a. Update wills and powers of attorney with the Staff Judge Advocate.
- b. Contact the transportation office to schedule delivery of your household goods.
- c. If you are under the Blended Retirement System (BRS) and want a lump sum of your retired pay at the time of your retirement, submit your DD Form 2656, Data for Payment of Retired Personnel (and Survivor Benefit Plan (SBP) election) no less than 90 days before retirement. If you're not retiring under BRS, submit it at

least 60 days out. A DD Form 2656-1 is needed if a former spouse SBP election is being made.

- d. Register for eBenefits and submit VA Form 21-526, Application for Compensation from Department of Veterans Affairs if you want to be considered for disability compensation.
- e. Schedule your retirement ceremony or coordinate to participate in the local or installation group ceremony.
- f. Change your email address in any account if it contains your DOD email address, especially your myPay account at DFAS.

0 TO 6 MONTHS AFTER RETIREMENT

You've made it, but you're not quite done yet.

- a. Turn in your CAC and obtain your retired ID card and new dependent ID cards. This is critical because your benefits have changed.
- b. Convert SGLI to VGLI (VA sends application), if desired, within 120 days after retirement.
- c. Sign up for the TRICARE plan you chose within 120 days. This is not done automatically.
- d. Complete DD Form 2860, Application for Combat-Related Special Compensation (CRSC), if applicable, but only after the VA has given you a disability rating.
- e. Join a veteran or military service organization or the closest installation retiree council to continue to serve.
- f. Start working for the Department of Defense (No earlier than 180 days after your retirement date without a waiver)

2-2 THE SPOUSE'S PERSPECTIVE

Do not overlook your spouse's perspective in the retirement transition. In most marriages, the Soldier's spouse manages many critical functions that will change when the Soldier retires, including the family budget, health care, children's schooling and daycare, and home management. And if the spouse is employed, the Soldier's retirement and possible family move will significantly impact the spouse's employment and the family's monthly income. Talk to your spouse early and often when your retirement is on the horizon. Take your spouse to all retirement planning seminars. He or she will hear things that you will miss because you have a different perspective on retirement from your spouse.

2-3 WHEN YOU CAN RETIRE

You can request retirement from your Military Personnel Office when your Active, Active Duty for Training (ADT), Active Duty for Special Work (ADSW), Temporary Tour of Active Duty (TTAD), Full-Time National Guard Duty (FTNGD), and Active Guard/Reserve (AGR) service totals 20 years or more (Title 10 U.S. Code, §3926 [Officer], §1293 [Warrant Officer] and §3925 [Enlisted]). Officers may also use service as a contract surgeon or acting dental surgeon to qualify for retirement. Qualified Reserve Component (USAR and ARNG) Soldiers with 20 or more years of creditable service, should submit their retired pay applications to U. S. Army Human Resources Command no earlier than 9 months but not less than 90 days prior to their age of eligibility, usually age 60, unless entitled to a reduced age retirement. Under the National Defense Authorization Act of 2008 (Sec 647, Public Law 110-181), Reserve Component Soldiers ordered to active duty under eligible authorities listed in Title 10 USC §12731 paragraph (f) may qualify for reduced age retirement prior to age 60, however not less than 50.

2-4 CHANGE OF MISSION

Change of Mission is the Army's official newsletter for Soldiers in all three components with 17 or more years of service. It is published quarterly as an electronic, 16-page newsletter on the Soldier for Life website at <https://soldierforlife.army.mil/Retirement/change-of-mission>. The Defense Finance and Accounting Service (DFAS) emails a quarterly SmartDoc with the link to the newest edition to Soldiers with over 17 years of service. *Change of Mission* educates Soldiers about the retirement process and benefits to help them plan and execute a smooth retirement.



2-5 SOLDIER FOR LIFE – TRANSITION ASSISTANCE PROGRAM

Currently, there are over 50 Soldier for Life - Transition Assistance Program (SFL-TAP) locations worldwide and a SFL-TAP 24/7 Virtual Center. Transition counselors provide you extensive transition support tailored to your unique needs as an Active Component Soldier, Reserve Component Soldier, Army wounded warrior, surviving spouse, Retired Soldier, veteran, Army civilian, and Army family member. Retiring and transitioning Soldiers work towards attaining identified Career Readiness Standards (CRS) as they go through the program.

Retiring Soldiers may initiate SFL-TAP services two years prior to their actual retirement date. SFL-TAP encompasses the following services:

- Self-assessment, initial counseling, individual transition planning, and pre-separation counseling (DD Form 2648). Soldiers learn about transition services and benefits available to them. They also receive assistance in developing an individual transition plan from highly qualified counselors. All Soldiers must receive pre-separation counseling at least 12 months prior to their transition or retirement date.
- Veteran Affairs (VA) benefits and services briefing. This one-day briefing covers all VA services and benefits available to veterans and is delivered by VA counselors. Attendance is required at least six months prior to transition or retirement date.
- Department of Labor (DOL) employment workshop. DOL staff members facilitate this one-day workshop which provides the basic knowledge and skills required to execute a successful job search. This includes the selection of a job search objective, resume and cover letter preparation, networking, identification of job opportunities, the hidden job market, interviewing and salary/benefit negotiations. Attendance is required at least nine months prior to transition or retirement, in addition to completing a job application package or obtaining a job offer.
- Military Occupational Specialty (MOS) crosswalk. During this course, counselors explain how Soldiers can examine their military experience, skills, education and credentials. The gap analysis that accompanies the crosswalk accounts for deficiencies between their current skill set and the desired civilian occupation or goal. A completed gap analysis is required prior to transition.
- Financial planning seminar. SFL-TAP financial counselors provide information and tools needed to identify initial financial responsibilities, obligations and goals during the transition period. Participants assess their current financial standing and project post-transition financial needs.
- Individual employment counseling. Counselors assist Soldiers in identifying a job objective, finalizing résumés and cover



letters, completing job applications, finding job opportunities, preparing for interviews and job fairs, dressing for success and negotiating salary and benefits.

- Job search resources and tools. Soldiers have the opportunity to use a resume writer, a cover letter writer and complete online applications for federal employment. They can also participate in job fairs, career days and use an extensive SFL-TAP reference library.
- Career tracks. Education, vocational training, employment, and entrepreneurship are two-day workshops designed to help participants make informed career track decisions.
- Boots2Business is the entrepreneurship career track course. The Small Business Administration's two-day workshop introduces the fundamentals of small business ownership and business concepts in addition to tools and resources available to veterans who choose to be small business owners. After completing the Boots2Business course, participants may complete an eight week, instructor-led online course.
- SFL-TAP also offers the opportunity for transitioning Service members to participate in the Army's Career Skills Program (CSP) consisting of credentialing, apprenticeship, on-the-job training, job shadowing, and internship opportunities. • The SFL-TAP website (www.sfl-tap.army.mil) provides a comprehensive overview of transition assistance services and links that allow Soldiers to register for classes, schedule appointments for SFL-TAP services, and view available events from their home or office. The SFL-TAP website also connects individuals to the Virtual Center and automated transition tools without visiting a SFL-TAP center.
- The SFL-TAP 24/7 Virtual Center provides transitioning Soldiers access to transition counselors who answer questions and assist Soldiers in a virtual forum during the transition process.
- Retired Soldiers and their ID card carrying family members are eligible for SFL-TAP services on a space-available basis for the rest of their lives.

2-6 RETIREMENT PHYSICAL

Retiring active duty Soldiers must complete a retirement physical no more than six months and no less than one month before the retirement date or the start of transition leave. Retiring Reserve Component Soldiers do not complete a retirement physical unless they are on active duty. Contact your local Military Treatment Facility (MTF) for details and appointments.

If you are a Gulf War veteran, you are eligible for medical evaluation either through DOD's Comprehensive Clinical Evaluation Program (CCEP) or the Department of Veterans Affairs (VA) Gulf War Registry (GWR). Consult the VA for more information on these programs online at <http://www.va.gov> or by phone at 800-827-1000.

OIF/OEF veterans qualify for special combat veteran eligibility for up to two years after their discharge from service. This special eligibility includes enrollment in Priority Group 6 and exemption from copayments for care of conditions potentially related to their military service. Veterans serving in the Southwest Asia Theater of Operations are also eligible to participate in the Persian Gulf War Registry examination program. More information is available at <http://www.oefoif.va.gov/>.

2-7 HOUSEHOLD GOODS TRANSPORTATION

Soldiers retiring from the United States military are authorized household goods (HHG) transportation from the last, or any previous, permanent duty station in CONUS, from storage, or any combination thereof, to their home of selection (HOS).

Once you select a location, that selection is irrevocable if transportation-in-kind is furnished and used, or if you receive travel and transportation allowances after you complete travel.

You may select a home anywhere within the U.S., or the home of record (HOR) outside the U.S., or the place outside the

U.S. from which you were initially called or ordered to active duty.

Your weight allowance for retirement is the same as it was on active duty.

You are allowed to ship professional books, papers and equipment (PBP&E)(any item that was necessary for official duties) in your retirement shipment as long as you declare it during transportation counseling, the completed shipment application (DD Form 1299) shows the weight of PBP&E, during the pickup you identify the PBP&E, and the shipper inventories and weighs it separately from other household goods.



If you are required to vacate government quarters before selecting a home, you are authorized a short distance HHG move from the government quarters to a local temporary residence in the vicinity of the vacated quarters.

You are authorized non-temporary storage (NTS) of your HHG (not to exceed the JFTR weight limit, excluding PBP&E) from the date your retirement orders are issued to the one-year anniversary of your retirement date. You may request continued storage beyond the one-year anniversary of your retirement date, but in all cases it will be at your expense, at the government rates for the extended time. You must make payment arrangements with the transportation office that arranges the storage.

NTS must be placed in a facility near the place where your household goods were located on the date your orders were issued. This means you may not ship HHG to the HOS and then place them in NTS.

If you are undergoing education or training to qualify for acceptable civilian employment, you may extend storage in one year increments until one year after the education or training is completed.

Extensions are granted for a maximum of one year at a time, and you must file them prior to the anniversary date of your retirement. The Joint Personal Property Shipping Office (JPPSO) has no authority to grant an extension if you miss the anniversary date. You must file a "Request for Reinstatement of Transportation Entitlement" via the Secretarial Process. Such a case would have to go to the Secretary of the Army for further extension.

Extensions for Army personnel living outside the JPPSO area of operation are not processed by the JPPSO, but by the JPPSO or PPSO that services the installation where you were last stationed.

2-8 RETIREMENT RECOGNITION



You will be given the opportunity to participate in a retirement ceremony. The Army also honors your selfless service by issuing the Army Retiring Soldier Commendation Program Package, which includes:

- Full-color box carrier
- U.S. Flag
- U.S Army Retired Lapel Button
- Two Soldier for Life window stickers
- A thank you note from the Secretary of the Army, the Chief of Staff, Army, and the Sergeant Major of the Army

2-9 TRANSITION LEAVE AND PERMISSIVE TDY

a. AR 600-8-10, *Leaves and Passes*, governs leave. Transition leave is ordinary (chargeable) leave used for separation from the Army, to include retirement.

b. At retirement, you may sell leave accrued through your retirement date (limit of 60 days during your career) or use it before your retirement date, or split your leave between these two options. Because it is difficult to change an approved retirement date, you should determine your best course of action before submitting your retirement request.

Consider these factors:

- After 20 years of service, each additional month you serve on active duty provides an additional retired pay multiplier of 1/12th of 2.5 percent for those under the Final Base Pay or High-3 retired pay formulas, or 1/12th of 3.5 percent, for those under REDUX, or 1/12th of 2.0 percent for those retired under BRS.
- Service members must retire on the 1st day of a month unless retired for disability.
 - Accrued leave days are sold back for base pay only.
 - Accrued leave paid in a lump sum is automatically taxed at 25 percent.
- Service members MAY work while on transition leave, even for the federal government.
- Only Soldiers retiring for disability may request to adjust retirement dates to use leave that cannot be sold due to the 60-day limit.
- Unless authorized additional leave carryover through Special Leave Accrual (SLA) authority, all accrued leave in excess of 60 days is lost on Oct. 1 even if you start transition leave before that date.

c. The purpose of Transition Permissive Temporary Duty (PTDY) is to allow you to participate in pre-separation job search and/or house hunting activities that facilitate your relocation or transition to civilian life. If neither of these activities are necessary during the requested time period, then transition PTDY is not appropriate.

Senior Commanders may grant up to 20 days (CONUS) or 30 days (OCONUS) of Transition PTDY to Soldiers retiring from active duty. It is a non-chargeable absence that may be granted in addition to transition leave.

Transition PTDY may be granted in increments (not to exceed days authorized); taken in a series of trips; or taken in its entirety in conjunction with transition leave (taken together, as one trip). You may not use Transition PTDY with leave without completing a duty day between the two periods of absence, unless Transition PTDY is taken in its entirety in conjunction with transition leave after final out-processing at the last permanent duty station.

Service members are not permitted to be employed while in Permissive TDY status.

No more than 120 days of PTDY may be approved for participation in the Career Skills Program (CSP). PTDY for CSP may not be combined with other PTDY, leaves, or passes.

CHAPTER 3

RETIREMENT BENEFITS

3-1 DEFENSE ENROLLMENT ELIGIBILITY REPORTING SYSTEM (DEERS)

DEERS is a computerized database containing information on military sponsors and their beneficiaries who may be eligible for medical care and other military benefits. The database is automatically updated when a new ID card is issued.

3-2 MILITARY IDENTIFICATION AND PRIVILEGE CARDS

a. Military Identification and Privilege Cards (aka ID Cards) are issued to Retired Soldiers and eligible family members as a means of identification and as authorization for various benefits and privileges. DD Form 2 (Retired), United States Uniformed Services Identification Card is issued to Retired Soldiers who are entitled to retired pay, even if they have waived their military retired pay in favor of VA compensation, or due to retirement from the federal government. DD Form 1173, United States Uniformed Services Identification and Privilege Card, is issued to eligible family members of living and deceased Retired Soldiers. DD Form 2 (Retired Reserve) is issued to Soldiers in the Retired Reserve who are not yet in receipt of retired pay.

The DD Form 1173 identifies the family member as being eligible for commissary, Exchange and theater privileges, as well as medical care. Medical care at military facilities is provided on a space-available basis. Military and civilian health care benefits are coordinated through the TRICARE program, <https://www.tricare.mil>.



b. Military ID cards for Retired Soldiers and eligible dependent family members contain vital personal information, such as the cardholder's height, weight and date of birth, as well as a photo. ID cards also contain the DoD ID number and DoD benefits number of the sponsor and cardholder (only family member ID cards contain both numbers). Family member ID cards will change when the cardholder's expired ID card is renewed.

c. Retired Soldiers and eligible family members who are enrolled in DEERS may apply for an ID card at any military ID card issuing facility. Find the nearest facility by visiting: <http://www.dmdc.osd.mil/rsl>. If not yet enrolled in DEERS (for example, a new spouse or child), you must present supporting documents such as retirement orders, marriage certificates, birth certificates, etc. Family members may apply for an ID card without the retired sponsor being present. However, if not present, the sponsor's signature must be notarized on the completed application presented to the ID card issuing facility.

d. ID cards for Soldiers in the Retired Reserve and eligible family members will be issued at any ID card-issuing facility upon presentation of the Notice of Eligibility (NOE) for Non-Regular Retired Pay at Age 60 (20 year letter) and transfer orders to the Retired Reserve. Reserve Component Retired Soldiers will receive a DD Form 2 (red) ID card, and their eligible family members will receive the DD Form 1173-1 (red) ID card. Entry into the DEERS is essential for proper eligibility verification and future ID card renewal/status changes. Once eligible to receive retired pay, Soldiers must report to any ID card-issuing facility to receive the DD Form 2 (Retired) ID card and family members will receive the DD Form 1173-1 (tan) ID card.

e. The Uniformed Services Identification and Privilege Card is the property of the U.S. Government. It is not transferable, and must be surrendered by the Retired Soldier or family member upon any change in status that affects eligibility; upon expiration of the card; or upon request by military authorities. Cards should be returned to Commander, U.S. Army Human Resources Command, 1600 Spearhead Division Ave, Fort Knox, KY 40122.

f. Generally, the following individuals are eligible for military ID Cards. The final decision is based on Army regulations and policies. Always call ahead before traveling to an ID card issuing office.

(1) Retired Soldiers in receipt of retired pay, or who would be in receipt of retired pay if it were not for the offset of retired pay due to the receipt of VA disability compensation or a civil service retirement annuity.

(2) Spouses of individuals in (1) above.

(3) Certain former spouses of individuals in (1) above.

(4) Children, including stepchildren and adopted children, under age 21, or under age 23 if full-time, unmarried students, or any age if incapacitated before the age of 21 (or 23, if applicable) and dependent upon the retired sponsor in (1) above for more than one-half their support

(5) Parents, parents-in-law, and adopted parents, if dependent on the retired sponsor in (1) above for more than one-half of their support.

(6) Retired Reserve Soldiers (in the Gray Area, not yet in receipt of retired pay)

g. Documentation for incapacitated children over 21 and dependent parents must be approved for medical benefits and entitlements by DFAS-Indianapolis Center. If you have an incapacitated child over the age of 21, you can download the incapacitated child form, DD Form 137-5, at <http://www.dtic.mil/whs/directives/forms/eforms/dd0137-5.pdf>. DFAS is the approving authority for the request. If you have any questions, please call 888-332-7411. You must complete the request and send it to:

DFAS/IN
ATTN: JMTCB
8899 EAST 56TH ST.
INDIANAPOLIS, IN 46249-0885

Even if the incapacitated child has a permanent condition, the packet must be resubmitted every four years.

3-3 MYARMYBENEFITS (MAB)

MyArmyBenefits resides at <https://myarmybenefits.us.army.mil/> and provides over 150 federal and state benefit fact sheets, organized by topic, military status, and life events. The site also offers planning calculators for retirement, survivor benefits, deployment and disability compensation estimates that are accessible using a Common Access Card (CAC) or Department of Defense Self-Service Logon (DS LOGON). MAB also provides a help desk for any benefit-related questions.

The MAB site covers important benefit topics such as the Blended Retirement System, Thrift Savings Plan (TSP), Survivor Benefit Plan (SBP), and Department of Veterans Affairs (VA) disability compensation issues. MAB also provides the information and procedures for claiming compensation such as Combat Related Special Compensation (CRSC) or Concurrent Retirement and Disability Pay (CRDP), Social Security compensation, and other Federal Benefits. In addition, MAB provides comprehensive military resource locators for 54 states and territories and 11 countries.



MyArmyBenefits is an essential resource in the retirement planning process. Soldiers considering retirement can use the MAB calculator to receive a personalized retired pay estimate based on the information in the member's personnel file. They can also review the benefits that each state offers veterans in the state fact sheets, which can help them determine where to live based on their projected tax liabilities and benefits.

3-4 ARMY EMERGENCY RELIEF

Retired Soldiers are eligible to receive assistance from Army Emergency Relief (AER) and may also contribute to AER by allotment from their retired pay. Visit www.aerhq.org for more details.

Chapter 4

RETIREMENT PAY INFORMATION

4-1 RETIRED PAY PLANS

a. References:

(1) DOD Financial Management Regulation (FMR), DOD 7000.14-R, Volume 7B, Military Pay Policy and Procedures—Retired Pay, (referred to hereafter as DOD 7000.14-R), contains everything you ever wanted to know about retired pay. You can access it at <http://comptroller.defense.gov/FMR/fmrvolumes.aspx>. Scroll down to Volume 7B.

(2) All Soldiers may use the MyArmyBenefits retirement calculator located <https://myarmybenefits.us.army.mil/Benefit-Calculators/Retirement>.

b. Which retired pay plan are you under?

There are four retired pay plans for computing length-of-service retired pay. They are Final Pay, High-3, REDUX, and the Blended Retirement System (BRS). Your “Date of Initial Entry into Military Service”, also called the DIEMS date (pronounced DEEMS), determines your retired pay plan. Your DIEMS date is the earliest date of enlistment, induction or appointment in a regular or reserve component of a uniformed service as a commissioned officer, warrant officer, or enlisted member. It is rarely the same as your basic active service date (BASD) and usually earlier than your pay entry basic date (PEBD). Situations where the DIEMS date will be earlier than the PEBD include:



- United States Military Academy graduates—The DIEMS date is the date the Soldier entered the Academy, or the date the Soldier signed up for any active or reserve service before entering the Academy. Use the date from the Academy transcript, or four years before the date of regular army commission, whichever is earlier. NOTE: Academy time is not creditable for retired pay purposes (for officers).
- Reserve Officers Training Corps (ROTC)—The DIEMS date is the earliest of: 1) the date the Soldier began a ROTC scholarship program, 2) the date the Soldier enlisted as a Reserve member in the Senior ROTC program, or 3) the date the Soldier signed up for any active or reserve service before entering the ROTC program. Proof of an ROTC scholarship will be found on DA Form 597 (Army Senior Reserve Officer Training Corps [ROTC] Scholarship Cadet Contract). Senior ROTC course enrollment can be proven by the DD Form 4 (Enlistment/Reenlistment Document—Armed Forces of the United States), or DA Form 61 (Application for Appointment), whichever is earlier. The DA Form 61 cannot be used to verify enrollment in the Senior ROTC course during the month of September 1980. NOTE: ROTC time is not creditable for retired pay purposes although any reserve time served while also a member of the ROTC program is creditable for basic pay purposes.
- Break in service—The DIEMS date is the date the Soldier initially became a member of a uniformed service, any branch or component, even if the Soldier had a break in service and reentered at a later date.
- Delayed Entry Program (DEP)—The DIEMS date is the date the Soldier signed up for the DEP, not the date the Soldier came on active duty. Use the date of signature on DD Form 4 (Enlistment/Reenlistment Document—Armed Forces of the United States).
- Direct Commissioning Program—Use the date of signature on DA Form 71 (Oath of Office—Military Personnel).

c. Service creditable for percentage purposes

All retired pay plans use “service creditable for percentage purposes” in their formulas. In addition to credit for your active duty service, you may receive credit for certain inactive reserve points and, for officers, medical or dental school. Before receiving credit for the additional time, you must first qualify for retirement by completing 20 years of active duty. For a complete explanation of service creditable for percentage purposes, see paragraph 0103 of DOD 7000.14-R. Medical and dental officers should also read paragraph 010101, Volume 7A DOD 7000.14-R. Reserve Component Soldiers may also find an explanation on the reverse side of their annual Chronological Statement of Retirement Points (DA Form 5016 or NGB Form 23).

d. Types of retirement plans:

1. Final Pay. DIEMS date before Sept. 8, 1980. Compute using the following formula: Service creditable for percentage purposes X 2-1/2 percent X final base pay = retired pay.

a) These Soldiers receive a percentage of their final base pay. Therefore, they should take care not to retire just before an increase in their base pay would occur. For example, a sergeant major with 23 years and 10 months who retires on April 1st may wish to wait until June 1st to retire, so his or her retired pay will be based on the final month's basic pay for a sergeant major with over 24 years, versus over 22 years.

b) Active duty officers who retire under the Final Pay plan with less than 10 years of commissioned service retire in their highest enlisted or warrant officer grade satisfactorily held. They receive a percentage of the final base pay that corresponds to the retired grade and years of service at retirement. Reserve officers retiring at age 60 retire at the highest grade held satisfactorily for the minimum period required by law.

c) Officers who have 10 years of commissioned service, but retire before completing the required time in their current commissioned officer grade without an approved waiver, will retire at the next lower grade and receive a percentage of the final base pay that corresponds to the lower grade and years of service at retirement. This is not applicable to Reserve officers (see para (b) above).

d) Soldiers under the Final Pay plan retiring on the same day as a basic pay rate change (e.g., retire Jan. 1 with last day of active duty on Dec. 31), may be eligible to have their retired pay calculated on the new pay scale. Officers who retire voluntarily use the new pay scale as long as they qualify for retirement at least one day before their retirement date. Enlisted Soldiers use the new pay scale. Warrant officers cannot use the new pay scale. See paragraph 0104 of DODFMR 7000-14.R (DOD Financial Management Military Pay Policy and Procedures-Retired Pay) for details on mandatory and disability retirements; <http://www.dtic.mil/whs/directives/corres/dir.html>.

e) Cost-of-living adjustment (COLA)—If your DIEMS date is before Sept. 8, 1980, you will receive an annual COLA representing the difference between the Consumer Price Index (CPI) for the third quarter of one calendar year and the third quarter of the next. The COLA is normally effective Dec. 1 and payable the first working day of January. The first COLA after retirement will be a partial one because you will not have been retired for the full COLA calculation period. Thereafter, you will receive a full COLA.

f) How to validate and correct DIEMS date— Active Army Soldiers with supporting documentation, may contact the brigade or installation Personnel Automation Section (PAS) point of contact to correct DIEMS Date via the 4331-DIEMS DATE transaction in ePASSR. Approved brigade or installation PAS point of contacts are responsible for validating all supporting documentation. The ePASSR transaction provides approved Personnel Automation Section (PAS) and brigade point of contacts the ability to update both TAPDB and eMILPO. PAS and Brigade approved users can submit DIEMS Date related tickets to HRC's Field Services Division (FSD) at <https://www.fsd.hrc.army.mil/login.aspx>. Supporting documentation must be included with each ticket request.

Individual Ready Reserve and Individual Mobilization Augmentee Soldiers with supporting documentation may contact the Human Resource Command, Personnel Action Branch of the Soldier, to correct the DIEMS date.

Army Reserve TPU and AGR Soldiers with supporting documentation may contact their Troop Program Unit. The unit can correct the DIEMS in RLAS (Regional Level Accounting System). The DIEMS date is shown as "Initial Entry Military" under Service Data in Personnel Maintenance in RLAS.

Army National Guard Soldiers should provide supporting documentation to their servicing personnel office for processing a correction.

2. High-3 Pay Plan. DIEMS date between Sept. 8, 1980 and July 31, 1986. Service creditable for percentage purposes X 2-1/2 percent X average of highest 36 months of base pay = retired pay.

a. In most cases (see exceptions below), under the High-3 formula, the basic pay base is the average of the monthly basic pay rates you received for the 36 months before your retirement.

b. Commissioned officers who retire with less than 10 years of commissioned service and less than 30 years of total service will use only enlisted basic pay in the calculation of their highest 36 months of basic pay (\$1407, Title 10 USC). The enlisted basic pay corresponding to the member's years of service for the 36 months before retirement will be used. NOTE: Commissioned warrant officer time may be used to meet the 10-year commissioned service requirement.

c. Commissioned officers under the High-3 formula who retire with 10 or more years of commissioned service, but who fail to meet the service-in-grade requirements, will retire at the next lower grade served on active duty satisfactorily for at least six months.

d. If you serve on active duty for less than 36 months (e.g., retire for disability), the basic pay base is the amount of monthly basic pay you received during the period you were on active duty divided by the number of months, including any fraction, that you served on active duty.

e. COLA—If your DIEMS date is between Sept. 8, 1980 and July 31, 1986, you will receive an annual COLA representing the difference between the Consumer Price Index (CPI) from the third quarter of one calendar year to the third quarter of the next. The retired pay COLA is normally effective Dec. 1 and payable the first working day of January. The first COLA will be a partial one because you will not have been retired for the full COLA calculation period. Thereafter, you will receive the full COLA.

f. For more information on calculating the average of the highest 36 months of basic pay, see paragraph 0301 of DODFMR 7000.14-R; <http://www.dtic.mil/whs/directives/corres/dir.html>.

3. High-3 or REDUX pay plan. DIEMS date between Aug. 1, 1986 and Dec. 31, 2018. Soldiers with a DIEMS during this period were automatically covered under the High-3 retired pay plan discussed in paragraph 2 above. Soldiers were given the option to have their retired pay calculated under the REDUX formula in return for a \$30,000 Career Status Bonus (CSB) payable at the 15-year mark of active duty. To be eligible, Soldiers were required to qualify under Service regulations for retention to 20 years and must have agreed to serve a total of 20 years.

Soldiers who received the \$30,000 CSB have their retired pay calculated under the REDUX formula as follows: Service creditable for percentage purposes X (2 percent per year for years 1 through 20, 3.5 percent per year for years 21 through 30, and 2.5 percent thereafter) X the average of the highest 36 months of basic pay. Paragraphs 2a through 2d above



also apply to calculation of the highest 36 months of basic pay for the REDUX plan. A Soldier who accepts the \$30,000 bonus and later retires for disability will use the High-3 formula for the length-of-service portion of retired pay.

Cost of Living Adjustment (COLA): Members who retire under the REDUX pay plan (including Soldiers who retire for disability after having made a CSB election, even though their retired pay will be calculated under the High-3 plan), receive reduced COLAs, equal to the Consumer Price Index (CPI) minus 1 percent, until age 62, at which time they receive a one-time catch-up COLA. They then revert to the CPI minus 1 percent COLA.

4. Blended Retirement System (BRS). Service creditable for percentage purposes X 2 percent X average of highest 36 months of basic pay = retired pay.

The Fiscal Year 2016 National Defense Authorization Act created a new military retirement system that blends the traditional retirement pay with a defined contribution to the Service members' Thrift Savings Plan account. All members serving as of Dec. 31, 2017, were grandfathered under the legacy (High 3) retirement system. Active Component Service members who had fewer than 12 years of service, and Reserve Component Service members who had fewer than 4,320 retirement points prior to Jan. 1, 2018, were permitted to opt into the BRS or remain in the legacy retirement system. All Service members who entered the military on or after Jan. 1, 2018, were automatically enrolled in Blended Retirement System. The new system has three elements: a 401(k)-style component with DOD matching funds, a mid-career continuation pay bonus, and a traditional retirement annuity. Members retiring under BRS may also elect to receive a lump sum payment at retirement of future retired pay. This lump sum must be requested at least 90 days before retirement and reduces the member's monthly retired pay. Use the [MyArmyBenefits BRS calculator](#) to estimate what the lump sum would be and the impact on monthly retired pay.

4-2 DISABILITY RETIREMENT

If you may retire for disability, you should attend the closest RSO's retirement planning seminar as soon as you enter the MEB/PEB process. The retirement timeline is short once the Army approves your disability retirement, so early preparation is important. If you are married, your spouse should also attend.

Soldiers retiring for disability will have their retired pay calculated two ways: based on the appropriate length-of-service formula (Final Base Pay or High-3) and based on their disability percentage. They will receive whichever is better. Soldiers who received the CSB and retire for disability will not repay the CSB, and their retired pay will be calculated under the High-3 formula.

Retired pay using the percentage of disability formula is computed by multiplying the disability percentage by the retired pay base (final, high 36 month average, or BRS depending on the Soldier's DIEMS date). Soldiers on the Temporary Disability Retired List (TDRL) will not receive less than 50 percent of their base pay; however, the percentage can be decreased when the Soldier is placed on the Permanent Disability Retired List (PDRL). Also, be aware that in order to draw Concurrent Retirement and Disability Pay (CRDP), you must have completed at least 20 qualifying years of service for retirement.

Let's look at an example of a retired pay computation for a Soldier with 20 years of service retiring with a 30 percent permanent disability. Retired pay under the length of service computation (High 3 Pay Plan in this example) would be 50 percent (2-1/2 percent X 20 years) of the average of the 36 highest months of base pay. Retired pay under the disability computation would be 30 percent of the 36 highest months of base pay. In this example, the Soldier's retired pay would be greater using the length-of-service formula (50 percent vs. 30 percent).

Retired pay under a disability retirement for a Soldier who was contracted to the Army after Sept. 24, 1975 will be taxable.

4-3 COMBAT RELATED SPECIAL COMPENSATION (CRSC)

CRSC is not military retired pay. It is a monthly entitlement, initiated on Dec. 2, 2002, as a tax-free special compensation

for a disability or condition that can be attributed to a combat-related event as defined by the DOD program guidance. CRSC is available to Retired Soldiers from all components and all Services. The National Defense Authorization Act of 2008 opened CRSC to those who were medically retired.

Human Resources Command will determine whether your disability is combat-related based on the following criteria:

- a. As a direct result of armed conflict,
- b. While engaged in hazardous service,
- c. In the performance of duty under conditions simulating war, or
- d. Through an instrumentality of war.

To apply for CRSC, review the steps on HRC's CRSC webpage at <https://www.hrc.army.mil/content/Apply%20for%20CRSC>.

CRSC and CRDP are mutually exclusive. DFAS-CL will establish the more advantageous payment for Retired Soldiers who qualify for both, and then will offer an annual open season to allow Retired Soldiers to switch between programs. Open seasons are normally conducted in January. Consult the DFAS website to confirm the date: <http://www.dfas.mil>.



More in-depth CRSC information is available online at <https://www.hrc.army.mil/content/CRSC> or 888-276-9472.

4-4 CONCURRENT RETIREMENT AND DISABILITY PAY (CRDP)

Prior to Jan. 1, 2004, retired Service members were required by law to waive a dollar of retired pay for every dollar on VA disability compensation they received. Under CRDP, retired Service members who qualify receive both pays. Retired Service members are eligible for CRDP if they are entitled to collect retired pay, have a VA service-connected disability of 50 percent or higher and have twenty or more qualifying years of service for retirement. For members of the Reserve Components this means that they must be in receipt of a "20-Year Letter", receiving retired pay and be rated 50 percent disabled or higher by the VA. Members retired under the Temporary Early Retirement Authority are also eligible if they have at least a 50 percent VA disability. CRDP is a taxable benefit.

If you have any questions regarding your CRDP payment from DFAS, call 800-321-1080. For questions concerning disability ratings or disability compensation, please contact the VA at 800-827-1000.

a. References:

- 1. DFAS <https://www.dfas.mil/retiredmilitary/disability/crdp.html>
- 2. The MyArmyBenefits retirement calculator located at <https://myarmybenefits.us.army.mil/>.

4-5 OTHER RETIRED PAY INFORMATION

Soldiers' retired pay is processed by DFAS' Cleveland Center. DFAS-CL can be reached at 800-321-1080 (0800-1700 Eastern Time), or online at <https://www.dfas.mil/>.

Some basic retired pay facts:

- a. Pay Day. The 2011 NDAA requires military retiree pay to be processed on the first day of the month. When that day falls on a weekend or national holiday, the pay date is moved to the previous business day.

b. Retiree Account Statement (RAS). You will receive a RAS (similar to your Leave and Earnings Statement) in the mail with your first retired pay. Thereafter, you will receive a mailed RAS only if your pay amount changes. If you are registered myPay (<https://mypay.dfas.mil>) user, you will receive a monthly email notice that your eRAS is available at DFAS' website. You will receive an annual IRS Form 1099R for your use in filing income tax returns. Please ensure that your correspondence address is current at the end of each year.

c. Electronic Funds Transfer. Federal law requires all members to use the US Department of the Treasury's direct deposit system to receive their retired pay. International direct deposit is available to Retired Soldiers and annuitants residing in most overseas locations. Contact DFAS-CL for more information.

d. Taxes. You may use myPay to update the federal and state taxes that DFAS withholds from your retired pay. You must specify an amount of state taxes to be withheld. Your retired pay is not subject to Social Security/FICA tax withholding because it is "deferred" income rather than "earned" income.

e. Allotments. You may have up to six "discretionary" allotments and unlimited "non-discretionary" allotments as long as there is sufficient net retired pay from which to deduct discretionary allotments. Discretionary allotments include payment of insurance premiums for health, auto or life insurance; voluntary payments to a dependent, former spouse or relative; deposits into a financial institution, mutual fund or investment firm; and payment of an auto or personal loan, mortgage, rent and consumer debts. Non-discretionary allotments include US Government; payment of delinquent taxes; contributions or repayment of loans to Army Emergency Relief (AER); and court-ordered garnishments. If you wish to start or continue purchasing bonds through payroll deduction, you must establish an online account with Treasury Direct (www.treasurydirect.gov). Once you have a TreasuryDirect account, you may request that DFAS establish a new discretionary allotment using your TreasuryDirect account number. The amount does not have to follow bond plan amounts previously used. Only the TreasuryDirect website will be able to validate whether your bonds have been issued. You may change your allotments as frequently as desired after retirement, as long as you do not exceed six discretionary allotments.

f. Electronic pay changes. For the best service, use myPay (<https://mypay.dfas.mil>) to make changes to your retired pay account. Ensure you change your email address in your myPay account from your DOD Enterprise Email address to a commercial address before you retire, so DFAS can continue to communicate with you.

4-6 THRIFT SAVINGS PLAN (TSP)

TSP is a retirement savings and investment plan for federal employees and members of the uniformed services, including the Ready Reserve. It offers the same types of savings and tax benefits that many private corporations offer their employees under 401(k) plans.

The TSP is a defined contribution plan, meaning that the retirement income you receive from your TSP account will depend on how much you put into your account during your working years and the earnings accumulated over that time. You must stop contributing to your TSP at retirement. You may leave your TSP account alone and draw returns when permitted, or roll it into an IRA, or roll a qualified retirement savings account into your TSP account. If you decide to leave your money in the TSP, you will be required to start withdrawing your money by April 1 of the year following the year you turn age 70½. You may resume active TSP participation if you become a federal civilian employee, and military and civilian TSP accounts may be combined. The TSP website offers in-depth tools and information at www.tsp.gov.

Chapter 5

MEDICAL CARE

5-1 TRICARE PROGRAMS—MEDICAL CARE AFTER RETIREMENT

a. TRICARE background

The Military Health System (MHS) is composed of the health care resources of the uniformed services, their military treatment facilities (MTFs), and supporting civilian contractors that provide networks of civilian health care professionals, institutions, pharmacies and suppliers to provide access to high-quality health care services globally. The combination of the Department of Defense, MTFs and contractors make up the TRICARE program. The TRICARE program executes the Title 10 United States Code (U.S.C) statutory medical and dental entitlements.

The TRICARE program is statutorily mandated and further defined by Title 32 Code of Federal Regulations, Part 199, Department of Defense Directives/ Instructions (DODD/DODI) and Assistant Secretary of Defense for Health Affairs policies. TRICARE serves approximately 49.4 million beneficiaries worldwide, comprising statutorily eligible full-time active duty service members, activated National Guard and Reserves, military retirees, their eligible family members, survivors, certain former spouses worldwide and other qualified persons who have purchased premium-based TRICARE coverage.



This guide provides basic information about the TRICARE program. To ensure currency of the information due to the continual addition of entitlements and the constant evolution of the programs and contracts to support those entitlements, basic information is supported with URLs for access to the latest information on the official government and TRICARE contractor websites.

Beneficiaries can access TRICARE information or learn about their health plan options by going to the official TRICARE website at www.tricare.mil or the official TRICARE Smart site: www.tricare.mil/tricaremart/. In general, the TRICARE health plan option authorized and appropriate for the beneficiary is dependent on the beneficiary category, the sponsor's military status, where the beneficiary lives and their personal preferences.

b. TRICARE and the Military Retiree

Retired service members of the uniformed services and their eligible family members (spouses and children) are eligible for TRICARE. The uniformed services include the U.S. Army, U.S. Air Force, U.S. Navy, U.S. Marine Corps, U.S. Coast Guard, the Commissioned Corps of the Public Health Service and the Commissioned Corps of the National Oceanic and Atmospheric Association.

Your eligibility status and the accurate and timely payment of your claims are based on your data in the Defense Enrollment Eligibility Reporting System (DEERS). You must ensure that your information, and the information of your eligible family members, is accurate and up-to-date in DEERS at all times. Some updates, such as mailing or email address or phone number changes, can be made by logging in at <https://milconnect-pki.dmdc.osd.mil/milconnect/>. Visit the nearest DEERS office and update your DEERS profile. DEERS/ID Card offices can be located at <https://www.dmdc.osd.mil/rsl/appj/site>.

1. Retirees under age 65, even if Medicare eligible, may choose to obtain care under any of the following TRICARE plans:

- TRICARE Prime: Available in the United States in Prime service areas. A managed care option offering the most affordable and comprehensive coverage.
- TRICARE Select: Available within the United States. A preferred provider network available to all non-active duty beneficiaries. Most freedom of choice.
- TRICARE Select Overseas: Available overseas. A fee-for-service option, which allows you the most flexibility in getting care, but will cost you out-of-pocket expenses.
- TRICARE Plus: Available globally. A primary care program offered at some military hospitals and clinics. Each hospital or clinic leader decides if TRICARE Plus is available at their location and you must enroll to participate. Enrollment is only for the hospital or clinic where you enrolled. Restrictive and limited based on MTF capability and capacity.
- U.S. Family Health Plan (USFHP): Available at six locations in the United States. A TRICARE Prime option available through networks of community-based, not-for-profit health care systems in six areas of the United States. For locations and more information, visit <https://usfhp.net/>.
- TRICARE Retired Reserve (TRR): Available globally. A premium-based health plan that qualified retired Reserve members under age 60 and survivors may purchase.
- TRICARE Young Adult (TYA). Unmarried dependent children who have lost eligibility for TRICARE at age 21 or up to age 23 if unmarried and in school, may qualify to purchase TYA coverage, a premium-based program which provides TRICARE coverage until reaching age 26. Whether opting for TYA Prime or TYA Standard, enrollment is required and premiums must be paid.

You must evaluate all of your needs and the available health plan options to determine the appropriate health plan that fits your health needs. You may review health coverage information on www.tricare.mil, and then contact a local or regional Beneficiary Counseling and Assistance Coordinator (BCAC) to seek additional assistance. BCACs are located in all Military Treatment Facilities and can be located at www.tricare.mil/contactus.

5-2 TRICARE SELECT

TRICARE Select

- Is a fee-for-service plan
- Requires enrollment
- Allows beneficiaries to obtain care from any TRICARE-authorized provider, which includes both network and non-network providers. The type of provider seen determines your out-of-pocket costs and if you have to file your own claims. When a network provider is used, the beneficiary pays less out of pocket and the provider will file claims for the beneficiary.
- TRICARE Select Overseas is an option for outside the United States. See <https://tricare.mil/Plans/HealthPlans/TSO> for more information.
- Out-of-Pocket Costs: After the annual deductible, beneficiaries are responsible for paying a cost-share for each encounter, up to the catastrophic cap associated with the beneficiary. See <https://tricare.mil/Costs/HealthPlanCosts/TS/RET> for specific amounts.
- For information on TRICARE Select, see: <https://tricare.mil/Plans/HealthPlans/TS> or the TRICARE Select Handbook on the official TRICARE Smart site: www.tricare.mil/tricaresmart/.

5-3. TRICARE PRIME

TRICARE Prime

- Is a managed care option offering comprehensive coverage.
- Requires enrollment.
- Is available in areas known as Prime Service Areas, which are built around DoD Service MTFs and designated Base Realignment and Closure (BRAC) locations.
- Is required for all active duty service members; however, TRICARE Prime (where available) is an option for all non-active duty beneficiaries who are not entitled to Medicare Part A and Medicare Part B due to age (65). If a non-active duty beneficiary age 65 or older is not eligible for premium-free Medicare Part A and only has Medicare Part B or an active duty family member only has Medicare Part A, or has Medicare Part A & Medicare Part B, they remain eligible for TRICARE Prime. Non-active duty beneficiaries under age 65 and entitled to Medicare Part A & Medicare Part B remain eligible for TRICARE Prime, TRICARE Select and the USFHP. TRICARE beneficiaries entitled to Medicare Part A and who have Medicare Part B regardless of age or place of residence are eligible for TRICARE for Life (see below).
- As a TRICARE Prime enrollee, you will be assigned, or may select, a primary care manager (PCM) who oversees all of your medical care either at an MTF or from TRICARE civilian network providers. TRICARE Prime has access standards for care to include wait times for urgent, routine, and specialty care.
- Other TRICARE Prime benefits include enhanced vision and preventive services and travel reimbursement for some specialty care. If a referral for specialty care requires travel of over 100 miles, the TRICARE Prime enrollee may be reimbursed for lodging and reasonable travel expenses under the TRICARE Prime Travel Benefit.
- TRICARE Prime Overseas is not available to retired beneficiaries.
- Out-of-Pocket Costs: Retirees and their family members pay annual TRICARE Prime enrollment fees, which are adjusted annually (see <https://tricare.mil/Costs/HealthPlanCosts/PrimeOptions> for current enrollment fee amounts) and have cost-shares when using civilian providers or pharmacies. Care received without a referral under TRICARE Prime is subject to denial of payment or point-of-service (POS) cost-share.
- For additional information on TRICARE Prime, see <https://tricare.mil/Plans/HealthPlans/Prime> or the TRICARE Prime Handbook on the official TRICARE Smart site www.tricare.mil/tricaresmart/.

5-4. TRICARE PLUS

TRICARE Plus

- Is a MTF commander's program that provides MTF in-house primary care to TRICARE Plus enrollees. All Title 10 U.S.C. beneficiaries that are authorized MTF care are eligible for TRICARE Plus enrollment with the exception of those already enrolled in TRICARE Prime or one of the six Uniformed Services Family Health Plans (see below). There is no age restriction and eligibility for the program applies to both Medicare-eligible and non-Medicare-eligible beneficiaries. MTF commanders determine if their MTF will have a TRICARE Plus program and the number of TRICARE Plus enrollees for which capability and capacity exists at their MTF.
- Enrollment is required, but the enrollment is not portable to any other MTF or TRICARE program.
- TRICARE Plus applications can only be accepted after the MTF Commander has determined that additional capacity and capability exists after all Prime Service Area (PSA) TRICARE Prime eligible beneficiaries have been afforded the opportunity to enroll in Prime at the MTF. Additionally, the MTF commander will also determine the geographical area where they will accept TRICARE Plus applications. The beneficiary must contact the MTF directly to see if TRICARE Plus is available at that MTF.
- Out-of-Pocket Costs: There is no enrollment fee for TRICARE Plus. There are no out-of-pocket costs for healthcare received within the MTF. However, unlike TRICARE Prime, any cost of civilian healthcare that is referred out of the MTF is the sole responsibility of the beneficiary. The out-of-pocket costs are determined by the beneficiaries' basic health plan or their other health insurance (i.e., employer plan, dependent parents and Secretarial Designees).
- For information on TRICARE Plus, see: <https://tricare.mil/Plans/SpecialPrograms/Plus> or the TRICARE Standard Handbook on the official TRICARE Smart site: www.tricare.mil/tricaresmart/.

5-5. UNIFORMED SERVICES FAMILY HEALTH PLAN (USFHP)

• Is a TRICARE Prime option offering Prime health care coverage to military retirees and their eligible family members under the age of 65. For more information on USFHP, see: www.tricare.mil/usfhp. There are six not-for-profit health care organizations that sponsor the USFHP in different regions throughout the United States. The USFHP's sponsoring organizations and covered areas are:

- Johns Hopkins Medicine: Serving MD, Washington D.C., parts of PA, VA and WV
- Martin's Point Health Care: Serving ME, NH, VT, NY and the Northern tier of PA
- Brighton Marine Health Center: Serving MA, incl. Cape Cod, RI, and northern CT
- St. Vincent Catholic Medical Centers: Serving parts of NY (incl. NYC), all of NJ, southeastern PA, western CT
- CHRISTUS Health: Serving southeast TX, southwest LA
- Pacific Medical Centers (PACMED Clinics): Serving the Puget Sound area of WA State

5-6. TRICARE RETIRED RESERVE (TRR)

TRR is a premium-based health plan available for purchase by qualified retired Reserve Component (RC) members under the age of 60, and qualified survivors. There are two types of coverage: member-only or member-and-family.

- Qualified persons may purchase TRR online through the Beneficiary Web Enrollment website or by calling your regional contractor. Members will need a Common Access Card (CAC), DFAS (myPay) Account, or a DoD Self-Service Logon (DS Logon). More information is available at https://tricare.mil/FormsClaims/Forms/Enrollment/TRS_TRR.
- Retired RC members do not qualify to purchase TRR if they are eligible for, or enrolled in, the Federal Employees Health Benefits (FEHB) program.
- TRR-covered beneficiaries can obtain care from any TRICARE network or non-network TRICARE-authorized provider. Care at a DoD MTF is on a space-available basis only.
- For more information on TRR, visit: <https://tricare.mil/Plans/HealthPlans/TRR> or the TRICARE Choices for National Guard and Reserve brochure on the official TRICARE Smart site: www.tricare.mil/tricaresmart.
- Out-of-Pocket Costs: A two-month premium payment is required upon enrollment in TRR. Subsequent, monthly premium payments are required and must be made paid by either an Electronic Funds Transfer (EFT) or recurring credit/debit card.
- TRICARE Select annual deductibles and cost shares apply. There are no costs when receiving care in an MTF. See <https://tricare.mil/Costs/HealthPlanCosts/TRR> for premiums and out-of-pocket costs for care.

5-7. TRICARE YOUNG ADULT (TYA)

TRICARE Young Adult is an option for unmarried, adult children, at least age 21, but not yet 26 years old, who have "aged out" of regular TRICARE coverage. If enrolled in a full course of study at an approved institution of higher learning and the sponsor provides more than 50 percent of your financial support, the adult child's eligibility may not begin until age 23 or upon graduation, whichever comes first. The adult child is not eligible for TYA if covered by an employer-sponsored health plan. TYA provides comprehensive medical and pharmacy benefits no matter whether you choose the Prime Option or the Select Option. For more information, visit <https://tricare.mil/Plans/HealthPlans/TYA>.

5-8. TRICARE FOR LIFE (TFL)

TRICARE For Life is Medicare-wraparound coverage for TRICARE-eligible beneficiaries who have Medicare Part A and B. Beneficiaries 65 and older who are entitled to Medicare Part A and have Medicare Part B are automatically covered by TRICARE for Life. Regardless of the option, Medicare becomes the primary payer and TRICARE, the secondary payer. Enrollment not required. You must pay [Medicare Part B premiums](#). TFL is available worldwide, and TRICARE pays after

Medicare in the U.S. and U.S. Territories. TRICARE is the first payer in all other [overseas areas](#). For more information, visit <https://tricare.mil/Plans/HealthPlans/TFL>.

5-9. TEMPORARY DISABILITY RETIRED LIST (TDRL) BENEFICIARIES

Service members on TDRL or Permanent Disability Retired List (PDRL) are eligible for TRICARE benefits for retired service members. Family members are also covered by TRICARE, provided they are registered in DEERS.

Additionally, medically retired members enrolled in the Federal Recovery Coordination Program (FRCP) are eligible for the same medical and dental care for that severe or serious illness or injury that would be available to an active duty service member when the care is not reasonably available through the Department of Veterans Affairs (VA).

5-10. TRICARE PHARMACY BENEFITS

TRICARE prescription drug coverage is available to all TRICARE-eligible beneficiaries who are enrolled in DEERS. Eligible beneficiaries include:

- Active duty service members and their families
- Activated National Guard and Reserve Members called or ordered to active duty greater than 30 days and their families
- Retired service members and their families
- Retired National Guard and Reserve Members and their families (age 60 and above and receiving retired pay)
- Survivors, widows/widowers and certain former spouses
- Medal of Honor recipients and their families
- Beneficiaries covered by TRICARE Reserve Select, TRICARE Retired Reserve, or TRICARE Young Adult

5-11. FEDERAL EMPLOYEES DENTAL AND VISION INSURANCE PROGRAM (FEDVIP)

Beginning on Jan. 1, 2019, the TRICARE Retiree Dental Program (TRDP) was replaced by the Federal Employee Dental and Vision Insurance Program (FEDVIP). FEDVIP is a voluntary, enrollee-pay-all dental and vision program that offers eligible participants a choice between 10 nationwide and regional dental carriers and four vision carriers, with some plans offering both high and standard options. Enrollee-pay-all means there are no government contributions toward premiums. High and Standard plan options are available with varying monthly premium rates based on coverage, and premiums can be deducted from your retired pay. Eligibility for FEDVIP is verified through DEERS.

FEDVIP dental coverage

You are eligible to enroll in FEDVIP dental coverage as the sponsor, or primary enrollee, and add your eligible family members, if you are a:

- Retired member of the uniformed services receiving retired or retainer pay
- Member of the Retired Reserve (including a gray area reservist who is under age 60 and entitled to retired pay, but might not yet receive it)
- Medal of Honor recipient (not on active duty)
- Survivor of a retired uniformed service member, Retired Reserve member, or Medal of Honor recipient (if you are a surviving spouse, you must not be remarried)
- TRICARE For Life beneficiary (however, you are not eligible if you or your service member sponsor are on active duty for more than 30 days or you are a transitional survivor)

FEDVIP vision coverage

In addition to meeting the eligibility criteria below, you must also be enrolled in a TRICARE health plan to be eligible for vision coverage under FEDVIP. You are eligible to enroll in FEDVIP vision coverage as the sponsor, or primary enrollee, and add your eligible family members, if you are a:

- Family member of an active duty uniformed service member
- Retired member of the uniformed services receiving retired or retainer pay
- Member of the Retired Reserve (including a gray area reservist who is under age 60 and entitled to retired pay, but might not yet receive it)
- Medal of Honor recipient (not on active duty)
- Member of the reserve components enrolled in TRICARE Reserve Select
- Survivor of a retired uniformed service member, Retired Reserve member, Medal of Honor recipient, reserve component member deceased in the line of duty, or Selected Reserve member (if you are a surviving spouse, you must not be remarried)
- TRICARE For Life beneficiary (however, you are not eligible if you or your service member sponsor are on active duty for more than 30 days or you are a transitional survivor)

You are eligible to enroll in FEDVIP vision coverage as the primary enrollee, but you may not add your family members, if you are a former spouse who has not remarried.

CHAPTER 6

DEPARTMENT OF VETERANS AFFAIRS BENEFITS

6-1 GENERAL

Soon after you retire, the VA will send you information on benefit programs available to you (based on their receipt of a copy of your DD Form 214). You should check with a local VA representative when you have questions about your entitlements. The VA has certain eligibility criteria based on your period of military service, type of discharge, and percentage of disability, if applicable. The following information highlights some basic VA entitlements, but it is recommended that you obtain individual counseling specific to your situation. If you attend the Soldier for Life Transition Assistance Program, a VA representative will speak with you. Individual counseling is also available at any local VA office. To reach the nearest VA regional office, call 800-827-1000, or go online to <http://www.va.gov>. You should also review the federal and state benefits fact sheets in the Benefits Library at the MyArmyBenefits website at <https://myarmybenefits.us.army.mil/> to learn about all of your federal and state veterans benefits. You should also visit the eBenefits website at <https://www.ebenefits.va.gov/ebenefits-portal/ebenefits.portal>



6-2 VA DISABILITY COMPENSATION

Retiring personnel may apply to the VA for a service-connected disability rating. This rating provides you a priority for treatment in the VA medical system; establishes a record for future medical evaluations should your medical condition deteriorate; and could mean you receive a tax-free compensation for medical problems incurred while on active duty. The VA will assign you a disability rating based on your degree of disability. This can range from zero to 100 percent and is always based on increments of 10 percent. Federal law sets VA disability dollar amounts, which ranges (for a single retiree) as of Dec. 1, 2018 from \$140.05 for 10 percent to \$3057.13 for 100 percent, per month, with additional amounts payable if other conditions are met. Find current VA compensation rates at https://www.benefits.va.gov/COMPENSATION/resources_comp01.asp; or by calling 800-827-1000. These rates typically increase annually, effective Dec. 1, if a COLA is approved. A 10 percent VA disability rating does NOT mean that you will receive 10 percent of your retired pay from the VA tax-free. Instead, receipt of VA compensation simply reduces, dollar-for-dollar, the amount of retired pay you receive if your disability is rated 40 percent or less. VA compensation is tax-free. Exceptions to the dollar-for-dollar reduction are payments under the Combat Related Special Compensation (CRSC) or Concurrent Retirement and Disability Pay (CRDP) programs. See details in sections 4-3 and 4-4.

Review your medical records thoroughly and record all medical conditions you experienced during active duty while you are still on active duty! These conditions will form the basis for your medical review by the VA. Depending on your duty station at the time of retirement, you may receive a combined Service/VA physical.

If you are a Gulf War veteran, consider obtaining an examination under the DoD Comprehensive Clinical Evaluation Program (CCEP) or the VA Persian Gulf Registry program.

Forms to file your application for VA disability compensation can be obtained from your RSO or from the VA homepage at <https://www.va.gov/disability/how-to-file-claim/>. You may also apply through eBenefits at <https://www.ebenefits.va.gov/ebenefits/homepage>. The application procedure takes some time, particularly given ongoing military operations, but it is extremely important to pursue, as it establishes your record with the VA, and may help your family establish their eligibility for VA benefits based on your service. You may request free help in preparing and submitting your VA disability claim from VA-certified benefits experts at several Veterans Services Organizations, such as

the Disabled American Veterans, the American Legion, the Veterans of Foreign Wars, the Association of the US Army, and others. Visit <https://www.va.gov/disability/get-help-filing-claim/> or contact those organizations for details.

6-3 BENEFITS DELIVERY AT DISCHARGE AND FULLY DEVELOPED CLAIM PROGRAMS

The Benefits Delivery at Discharge (BDD) Program will accelerate receipt of VA disability benefits since it allows a service member to apply for disability prior to retirement. It is a time-sensitive process and must be started 90-180 days prior to retirement to allow sufficient time to complete the application and medical examination. To learn more about BDD, contact your local VA office, visit <https://www.va.gov/disability/how-to-file-claim/when-to-file/pre-discharge-claim/>, or call the VA at 800-827-1000.

The Fully Developed Claim Program allows a Soldier to submit a claim for disability compensation when they have less than 90 days to separation, retirement, or release from active duty or demobilization. Submitting your disability compensation claim before discharge makes it possible to receive VA disability benefits as soon as possible after separation, retirement, or demobilization. Visit <https://www.va.gov/disability/how-to-file-claim/evidence-needed/fully-developed-claims/> for more information. If you are on a military installation, contact your local SFL-TAP office to schedule appointments to attend VA benefits briefings and learn how to initiate your claim. You can also call the VA toll-free at 800-827-1000.

6-4 VA HOME LOANS

VA-guaranteed home loans are available to qualified veterans and surviving spouses to purchase, improve, or refinance a house or condominium, and to purchase or refinance a manufactured home. Those eligible must make their own arrangements for loans through the usual lending channels, such as banks, savings and loan associations, building and loan associations, and mortgage loan companies. VA will guarantee up to a certain amount of that loan. Veterans may now negotiate interest rates on VA-guaranteed home loans with lenders. Adapted Housing Grants help veterans with a permanent and total service-connected disability purchase or build an adapted home or to modify an existing home to account for their disability. For more information on VA home loans, visit <http://www.benefits.va.gov/homeloans/>.

6-5 GI BILL

The VA administers a wide variety of programs for Retired Soldiers seeking assistance for education and training. These programs include vocational rehabilitation and special training programs for disabled veterans. Retiring Soldiers should contact their Army education office to determine what education benefits they may be eligible for. You can use your Post-9/11 GI Bill for on-the-job training, apprenticeships, and non-college degree programs. There is a 15-year time limitation for use of benefits for Soldiers released from active duty before Jan. 1, 2013. For individuals whose last discharge date was on or after Jan. 1, 2013, the time limitation to use the benefit has been removed. The Post-9/11 GI Bill can pay your full tuition & fees at school, provide you with a monthly housing allowance while you are going to school, and give you up to \$1,000 a year to use for books and supplies. It also differs in that it allows eligible service members to transfer their unused benefits to eligible family members. It is important to note that transferring your Post 9/11 GI Bill education benefits (TEB for short) to your qualified dependents is a retention incentive that requires you to commit to an additional four-year service obligation, and starting Jan. 12, 2020, you must have less than 16 years of service to transfer your GI Bill benefits. You must carefully review the voluntary agreement terms and understand the date you complete your four-year service extension commitment. If you are placed in a non-selective reserve status, separate or retire before fulfilling your Obligation End Date, you face having your dependent's TEB eligibility denied by the Department of Veterans Affairs. If this occurs and your dependents have already started using the TEB incentive, you may incur an overpayment/debt. Soldiers in this situation have incurred an average debt of \$38K. For more information on the GI Bill, visit <https://www.va.gov/education/about-gi-bill-benefits/>.

6-6 CONVERTING SGLI TO VGLI

Soldiers on active duty and most Reserve Component Soldiers are covered by Service members' Group Life Insurance (SGLI). The VA supervises this group life insurance program. Premium costs, while on active duty, are extremely low. After you retire, you receive 120 days of free SGLI coverage, and the opportunity to convert SGLI to Veterans Group Life Insurance (VGLI) in an amount equal to or less than the SGLI coverage you had when you left active duty. Soldiers who are totally disabled for insurance purposes may keep SGLI at no cost for two years after retirement. However, application for the free coverage must be submitted within the first 120 days after retirement. For more information, visit: <http://www.benefits.va.gov/insurance/sqli.asp>. Family coverage is available only for members insured under the SGLI program. It is not available for those insured under the VGLI program. Family members are not eligible to continue Family SGLI (FSGLI) coverage. VGLI costs more than SGLI (and more than some private insurances), but VGLI may be renewed every five years for life without regard to health conditions. The VGLI premium increases at renewal time, and is based on your nearest age at the time of renewal. To see the premium schedule, go to <http://www.benefits.va.gov/insurance/vqli.asp>. This is an important feature, especially for Soldiers who are uninsurable because of disabilities or other health-related problems. VGLI may be canceled at any time, or converted to a commercial insurance product (whole life only) without proof of insurability. Upon request, the VA will furnish a listing of insurance companies that will convert VGLI. You can find that list at <http://www.benefits.va.gov/INSURANCE/converting.asp>.

6-7 VA MEDICAL CARE

Provided there is adequate funding, the VA will provide no-cost hospital and outpatient care as well as pharmacy benefits to former Soldiers who receive VA disability compensation, are former Prisoners of War, have an illness possibly resulting from exposure to Agent Orange or environmental hazards in the Persian Gulf, or have low incomes under VA criteria. All others may receive treatment to the extent resources and facilities are available, but co-payments will be required. Family members are not entitled to VA health care. Soldiers retiring today should enroll in the VA health care system as soon after retirement as possible, although enrollment can be done at any time in the future. Early enrollment will help the VA for planning purposes. Once enrolled, a veteran is placed in one of eight enrollment priority groups, with Group 1 being the highest priority for care. Some veterans may have to agree to pay co-payments to be placed in certain priority groups. A veteran may be eligible for more than one enrollment priority group, in which case, the VA will always place you in the highest priority group you are eligible for. The VA will provide care to as many groups as possible, depending on the availability of medical funding. VA automatically renews enrollment annually unless funds are not available to treat a particular priority group, in which case VA will notify members of that group of their inability to provide treatment for the following year. You can also find out more about enrollment priority groups at <https://www.va.gov/health-care/eligibility/priority-groups/>.

Retired Soldiers are not placed into a special category; they are treated as veterans. Medical care is based on the capabilities of the VA facilities in your local area. Eligibility for care is based on your status as determined by VA eligibility criteria. Your local VA office can provide information that is more specific and help determine your entitlements under the VA medical system. To find a local VA treatment facility, visit <https://www.va.gov/find-locations/>. For more information about VA health care, visit <https://www.va.gov/health-care/>.

6-8 VA DENTAL CARE

Within 90 days of your retirement, the VA will treat, on a space-available basis, Retired Soldiers who have dental conditions that were documented as ongoing at time of retirement. However, if you received complete dental treatment from the military in the 90 days preceding your retirement, you have no VA dental care eligibility following retirement. Your DD Form 214, Record of Release from active duty, will note whether or not you are eligible to obtain VA's space-available dental treatment. Once VA completes the space-available dental treatment, your eligibility for dental treatment from the VA stops, except under certain conditions. To learn more about VA dental care, visit <https://www.va.gov/health-care/about-va-health-benefits/dental-care/>.

Chapter 7

SURVIVOR BENEFIT PLAN (SBP)

7-1 GENERAL

You have heard about the Survivor Benefit Plan (SBP) from friends, coworkers, or financial advisors. Unfortunately, not all of your “advisors” will provide complete and correct information. You are encouraged to keep an open mind and obtain all the facts from the best-informed advisor available to you—your Retirement Services Officer (RSO). A listing of RSOs is available at <https://soldierforlife.army.mil/retirement/contact-us> or on the last page of the *Change of Mission* newsletter, or in your state’s resource locator at the MyArmyBenefits website (<https://myarmybenefits.us.army.mil/Benefit-Library/Resource-Locator>).

Army Reservists may contact their Readiness Division Retirement Services Office (www.usar.army.mil/retirement) for assistance. Army National Guardsmen may contact their state’s Retirement Services Officer, whose contact information is located in your state’s resource locator at the MyArmyBenefits website (<https://myarmybenefits.us.army.mil/Benefit-Library/Resource-Locator>).

Additionally, you can use MyArmyBenefits’ calculators to calculate your approximate retired pay as well as your SBP cost and annuity. The MyArmyBenefits calculators and benefit fact sheets are available at <https://myarmybenefits.us.army.mil/>.

The decision you and your spouse make with respect to SBP will greatly impact your family’s financial future and is likely the most important retirement-related decision you will make. Your election is generally permanent and irrevocable.

7-2 SURVIVOR BENEFIT PLAN (SBP)

SBP was established by Public Law 92-425 on 21 September 1972. It was designed to allow a Retired Soldier to provide a portion of retired pay as a monthly annuity to eligible survivors after the Retired Soldier’s death. The federal government pays all of the premiums for Soldiers while they are on active duty. At retirement, the Soldier must decide whether to continue SBP coverage and start paying a portion of the cost.

REMEMBER, RETIRED PAY STOPS WITH THE DEATH OF THE RETIRED SOLDIER. If you decline SBP coverage, no continuing benefits from your retired pay will be payable to your surviving family members. If you and your spouse will depend wholly or in part upon your retired pay to live, it is very probable your surviving spouse will need to receive a portion of that retired pay after you die. SBP is a cost-sharing program between you and the government, with the government subsidizing almost half of the cost. SBP is a monthly annuity taxed as unearned income and is equal to 55 percent of the amount of retired pay you elect to cover. You must make your SBP election before you retire or you’ll receive automatic coverage based on your full retired pay for the dependents at the time of retirement – by law.

Please note, SBP IS INCOME PROTECTION; IT IS NOT LIFE INSURANCE; it is not a savings plan; it is not an investment program; and it is not available through a commercial or private company. It does not replace life insurance but could be supplemented by life insurance. Each individual’s financial situation is different. It is impossible to address all of the variables Soldiers have in this document. However, your RSO can address your individual questions. Schedule an appointment with the RSO, and make an informed decision that best meets your and your family’s needs.

Numerous independent studies on SBP, conducted by government agencies, private industry actuaries, and even commercial insurance companies, have concluded that, “For most Retired Soldiers, SBP is the most financially advantageous option.” Unlike a private company, the government cannot go out of business or file for bankruptcy and leave you with nothing. Remember that SBP is government-subsidized and inflation-protected. SBP costs are not based on your age, your health, or on economic forecasts. SBP costs do not include costs to advertise, to make a profit, to pay a

salesperson's commission, to pay stock dividends, to build new company buildings or to support an investment portfolio. SBP is cost-of-living-adjusted to keep pace with inflation. It provides a tax shelter in possibly some of your highest earning years since the premiums are deducted from retired pay before income taxes are calculated. SBP is guaranteed by the U.S. Government and it is payable for the lifetime of the surviving spouse. SBP premiums will stop for those who reach at least age 70 and have paid premiums for 30 years (360 months).

There is a one year window between the 25th and 36th month following commencement of retired pay to terminate SBP participation, with spouse consent.

Because of its many positive features, we strongly recommend you make SBP the foundation of your family's financial support package. The following information on SBP will assist you in making an informed decision.

7-3 BASIC SBP QUESTIONS ANSWERED

- What is SBP and why was it created?

Congress created the Uniformed Services Survivor Benefit Plan (SBP) in 1972 to alleviate the conditions that make survivors of service members destitute. SBP is the sole means by which survivors can receive a portion of military retired pay. Without SBP—retired pay stops with the death of the Retired Soldier!

SBP provides 55 percent of military retired pay to eligible designated survivors. It was never intended to protect a Retired Soldier's total estate. However, it is a strong "income protection" plan which provides a guaranteed inflation-adjusted income to eligible survivors.



- Is SBP impacted by receipt of Social Security?

No.

- What is SBP's greatest advantage?

SBP's #1 advantage is the annual cost-of-living adjustment that keeps pace with inflation. This feature helps keep the SBP annuity's purchasing power in step with the value of tomorrow's dollar.

- Who can be an SBP beneficiary?

There are six election categories: (1) spouse; (2) spouse and children; (3) children only; (4) former spouse; (5) former spouse and children; and (6) natural person with an insurable interest.

#1: Spouse. Your spouse at retirement is an eligible beneficiary regardless of the length of your marriage. Spouses will receive SBP for life unless remarried prior to age 55. If that marriage ends, the SBP annuity will resume. If your spouse dies first or you get divorced, SBP costs will stop (once you notify the Defense Finance and Accounting Service). All aspects of spouse SBP apply to same sex marriages. Your spouse's concurrence is required in writing if you elect less than the maximum spouse SBP coverage allowed by law. If you fail to make your SBP election before your retirement date, you will receive automatic full SBP for all of your eligible dependents on your retirement date.

The cost for spouse SBP coverage is 6.5 percent of the base amount per month. For example, with a base amount of \$1,000 per month, the monthly cost for spouse coverage is \$65. The annuity amount is 55 percent of \$1,000 (or \$550) regardless of the annuitant's age. For Soldiers who entered service prior to March 1, 1990, those who are medically retiring, or Reserve Component Soldiers retiring for non-regular service, the SBP cost is the most advantageous of either

6.5% of the chosen base amount or 2.5% of the threshold amount plus 10% of the remaining base amount. The threshold amount will increase at the same time and by the same percentage as future active duty basic pay. Effective Dec. 1, 2018, the threshold is \$843. You can calculate your SBP premium by accessing the MyArmyBenefits calculator at <https://myarmybenefits.us.army.mil/Benefit-Calculators/SBP-Premium-Calculator>. The basic spouse or former spouse SBP premium is calculated as shown below.

IF THE SBP BASE AMOUNT IS	THEN THE MONTHLY SBP COST IS
\$1,806.43 or less	2.5% of the first \$843 (threshold amount) + 10% of the remainder
\$1,806.43 or more	6.5% of the SBP base amount

Note: \$843 is threshold amount as of Jan. 1, 2019. The threshold increases at the same time and by the same percentage as future active duty pay.

If you do not have a spouse when you retire, you have one year from the date of a future marriage after retirement to notify the Defense Finance and Accounting Service (DFAS) that you are electing SBP for your new spouse. If you take no action within one year to notify DFAS you are electing spouse SBP coverage, SBP coverage is closed for that spouse and any future spouse. If your spouse dies first or you get divorced, SBP costs will stop (once you notify DFAS).

If your death is determined to be service connected by the Department of Veterans Affairs (VA), Dependency and Indemnity Compensation (DIC) is payable by the VA. Spouse SBP is offset dollar for dollar by DIC. The spouse will receive any SBP that exceeds the DIC amount plus the Special Survivor Indemnity Allowance (SSIA). As of Dec. 1, 2018, DIC was \$1,319.11 and SSIA was \$318. Based on the Sharp v. United States court case, a surviving spouse authorized both SBP and DIC will receive both if remarried after age 57.

#2: Spouse and Children. The spouse is the primary beneficiary, with eligible children receiving the annuity only if the spouse dies, remarries before age 55, or is involved in the retiree's wrongful death. The 55 percent annuity is divided equally among all of the eligible children. If your spouse dies or you divorce and do not elect former spouse SBP, your premiums are recalculated as child coverage. The child portion of your coverage is based on the age of your youngest child, your spouse and you. Child SBP eligibility criteria is listed below in Child Only coverage.

#3: Children Only. Eligible children are the primary beneficiaries. Eligibility ends for a child at age 18 or at age 22 if a full-time, unmarried student. It does not end for a child who is incapacitated during the eligibility age window. Marriage by a child at any age ends the child's SBP eligibility. If you die while your child is eligible, the 55 percent annuity continues until your youngest child exceeds the age of eligibility. "Eligible children" includes adopted children, stepchildren, foster children and recognized natural children who live with the Retired Soldier in a regular parent-child relationship. Children of all marriages and or relationships are eligible beneficiaries. All eligible children are covered by spouse and children or children only elections. All eligible children are covered at one cost and the cost is based on your age and the age of the youngest child. For example, using a \$1,000 base amount, if you are 42 when you retire and your youngest child is 10, the child cost is \$2.00 per month. Children are the only beneficiaries in this option. Eligible children equally divide the 55 percent benefit. When there are no longer eligible children, your SBP cost is suspended.

A child election offers excellent protection for incapacitated children, since the 55 percent annuity is payable to them for life. The mental or physical incapacity must have been incurred while the child was eligible. You should research the impact that SBP for a fully disabled child may have on other benefits the child will receive, such as Social Security. The SBP law allows payment of the child's SBP to a Special Needs Trust (SNT) if the child is an unmarried and incapable of self-support because of a mental or physical incapacity. Setting up payment of the SBP to a SNT may be made at the time of retirement, after retirement, and even after death of the Retired Soldier. You will be required to provide a separate

statement from an actively licensed attorney certifying that the trust is a SNT created for the benefit of your child and is in compliance with all applicable federal and state laws. When SBP is paid to a SNT, that child's SBP will not affect the SBP of other eligible children. The RSO can explain and assist you with the process to set up a special needs for an incapacitated child.

#4: Former Spouse. This option at retirement may be elected voluntarily, by a written agreement, or be required by a court order. Former spouse costs and benefits are identical to those for a spouse. Remarriage limitations also apply. Former spouse coverage precludes spouse coverage at that time. When court ordered former spouse SBP is elected, the only way to stop the former spouse SBP and change the election to spouse SBP is to have all court orders that apply amended to show former spouse SBP is not court ordered or with the death of the former spouse.

#5: Former Spouse and Children. This is identical to the "spouse and children" option in costs, benefits, and eligibility except that only children of the marriage to the former spouse are eligible beneficiaries. Under this election, the child receives an SBP annuity only if the former spouse becomes ineligible (through death or remarriage before age 55). For spouse and child SBP, the spouse's portion of this election costs 6.5 percent of the base amount. The child cost portion is based on the ages of the Soldier, the spouse, and the youngest child. The child cost is very low, given typical ages.

#6: Natural Person with an Insurable Interest. If you are unmarried and have either no children or only one eligible child at retirement, you may select this option. If you have only one eligible child, you cannot elect insurable interest SBP for someone else and ignore the child. If the insurable interest is not a relative closer than a cousin, the insurable interest must be someone with a proven financial interest in your life. Examples are a close relative or a business partner. This is a very expensive election for both RCSBP and SBP and can be cancelled at any time. Insurable interest must be based on full base amount. The basic cost is 10 percent of your full retired pay with an additional five percent for each five years the beneficiary is younger than you -- up to a maximum 40 percent. The SBP annuity is calculated by subtracting the SBP cost from the base amount and taking 55 percent of that amount. If you marry or have an eligible child you can cancel insurable interest and elect spouse and or child within one year of marriage and/or acquiring a child. If no action is taken within the year of marriage and or acquiring a child, you close that category or categories for both RCSBP and SBP.

If you retire for disability and your death occurs within one year of your retirement for a cause related to your disability, your Insurable Interest election will be invalidated unless you made the election for a family member authorized a Military Dependent ID Card as your dependent. If your death occurs within one year of your retirement for a cause related to the disability retirement, premiums paid will be refunded to designated beneficiary. This provision does not apply to Soldier who retire for length-of-service.

You may elect in writing to cover a new natural person insurable interest beneficiary within 180 days of the death of your original insurable interest beneficiary. You must live two years from the effective date of the election for it to be valid. If you die before the end of the two-year period, the election is invalid and all premiums paid for the coverage since the new election's effective date will be paid in a lump sum to the person who was the intended beneficiary. Your premium for the new insurable interest election will be based on the age of the new beneficiary.

- **What is a "base amount?"**

This is the dollar amount of retired pay on which you base your participation. It can be any amount between \$300 per month and your full retired pay. Soldiers retiring under the REDUX retired pay plan can elect the retired pay they would have had under the High 3 retired pay plan as the base amount. If retired under the Blended Retirement System (BRS) and electing a lump sum at retirement, the base amount for SBP can be the amount retired pay would have been without the lump sum election.

- **Is there a cost for SBP Coverage?**

While on active duty, you are automatically enrolled in SBP at no cost to you until your date of retirement, at which time you must decide whether to continue SBP coverage and start paying a portion of the SBP cost. Currently, about 45

percent of the SBP cost for Retired Soldiers is paid by the federal government. Your premiums are deducted from your retired pay before taxes are calculated, which reduces your taxable income.

- **What does it cost Soldiers on active duty?**

There is no cost for this participation. Public Law 107-107, Dec. 28, 2001, expanded the eligibility for SBP to include all members, not only retirement-eligible members. Line of Duty (LOD) considerations apply. This law applies to deaths on active duty or inactive duty for training since Sept. 10, 2001.

- **How is SBP Taxed?**

Monthly SBP costs are not included in your taxable federal income. The true cost for SBP is thus less than the amount deducted from retired pay because less federal tax will be paid. This also applies to most state income taxes. SBP payments to survivors are taxable, but spouses usually receive benefits when their total income is less and the extra tax exemption for being over age 65 is applicable. The surviving spouse's tax rate should be lower and, in the long-run, significant tax savings should result. Children's SBP is taxed as the children's income.

- **Is there inflation protection?**

Retired pay is increased annually by a COLA to keep pace with inflation. Survivor payments are increased at the same time, by the same percentage. These COLAs are made even after the member dies.

- **Can a SBP election be changed?**

Elections are generally permanent and irrevocable. However, you may disenroll from the Plan during a one year period between the 25th and 36th month following your retirement. Your spouse's written concurrence is required. No costs will be refunded because you've received the coverage you paid for. You'll be prevented from enrolling again in the future too. If you made a former spouse election in accordance with a court order, a change to the court order is required before you can change your SBP election. An Insurable interest option can be cancelled at any time following retirement. You may elect a new insurable interest beneficiary within 180 days of current insurable interest beneficiary's death. If you combine your military retirement with a federal civil service retirement, you can retain the military SBP or elect the federal civil service SBP. If the federal civil service SBP is elected, the Office of Personnel Management will inform the Defense Finance and Accounting Service to terminate the military SBP.

SBP elections are made by category, so the choice you make for your eligible beneficiaries at retirement applies to all future beneficiaries. For example, if you are married and decline coverage for your spouse at retirement, and subsequently remarry, you may not enroll your new spouse—the spouse category is closed to you. The same applies to child coverage. If you have eligible children for whom you decline coverage, you may not cover future children (or grandchildren you may raise).

- **What happens to my spouse coverage if I get divorced after I retire?**

Your spouse coverage will be suspended when DFAS receives proof of your divorce. If court ordered you to pay for former spouse SBP coverage or a written agreement requires former spouse coverage, you have one year from the date of divorce to make a written request to change the election from spouse to former spouse in order to comply, or you may do it voluntarily without a court order or written agreement. If former spouse SBP was court-ordered or part of a written agreement, the former spouse has a one year period from the date of the first court order awarding SBP or written agreement to request that a former spouse election be deemed. If you were not required to elect former spouse SBP, SBP coverage automatically resumes for your new spouse on the first anniversary of your new marriage unless you write to DFAS and decline resumption before that date.

- **How is SBP affected by my Department of Veterans Administration (VA) disability pay?**

Spouse SBP is offset dollar for dollar by Dependency and Indemnity Compensation (DIC). DIC is only paid if the VA

determines your death was service connected. Surviving spouses who receive DIC in addition to SBP will receive any SBP that exceeds the DIC amount plus the Special Survivor Indemnity Allowance (SSIA), and any premiums their Soldier paid for SBP coverage that offset by DIC. SSIA is a permanent benefit paid to surviving spouses with an offset by DIC. In 2019, the SSIA is \$318 a month. SSIA increases each year by the same COLA as SBP and retired pay. Surviving spouses who remarry after age 57 keep both SBP and DIC.

- **Why should I elect SBP if I'm being medically retired?**

You should elect SBP because there is no guarantee when you retire that your dependents will receive DIC. Your surviving spouse or eligible children will only receive DIC if the VA determines your death was service-connected. If your death is not service-connected and you didn't elect SBP, your dependents won't receive anything based on your service.

- **How can I pay my SBP premiums if I am medically retired and my retired pay is fully offset by my VA disability pay?**

If your SBP premiums cannot be deducted from your retired pay, DFAS will deduct it from your Combat Related Special Compensation (CRSC), if you receive that. Otherwise, you must make either a direct payment to DFAS or start a payment from your VA disability pay to DFAS. Failure to pay your SBP premiums means you're building a debt your surviving spouse must pay before receiving the SBP annuity.

- **If I am rated totally disabled by the VA, can I stop SBP?**

Yes, you may withdraw from SBP if you have a service-connected disability rated by the VA as totally disabling for five continuous years from the date of your retirement; or if awarded after retirement, for ten continuous years. Withdrawal from SBP is allowed because the VA will presume you died of a service-connected reason regardless of your actual cause of death and your surviving spouse will qualify for DIC benefits. After you meet one of these timeframes, you must contact DFAS to request withdrawal in writing based on your total VA disability. Your withdrawal from SBP will require your spouse's notarized concurrence. After your death, your spouse will be entitled to a refund of all the SBP premiums you paid for SBP. If you withdraw from SBP, your spouse will not be entitled to any SBP or SSIA. If you continue SBP participation, your spouse will receive the SBP amount that exceeds the DIC, and any authorized SSIA.

- **Is SBP a good value?**

The subsidy, before tax premiums, cost of living adjustments, and 55 percent annuity structure make SBP a good buy for most Soldiers.

7-4 SBP'S PERCEIVED NEGATIVES

Some common concerns about SBP include:

- **The cost of SBP increases.**

True, but the relative cost remains constant. Retired pay, SBP premiums and SBP annuities increase based on the same COLA. Remember that the premiums the government pays for you also increase.

- **I can buy more private insurance at less cost than SBP.**

The key here is that this statement may be true during the first several years of your retirement, but your SBP decision is for your lifetime. The indexing of retired pay for inflation gives SBP a lot of value later which private insurance cannot offer or guarantee. You can get a true picture of the long-term, extended costs and benefits by asking your RSO for an actuarial valuation and comparison of SBP versus term insurance, which is also available at <http://actuary.defense.gov/>.

- **SBP does not have cash value and I cannot borrow against it.**

True. When a product offers cash value buildup, you pay extra for it. SBP is an income protection program that is, unfortunately, often compared to term life insurance. Term insurance is temporary protection purchased to protect you

from a known risk for a known period of time. Costs rise or benefits decrease as you age. SBP should, in fact, be likened to permanent, increasing term protection at a constant cost whose proceeds cannot be outlived by the recipient. Since SBP is subsidized by the government, you are not paying all the cost of the SBP coverage.

- **The SBP annuity is taxed.**

True, but you pay the premiums before the taxes on your retired pay are calculated. This lowers your income tax obligation at a time when your family income (and tax bracket) is normally the highest. After your death, your spouse's tax bracket is normally significantly lower than your combined tax bracket when you're alive. You get the tax benefit up front.

- **No money is returned if my spouse dies first.**

True. You have, however, gotten what you paid for — protection — in the form of a degree of financial security for your spouse had you died first. Your car insurer does not return your insurance premiums if you don't have an accident. Why? Because you paid for protection you received. SBP is similar, but is also tax-advantaged, government-subsidized, and COLA adjusted. If the possibility of getting no money back upon your spouse's death really bothers you, one simple way to minimize or eliminate that is to ensure your spouse's life. In fact, you could use the tax savings offered by SBP to purchase the policy. Also, do not forget that SBP elections are made by "category," so upon the loss of your spouse the costs are suspended. If you remarry in the future, you have one year to either resume coverage (still at 6.5 percent) or decline to resume. With commercial insurance, your age and health would determine the cost of your new protection, if you could get it at all.

- **There is no residual estate for my children when my spouse dies.**

True, but SBP was never intended to be an inherited benefit; instead, it continues a portion of your retired pay to a beneficiary, primarily your spouse. However, your eligible children can be designated as primary or alternate beneficiaries. Insurance, savings and investments are products designed to provide assets for a residual estate. SBP offers the best inheritance you can give your children—a financially independent surviving parent.

- **SBP costs are excessive compared to benefits received.**

Not true. You get what you pay for. Lower costs do not necessarily mean greater benefits. Some commercial plans have a "termination date" — a maximum period for which benefits will be paid. Others have a "fixed starting date" — a date before which no benefits are paid. Only the RCSBP Option B has a fixed starting date. SBP and RCSBP Option C do not. One of the most important features of SBP is that your spouse cannot outlive it as he or she can do with life insurance proceeds. Consider these facts based on a male retired officer age 45, with a spouse age 42. Forty percent of surviving spouses could survive as long as 22 years following the Retired Soldier's death; 50 percent—19 years; and 70 percent—15 years. With no portion of retired pay continued through SBP, it is likely that there will be a period when your spouse will outlive your life insurance, and may not have sufficient income to meet basic needs. SBP is guaranteed for the surviving spouse's lifetime, however long that is (although it is suspended if remarriage occurs before age 55).

- **SBP cannot be tailored to meet my individual needs.**

Not true. You can choose the dependent category you protect and the amount of SBP you want to provide. SBP is 55 percent of the base amount you choose to cover. The base amount is between the minimum of \$300 per month and to the maximum of your full retired pay. You can elect an amount of SBP you want to provide by adjusting your base amount.

- **Once I am enrolled, I am in forever.**

Not true. You may disenroll from SBP between the 25th and 36th month after you retire. Your spouse's written and notarized concurrence is required to terminate coverage. Also, the law allows you to withdraw if the VA rates you as totally

disabled for not less than five continuous years from your retirement date or for ten or more continuous years if the VA rates you totally disabled after your retirement.

Hopefully, the facts provided in this guide will help you make an informed decision. Because the SBP decision has such a tremendous impact on your total estate planning, you should request individual, in-depth counseling from your installation RSO, and avail yourself of the government's personal financial counselors and the SBP calculators at <https://myarmybenefits.us.army.mil/benefit-calculators/survivor-benefits>.

7-5 THE RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)

Congress created the RCSBP on Oct. 1, 1978 to provide the SBP Benefit to reserve component members.

7-6 RCSBP ELIGIBILITY

Upon being notified that you qualify for non-regular retired pay (i.e., receive your NOE/20-Year Letter), you are eligible to enroll in RCSBP, and you must, by law, make your RCSBP election within the next 90 days. Effective Jan. 1, 2001, if you do not make this election, by law you'll be automatically enrolled in Option C at maximum coverage for all of your eligible dependents at the date of the NOE.

7-7 RCSBP ELECTION OPTIONS

RCSBP has the same spouse concurrence feature as SBP. Married Soldiers who don't elect the maximum coverage under Option C will receive that coverage if their spouse does not concur in writing on the election form.

- **OPTION A (DECLINE TO PARTICIPATE)**

Under this option, you will have no survivor protection in place before your non-regular retirement date. Should you die, none of your retired pay will be payable to a beneficiary. However, you remain eligible to enroll in SBP when you apply for retired pay. There is no RCSBP cost. If you have no eligible beneficiaries at the time you receive your NOE, you should leave Section IV, block 12 labeled "Options" portion of the DD 2656-5 blank.

- **OPTION B (DEFERRED ANNUITY)**

This option provides an annuity, payable to your beneficiary starting on the 60th anniversary of your birth, if you die before age 60, or immediately if you die after age 60. If your non-regular retirement and receipt of retired pay is before age 60 and you subsequently die prior to age 60, the annuity is not payable until your 60th birthday. This RCSBP election becomes your SBP election at non-regular retirement.

- **OPTION C (IMMEDIATE ANNUITY)**

This option provides an annuity, payable immediately upon your death, whether you die before or after age 60. This RCSBP election becomes your SBP election at non-regular retirement.

- **NO SPOUSE OR CHILD**

If you do not have a spouse or child and do not desire to elect insurable interest or former spouse coverage when you receive your NOE, you cannot make an RCSBP election. However, within one year of acquiring a spouse or child following receipt of your 20-year letter, you can request RCSBP coverage for the eligible beneficiary. If you do not initiate the RCSBP election within one year of acquiring the RCSBP-eligible dependent, the RCSBP election defaults to Option A, Decline RCSBP participation and then you will have to wait until non-regular retirement to make an SBP election.

7-8 RCSBP ELECTION CATEGORIES

They are identical to SBP. You must report any change in beneficiary status immediately to HRC, or for ARNG Soldiers to the State Retirement Services Office or RPAM Administrator, to include any actions involving court-ordered or voluntary former spouse elections.

7-9 RCSBP ELECTION COSTS

Depending on which option you choose, there are two possible costs associated with RCSBP: the basic cost and the reserve portion. The reserve portion is paid for the period of RCSBP coverage that you receive prior to receipt of retired pay. You pay both the basic cost and reserve portion from your retired pay once you begin receiving it. Following is a brief summary of each.

- **Basic SBP Cost**

For spouse coverage, SBP costs 6.5% of the base amount covered, which is the full retired pay for 98% of Retired Soldiers. For spouse and child coverage, children add literally pennies to the monthly premium. For child only coverage, it depends on the age of the youngest child, but is normally a few dollars per month. Talk to you RSO or use the MyArmyBenefits SBP premium calculator to get a precise estimate.

- **Reserve Portion**

Option A — No cost since there was no survivor coverage in place.

Option B and Option C—The reserve portion premium is a percentage of the SBP base amount, and is derived from your age and your beneficiary's nearest age on your election date.

- **Annuity**

Surviving beneficiaries will receive an annuity equal to 55 percent of the covered base amount of retired pay regardless of age or Social Security entitlement.

Chapter 8

UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT

8-1 GENERAL

This section offers a general discussion of the Uniformed Services Former Spouses' Protection Act (USFSPA) in three areas: division of retired pay; Survivor Benefit Plan (SBP); and military Identification (ID) and Privilege Cards. It is not a legal brief nor does it state a legal position. It cannot be used as evidence of intent, interpretation or precedent in any legal action. The points made are not designed to answer detailed questions concerning individual cases. Individuals impacted by the USFSPA should consult a military or civilian attorney for more information.

8-2 BACKGROUND

The 1981 landmark case, *McCarty v. McCarty*, brought to the U.S. Supreme Court the issue of whether or not a court could consider military retired pay as marital property and order a division of it. The Court ruled that retired pay could not be divided as community property without Congressional authorization. In 1982, Congress provided that authority by enacting Public Law 97-252, known as the Uniformed Services Former Spouses' Protection Act, or USFSPA. With that, the stage was set for the ongoing debate over various USFSPA provisions, brief summaries of which follow.

8-3 DIVISION OF RETIRED PAY

The USFSPA granted two main authorities:

- a. That state courts may treat military retired pay as they would other marital property to permit a qualified division; and,
- b. That the appropriate government agency, Defense Finance and Accounting Service—Cleveland (DFAS-CL) could make direct payments to former spouses under certain conditions.

No Automatic Entitlement: The USFSPA does not provide for an automatic entitlement to a division of military retired pay. For example, a couple may have been married throughout a full military career, yet the USFSPA does not compel a state court to award a division of retired pay to the former spouse.

Enforcement: When a division of retired pay is court-ordered, USFSPA allows direct payments for former spouses only if the parties were married to each other for at least 10 years, during which time the member performed at least 10 years of creditable military service for retirement. To illustrate, marriages need not meet the condition that there was 10 years of marriage that overlapped with military service in order for the state court to direct that retired pay be divided. However, DFAS-CL will not make direct payments to the former spouse if these two requirements are not met. Payments would have to be established through the court or made personally by the retiree.

Child Support or Alimony: The requirement that there is 10 years of marriage that overlaps with service does not apply to direct payment of child support or alimony.

Limitations: The court order will not be honored by DFAS-CL unless the court issuing the order held jurisdiction over the member. This jurisdiction requirement, however, does not apply to child support or alimony. Further, regardless of the award made by the state court, the government restricts direct payment to the former spouse to 50 percent of the member's "disposable" retired pay. The exception to this is in enforcement of child support garnishment orders, which can raise the direct pay amount to a total of 65 percent of disposable pay.



Disposable Pay: Disposable pay is the product of the gross retired pay entitlement minus the following:

- Amounts owed by the member for previous overpayments or recoupment;
- Amounts deducted for court martial fines;
- Amounts waived under Title 38, US Code, for VA disability compensation;
- Survivor Benefit Plan (SBP) premiums (only if the former spouse to receive the pay division is also the named former spouse SBP beneficiary);
- (For post-Nov. 14, 1986 court order dates): Amounts of retired pay based on disability (per Title 10, Chap. 61);
- (For pre-Feb. 3, 1991 court order dates): Amounts owed the U.S.;
- (For post-Feb. 3, 1991 court order dates): Amounts withheld for federal and state income taxes, consistent with the member's tax liability.

Calculating Disposable Retired Pay:

For retiring Soldiers whose former spouse was awarded a division of retired pay as part of a final decree of divorce prior to Dec. 23, 2016, the retired pay will be calculated on the disposable retired pay at the time of receipt of retired pay.

In the case of a division of military retired pay that becomes final prior to the date of retirement but after Dec. 23, 2016, the member's disposable retired pay is calculated as follows:

For an active duty retirement, the member's disposable retired pay for purposes of division of retired pay cases is calculated based on the members "retired pay base" (high-3 average or final pay depending on when the member entered the service) and years of service at the time of the decree of divorce, dissolution, annulment, or legal separation awarding the division of retired pay.

For a Reserve Component Soldier who will qualify for a future non-regular retirement, the member's disposable retired pay is calculated based on what the Soldier would have been entitled using the Soldier's retired pay base (high-3 or final pay depending on when the member entered the service) and creditable service points (retirement points) on the date of the decree of divorce, dissolution, annulment, or legal separation awarding a division of retired pay.

The above calculations will be increased by the COLAs that occurred between the date of the decree of divorce, dissolution, annulment, or legal separation awarding the division of retired pay and the time of the member's retirement.

A division of retired pay award computed as a percentage of a member's disposable retired pay will be increased by the same appropriate portion of any COLAs the member receives after retirement.

Application Procedure: Only the former spouse or the former spouse's attorney – not the member -- can apply for direct pay under the USFSPA, using a DD Form 2293 (Application for Former Spouse Payments from Retired Pay). Once the process is successfully completed, payments to the former spouse begin within 90 days, in accordance with the normal retired pay cycle. If the member is not yet retired, payments begin within 90 days after date of retirement.

Former Spouse Remarriage: Remarriage by the former spouse does not result in the former spouse losing entitlement to receive direct payment of retired pay, which was awarded as property, unless so specified by the court.

8-4 SURVIVOR BENEFIT PLAN (SBP)

Voluntary or Court Ordered: Since Nov. 14, 1986, state courts have been permitted to order a member to participate in SBP for the member's former spouse. This pertains both to active duty members who can be ordered to elect former

spouse coverage at retirement and to Retired Soldiers enrolled with spouse coverage. Courts cannot order a Retired Soldier to provide former spouse coverage unless the member had previously made a spouse election for them.

Similarity to Spouse Coverage: When divorce occurs after retirement, former spouse coverage will be in the same amount as spouse coverage. In active duty divorces, the specific level of coverage to be elected should be directed by the court order.

Loss of Eligibility: If the former spouse remarries before age 55, SBP eligibility is lost, participation is suspended, and no SBP costs are owed during the period of ineligibility. During this period, the former spouse retains the SBP even though ineligible to receive the annuity and the current spouse cannot be covered. However, if the former spouse remarriage ends, eligibility is restored, participation is resumed and premium costs resume. Marital status changes must be reported to DFAS-CL immediately.

General Irrevocability: Elections are generally permanent with the following exceptions:

Disenrollment Option: If the former spouse election is purely voluntary with no written agreement, the Retired Soldier may disenroll between the 25th and 36th month. If the former spouse election was voluntarily made based on a written agreement that was not incorporated into a court order, former spouse's written concurrence must be provided in order to discontinue participation in SBP. If the former spouse election was court-ordered, or an agreement to make the election was incorporated into or ratified/approved by a court order, the member must furnish a certified valid court order modifying the provisions of all previous court orders in order to terminate former spouse SBP. Former spouse written concurrence is not required in this instance.

Retired Soldier's Remarriage: If the Retired Soldier remarries, former spouse coverage may be changed to spouse coverage within one year of the marriage IF the following occurs:

- If the former spouse election is court-ordered, or an agreement to make the election is incorporated in or ratified or approved by a court order, the member furnishes a certified valid court order modifying the provisions of all previous court orders relating to the election.
- If the former spouse election is the result of a written agreement, which is NOT incorporated in or ratified or approved by a court order, the former spouse provides written concurrence with the change of election.
- If the former spouse election is purely voluntary, with no written agreement existing, the former spouse is notified.

Deemed Elections: A former spouse has one year from the date of the first court order or written agreement to make a written request to DFAS-CL for a deemed former spouse election using DD Form 2656-10 (SBP/RC-SBP Request for Deemed Election). NOTE: Providing DFAS-CL a copy of the divorce decree does not constitute a request for a deemed election. Former spouses are advised to take this action, both when the divorce occurs while the member is on active duty, and after retirement. It is the only way that a former spouse election will be made if the member fails to comply with the court order within one year of divorce for a retiree or at retirement for a divorce on active or reserve duty. For a retiree, if the court order first awarding former spouse is over one year from the date of divorce, the SBP election can only be changed to former spouse by the former spouse deeming the election within one year of the court order. All members are similarly advised to voluntarily request in writing that former spouse coverage be implemented if court-ordered, so as not to be in contempt of court. Former spouses of Reserve Component Soldiers awarded court ordered RCSBP will submit their DD Form 2656-10 for deemed former spouse RCSBP election to the Human Resource Command.

Two Common Errors: Some SBP participants mistakenly believe that SBP elections are made by the individual, rather than by category. The result of that belief often is that a member fails to notify DFAS-CL of a divorce, assuming that coverage will continue for that person by name. Costs continue to be withheld (for a nonexistent spouse beneficiary), and the Retired Soldier assumes that continued cost is for continued coverage. Too often, the grim discovery following the Retired Soldier's death is that no valid election exists and no annuity is payable, or if payable, it is to a current spouse. Or, if notification of the divorce is made, the required written request for former spouse is not, and thus the election category

is not changed from spouse to former spouse. The spouse coverage is suspended and no premiums are collected. By the same token, many former spouses are unaware that simply providing the divorce decree to DFAS-CL is not a request for a deemed election. Again, by law, a written request using DD Form 2656-10 must be made within one year after the date of the court order. Failing that timely action, future inquiry will reveal an invalid former spouse election if it was not accomplished by the member.

8-5 MILITARY IDENTIFICATION AND PRIVILEGE CARDS

The USFSPA and its subsequent amendments authorize military benefits to certain former spouses. All of the following criteria must be met in order to receive a military ID card:

- Marriage of at least 20 years
- Creditable service of at least 20 years
- Marriage and service overlap of at least 15 years

If the overlap is at least 20 years, the former spouse receives full privileges. If the overlap is at least 15, but less than 20, years, the former spouse receives medical care only for one year from the divorce. After one year, enrollment in a premium-based, temporary transitional health care program, "Continued Health Care Benefit Program" (CHCBP), is available to a former spouse who does not have employer-sponsored coverage. Former spouses in this category, whose divorces were finalized on or before April 2, 1985, were granted indefinite medical benefits.

Call your nearest military ID card office for additional information.

CHAPTER 9

RESERVE COMPONENT RETIREMENT SYSTEM

9-1 GENERAL

If you are a United States Army Reserve (USAR) or Army National Guard (ARNG) Soldier, you must meet the following minimum requirements to be eligible for retired pay:

- Be at least 60 years of age (or younger if you have qualifying periods of service, see paragraph 9-2 below); and
- Have performed at least 20 years of qualifying service computed under Section 12732, Title 10, United States Code (or more than 15 but less than 20 years if you have been found medically unfit for retention and issued a 15-Year Letter); and
- Have performed the last eight years of qualifying service while a member of the Active Reserve if the 20th qualifying year was attained on or before October 4, 1994; have performed the last six qualifying years in the RC if the 20th year was attained between October 5, 1994 and April 25, 2005. (NOTE: The 6-year rule was eliminated effective 26 April 2005. This change was not grandfathered.), and
- Not be entitled, under any other provision of law, to retired pay or retainer pay as a member of the Fleet Reserve or the Fleet Marine Corps Reserve, and
- Have not received disability severance pay.

9-2 NON-REGULAR RETIRED PAY PROCESS

Once you receive your 20-Year Letter, eligibility for retired pay based on non-regular service may not be denied or revoked on the basis of any error, miscalculation, misinformation or administrative determination of years of service performed, unless it resulted directly from fraud or misrepresentation. Administrative errors, such as awarding of too many points, can be corrected; however, eligibility for retired pay cannot be withdrawn. The 20-Year Letter is a valuable document and should be stored in a safe place along with other documents pertaining to your estate.

HRC processes non-regular retirement applications for USAR and ARNG Soldiers. As of Oct. 1, 2014, HRC does not automatically mail retirement applications. Soldiers eligible for non-regular retirement may request a retirement application by calling 888-276-9472 or by downloading the application from HRC's website at

<https://www.hrc.army.mil/TAGD/Reserve%20Component%20Retirements>. All Soldiers, including those eligible for Reduced Retirement Age (Early Drop) for non-regular retirement, must submit their retirement pay applications no more than nine months and no less than 90 days before their eligibility date. These packets include instruction sheets and all of the forms necessary to process your retirement. Mail your application to:

Human Resources Command
ATTN TAGD (AHRC-PDP-TR)
1600 Spearhead Division Avenue Dept. 482
Ft. Knox, KY 40122-5402

Or email it to: usarmy.knox.hrc.mbx.tagd-retirement-application-request@mail.mil

Or fax it to: 502-613-4524



Once you submit the packet, HRC will certify you as eligible for retired pay and notify DFAS-CL to establish your retired

pay account. You will not receive notification of receipt of your application unless you include a self-addressed post card, which will be returned to you once the Reserve Component Retirements Branch receives your application. You may also contact the HRC customer service office toll-free at 888-276-9472 to inquire whether the packet has been received.

Soldiers who were ordered to active duty under eligible authorities listed in 10 USC 12731 paragraph (f) on or after Jan. 29, 2008 are entitled to claim a 90-day drop from their age 60 retirement date for every 90 days accumulated in any given fiscal year (Oct. 1 – Sept. 30) or any two consecutive fiscal years for service performed on or after Oct. 1, 2014. Soldiers who claim this “drop” should adjust the requested retirement date (block 3 of DD Form 108), write Reduced Retirement Age Eligible in red on the top of the DD Form 108 as well as attach copies of their mobilization order(s), separation order(s), and DD 214(s).

You should apply for and receive confirmation of any extension of service beyond age 60 PRIOR to applying for retirement. Service past age 60 will not be calculated toward retired pay unless a waiver for that service is received with the retired pay application.

9-3 CHANGES TO RETIREMENT AGE FOR CERTAIN RESERVE COMPONENT SOLDIERS

The 2008 National Defense Authorization Act (NDAA) changed the retirement age from 60 to a lesser age for those who have served under a specific authority of law after Jan. 28, 2008. The change is not “grandfathered.” That is, it does not apply to service before Jan. 29, 2008. The 2008 NDAA lowers the retirement age by 90 days for each aggregate of 90 days within a fiscal year (1 October – 30 September) or any two consecutive fiscal years for service performed after Sept. 30, 2014 of active duty “pursuant to a call or order to active duty under a provision of law referred to in section 101(a)(13)(B) (which includes service under section 688, 12301(a), 12302, 12304, 12304a, 12305, or 12406 of 10 USC) or under section 12301(d) of 10 USC. Such service does not include service on active duty pursuant to a call or order to active duty under section 12310 of 10 USC.” Active duty service is also service under a call to active service by the President or the Secretary of Defense under section 502(f) of Title 32 (National Guard) for the purpose of responding to a Presidential declared national emergency or a national emergency supported by federal funds, this does not include duty within the State on Full-Time National Guard Duty – Operational Support (FTNGD-OS) orders.

The eligibility age for retirement may not be reduced below age 50. Human Resources Command, United States Army Reserve Command, and National Guard Bureau websites have policy memos concerning this subject and providing specific examples. More information visit <https://www.hrc.army.mil/TAGD/REDUCED%20AGE%20RETIREMENT>.

Note that if a Soldier is wounded or otherwise injured or becomes ill while serving on active duty pursuant to a call to active duty under a provision of law mentioned above, and the member is then ordered to active duty under section 12301(h)(1) to receive medical care for the wound, injury, or illness, each day of active duty under that order for medical care, shall be treated as a continuation of the original call or order to active duty for purposes of reducing the eligibility age of the member under NDAA 2008, Section 647.

This law only allows a Soldier to receive their retired pay early; it does not apply to TRICARE medical benefits as a Retired Soldier. TRICARE Prime or Select will not go into effect for the Soldier or their dependents until the Soldier reaches age 60. For example, if you have enough time to drop your retirement age to 56, you will start receiving your retired pay then. You will not be able to enroll in TRICARE as a Retired Soldier until you reach age 60. Remember, the decision to apply for the Reduced Age Retirement is voluntary.

9-4 RETIREMENT POINTS ACCOUNTING SYSTEM (RPAS)

Before 1981, there was no centralized or automated capture and storage of accumulated points for members of the USAR or ARNG. Each year points for Troop Program Unit (TPU) Soldiers and drilling ARNG Soldiers were recorded and filed in their Military Personnel Records Jacket (MPRJ). USAR Soldiers received an annual automated data processing punch card, which recorded the previous retirement year’s (RY) earned points. ARNG Soldiers annually validated a manually recorded NGB Form 23 Retirement Points Statement.

The Reserve Component Personnel and Administration Center (now Army Human Resources Command or HRC) eventually developed a semi-automated system for capturing and storing points for members of the Individual Ready Reserve (IRR), but even that system did not accumulate points beyond the latest Anniversary Year Ending (AYE). A complete records audit was required each time it was necessary to determine how many qualifying years and/or total points a member of the RC had accumulated.

The Retirement Points Accounting System (RPAS) is an automated system that annually accumulates and verifies retirement point's data for each Reserve Component Soldier. With RPAS, errors can be corrected easily while the information needed to correct them is still available. RPAS goals include:

- Providing an accurate, annual record of military service and participation for USAR and ARNG Soldiers
- Providing an automated Notification of Eligibility (NOE) (20-Year Letter) to USAR and ARNG Soldiers upon qualification
- Eliminating annual reporting of paid attendance and school completion by USAR and ARNG units
- Providing a valid data source for use by DOD in projecting future retirement costs

HRC recommends you keep your retirement points updated every year and that all corrections be processed prior to reaching your 59th birthday. If you are a USAR Soldier, have your Unit Administrative Personnel or Regional Personnel Action Center update your points. If you are an ARNG Soldier, contact your State Retirement Points Accounting Management (RPAM) Administrator for assistance with updating your points. If you are in any status other than listed above, you must contact the appropriate Branch/MOS Team at HRC at 888-276-9472 to update the RPAS.

9-5 QUALIFYING YEAR

As a USAR or ARNG Soldier, you must have 20 qualifying years of service (15 if medically retired by the USAR or ARNG) to be eligible for retired pay at age 60. A qualifying year is a complete year during which you earned a minimum of 50 retirement points. For a full explanation of how retirement years are established, see AR 140-185, Training and Retirement Point Credits and Unit Level Strength Accounting Records, at:

https://armypubs.army.mil/epubs/DR_pubs/DR_a/pdf/web/ARN6521_AR140-185_FINAL.pdf and National Guard Regulation (NGR) 680-2 http://www.ngbpdc.ngb.army.mil/pubs/680/ngr680_2_19_august_2011.pdf for the ARNG; or contact your Unit Administrative Personnel, Regional Personnel Action Center, State Joint Forces Headquarters (JFHQ) or HRC.

In general terms, you established an anniversary year ending (AYE) date by entering the service. As long as you have no breaks in service, your AYE will be one year later. For example, if you enlist on July 2, 1986, you would have a retirement year beginning date of July 2, 1986 and an AYE of July 1 each year thereafter. If there is a break in service of more than 24 hours, you will establish a new AYE when you re-enter the service regardless of component.

9-6 MAXIMUM POINT RULE

Soldiers may accumulate a total of 365 points per year (366 in a leap year). However, there are caps for retirement points earned for inactive duty training (IDT), the following three dates are used regarding maximum IDT points allowed per year:

- Effective Oct. 30, 2007: 130
- Effective Oct. 30, 2000: 90
- Effective Sept. 23, 1996: 75
- Prior to Sept. 23, 1996: 60

IDT points include retirement points earned for IDT participation, extension/correspondence courses, and membership points. Soldiers will no longer be awarded retirement points for correspondence courses. The only exception to exceed the maximum IDT points per year is military funeral honors.

9-7 COMPUTATION OF RETIRED PAY

To determine how much retired pay you may be eligible to receive at retirement eligibility age, the first step is to calculate the number of equivalent years of service. The formula for computing equivalent years of service for retired pay is simple: Total Creditable Retirement Points divided by 360. This formula computes the number of equivalent years of service you have completed (comparable to full-time service). For example, 3,600 points equals 10 years.

HRC will notify the DFAS-CL of the number of years of service you have earned. RC Soldiers who separate or are discharged from military service without entry into the Retired Reserve before age 60 will be credited for basic pay purposes only with the pay tables for the years before their discharge/separation. Separating/discharging rather than transferring to the Retired Reserve will impact your retired pay and should be carefully considered.

Depending on your Date of Initial Entry into Military Service (DIEMS) (see paragraph 4-1 of this guide for an explanation of DIEMS), your retired pay will be calculated under the “Final Base Pay”, “High-3” or “Blended Retirement System” (BRS) formula as follows:

- Final Base Pay. DIEMS date before Sept. 8, 1980: Multiply your years of equivalent service by 2.5 percent. Multiply the result by the basic pay in effect on the date your retired pay starts.
- High-3. DIEMS date on or after Sept. 8, 1980: Multiply your years of equivalent service by 2.5 percent. Multiply the result by the average of your highest 36 months of basic pay.
- Blended Retirement System. DIEMS date on or after Jan. 1, 2018 or opted in between Jan. 1 – Dec. 31, 2018 with less than 4,320 points on Dec. 31, 2017: Multiply your years of equivalent service by 2.0 percent. Multiply the result by the average of your highest 36 months of basic pay.

The highest 36 months of basic pay for a member who transfers to the Retired Reserve until age 60 will normally be the pay scale used within the last 36 months before they reach age 60. Soldiers who request a discharge from military service without transfer to the retired reserve before 60, however, cannot use basic pay rates in effect after their discharge. Again, think carefully before requesting a discharge instead of a transfer to the Retired Reserve as it will impact your retired pay entitlement. The MyArmyBenefits retirement calculator at <https://myarmybenefits.us.army.mil/benefit-calculators/retirement> allows RC Soldiers to accurately estimate their retired pay. The calculator provides a personal calculation by connecting to and pulling personal data from DEERS and RPAS. The accuracy of retired pay calculations will be affected by the accuracy of the data provided by these systems.

9-8 COST-OF-LIVING ADJUSTMENTS TO RETIRED PAY

Your retired pay will increase annually by a COLA based on the change in the Consumer Price Index (CPI) from the third quarter of one calendar year to the third quarter of the next. Retired pay COLAs are normally effective on Dec. 1 and payable the last business day of the year.

9-9 NOTIFICATION OF ELIGIBILITY (NOE) (20-YEAR LETTER)

For years, the Services had difficulty in accurately establishing when an RC member had completed 20 qualifying years of service. Many Soldiers stopped participating when they believed they had completed 20 qualifying years only to discover, much too late (at age 60), that they did not meet the eligibility requirements for retired pay.

In 1966, Public Law 89-652 imposed a requirement on the Service Secretaries to notify RC Soldiers when they had completed sufficient years for retired pay purposes. A letter with the subject, “Notification of Eligibility (NOE) for Retired Pay for Non-Regular Service,” commonly referred to as the 20-Year Letter, accomplishes this. HRC will provide this letter to all USAR Soldiers within one year of completing 20 qualifying years of service for retired pay purposes, provided that you have a current valid address on file. The State JFHQs will send this letter to the ARNG Soldiers through their units.

USAR Soldiers creditable service is reflected in RPAS. RPAS will generate the 20-Year Letter approximately 90-120 days after the AYE that documents completion of the 20th qualifying year. If RPAS is not correct and you have 20 qualifying years, you must submit documentation and have the record screened by HRC prior to the applicable AYE before your 20-Year Letter will be issued. Non-unit Soldiers must work with their career advisors at HRC. Troop Program Unit (TPU) Soldiers must work with their unit administrative personnel/Regional Personnel Action Centers and through their chain of command to ensure all creditable service is reflected in RPAS. Note: if you are or will be 59 or older at the time of eligibility you will not receive a 20-Year Letter.

The Retirement Point Accounting Management (RPAM) system will generate the 20 Year NOE for ARNG Soldiers. This letter will be signed by the State Military Personnel Management Officer (MPMO)/G1 and forwarded to the Soldier and their unit along with Reserve Component Survivor Benefit Plan election documents.

Upon receipt of your 20-Year Letter you may elect one of the following choices: continue serving in the Army Reserve or Army National Guard; transfer to the Retired Reserves as a "Gray Area Retired Soldier"; or request discharge or separation. Continuation in an active status after receipt of the 20-Year Letter requires that the Soldier earn 50 or more points in each year. You also have 90 days from the receipt of your 20-Year Letter to make a decision about your Reserve Component Survivor Benefit Plan election.

9-10 RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)

RCSBP was created by Congress and became effective on Oct. 1, 1978. It is a plan which allows you to continue a portion of your retired pay entitlement to your designated beneficiaries in the event that you die before you begin to receive retired pay (i.e., while in the "gray area.") The basic rules of RCSBP are identical to those of the Survivor Benefit Plan (SBP). Read Chapter 7 — Survivor Benefit Plan. Listed below are some of RCSBP's unique features to consider when making your decision on participation. Follow the same guiding principle: If your future retired pay plays a role in your financial plan, give it the same importance in your survivor's financial plan. Remember that your election is generally irrevocable and the RCSBP coverage elected becomes your SBP election at non-regular retirement.

9-11 YOUR RESPONSIBILITY

You are responsible for maintaining records that document your reserve participation and retirement points (AR 135-133). The following documents should be safeguarded:

- DD Form 214 (proof of Active Duty)
- DA Form 1383 (proof of Army Reserve Duty)
- DD Form 220, (Active Duty Report)
- DA Form 5016, ARPC Form 249-2E, DARC Form 249, or AGUZ 115 (proof of Army Reserve Duty)
- NGB Form 23, Retirement Point Accounting Statement NGB Form 22 (National Guard Report of Separation and Record of Service)
- AF Form 526 (proof of Air Force or Air Force Reserve Duty)
- NAVPERS Form 1070-611 (proof of Navy Reserve Duty)
- NAVMC Form 798 (proof of Marine Corps Reserve Duty)
- CG HQ Form 4973 (proof of Coast Guard Reserve Duty)
- Any document proving the Soldier participated in a period of inactive duty for training (IDT) such as DA Form 1380 or DA Form 1379 or Leave and Earning Statement (LES) or Master Military Pay Account (MMPA)
- Proof of completed correspondence or extension courses

- Appointment or enlistment documents/notices that prove membership
- Military pay vouchers, travel vouchers, OERs and NCOERs to substantiate periods of Active Duty for Training (ADT). Orders are not accepted as proof of ADT unless accompanied by one of the following: a travel voucher, OER or NCOER received for the period of training, a Certificate of Attendance signed by your commander, or if on ADT for points only, DA Form 1380
- Army Reserve or National Guard 20-Year NOE

Who to Contact for Help:

- Unit Administrative Personnel or Regional Personnel Action Center for retirement prior to age 60
- Defense Finance and Accounting Service (DFAS) to request your LES at <https://www.dfas.mil/customerservice/lesrequest.html>
- HRC customer service, 888-276-9472
- National Archive Records Administration (if discharged) at <http://www.archives.gov/veterans/military-service-records/>
- HRC, Reserve Component Retirements Branch 502-613-8950
- Nearest Army installation Retirement Services Officer, listing at: <https://soldierforlife.army.mil/retirement/contact-us>
- MyArmyBenefits Help Desk at <https://myarmybenefits.us.army.mil/help>. Speak with the MyArmyBenefits experts between 9AM and 5PM EST Monday - Friday: Local - 703-286-2560 or Toll-Free - 888-721-ARMY (888-721-2769).
- Nearest ARNG State Retirement Services Officer and/or Retirement Points Accounting Manager (RPAM) NCO, refer to the state resource directory available at <https://myarmybenefits.us.army.mil/benefit-library/state/territory-benefits> for POCs
- Nearest Army Reserve Readiness Division Retirement Services Officer, listing at: <https://soldierforlife.army.mil/retirement/preparing-to-retire>

Chapter 10

COMMUNICATIONS, SYSTEMS & INSTALLATION ACCESS

10-1 ARMY ECHOES



Army Echoes is the official newsletter for Retired Soldiers, surviving spouses, and their families. It is published as a 16-page hardcopy, a 24-page electronic newsletter, and a blog on the Soldier for Life website. The newsletter is published three times a year (February, June, October) and mailed or emailed to over one million Retired Soldiers and surviving spouses. It is designed to keep you informed of significant changes to laws that affect you, and to discuss changes in the Army. Because some laws and directives require action on your part, you are urged to read each issue of *Army Echoes* carefully and file it with this Guide.

It is important for retiring Soldiers to ensure they have a trusted commercial email address in their myPay profile **BEFORE** they retire. They won't have access to their Defense Enterprise Email after they retire. The Army and DFAS will send *Army Echoes* and alerts about their retired pay to their myPay email address.

It is Army policy to email *Army Echoes* to all Retired Soldiers and Survivor Benefit Plan annuitants at their email address on file in myPay. If they do not have a myPay account or have no email within that account, the Army will mail *Army Echoes* to them at the correspondence address they have on file at the Defense Finance and Accounting Service-Cleveland (DFAS-CL).

The Army also mails *Army Echoes* to Retired Reserve Component Soldiers not yet receiving retired pay at the correspondence address on file at the Army Human Resources Command. Surviving spouses who are not receiving a Survivor Benefit Plan annuity may receive *Army Echoes* by requesting this in an email to the Editor at ArmyEchoes@mail.mil.

Retired Soldiers collecting retired pay and surviving spouses who are collecting the Survivor Benefit Plan annuity, should ensure that DFAS has their current mailing and email address. To update DFAS, create or update the myPay account. Retired Soldiers may also call DFAS at (800) 321-1080. More information is provided at <https://soldierforlife.army.mil/retirement/army-echoes>.

"Gray Area" Retired Soldiers (in the Retired Reserve not yet collecting retired pay), can update their information by logging into the HRC record portal at <https://www.hrcapps.army.mil/portal/> using their DS login. Once signed in, select Reserve/Retiree/Veteran record and select edit in the contact information field to update, or contact the Reserve Retirements Branch at the US Army Human Resources Command to ensure they have the current mailing address by calling them at (888) 276-9472. If a Gray Area Retired Soldier would like electronic distribution of *Army Echoes*, they register their email on at <https://soldierforlife.army.mil/retirement/army-echoes>.

The *Army Echoes* Blog is available at <https://soldierforlife.army.mil/retirement/blog>. Three new articles are posted to the blog each week. The articles are the same type found in the newsletter, but they are available earlier than those printed in the newsletter. Because there are no size limitations on the *Army Echoes* blog, more content is available to readers through the blog than the newsletter.

10-2 PERSONAL/FAMILY INFORMATION

This period of transition provides an excellent opportunity to get your personal and family records in order. Original or certified copies of documents are required when you file for various benefits from the Department of Veterans Affairs (VA),

Social Security Administration (SSA), and other government agencies. You should make sure that your vital documents are in order and that your next of kin and the executor of your estate knows where the documents are stored. You are advised NOT to record your final discharge papers at a courthouse if they will become a public record. Some of the more essential documents are: a will; birth certificates for you, your spouse and/or children; adoption papers; marriage certificate; divorce decree; DD Form 214 (Certificate of Release or Discharge from Active Duty); names of banks and credit unions, and routing and account numbers; insurance policies; and a list of assets and liabilities.

10-3 MILITARY RECORDS

Soldiers should obtain a copy of their medical and dental records prior to retiring; this includes all outpatient care at any military treatment facility, civilian provider and treatment received while deployed. These records will be turned in when you process out, and once they leave your possession, it may be difficult to obtain copies. It is also advisable to retain any paper and electronic copies of military personnel records you have. These could be difficult to obtain once they have been forwarded to the personnel records center.

10-4 THE DEPARTMENT OF DEFENSE SELF-SERVICE LOGON (DS LOGON)

DS Logon is the secure, self-authentication protocol that replaced AKO Single Sign On and provides Retired Soldiers and other beneficiaries access to their personal records and information on many DOD and VA websites. DS Logon is the only method for Retired Soldiers and family members, who do not have CAC cards, to access this information on the internet. Retiring Soldiers must obtain a DS Logon user name and password before retirement by following the procedures below.

a. Common Access Card (CAC) Registration

As a CAC holder, you are able to quickly obtain a DS Logon account by authenticating online with your CAC. At <https://www.dmdc.osd.mil/identitymanagement/authenticate.do>, click "Register" to enter the registration process and select "I have a Common Access Card (CAC) with accessible card reader".

b. Email Registration

As a CAC holder, you are able to quickly obtain a DS Logon Premium Level 2 account by using your email on file in DEERS. At <https://www.dmdc.osd.mil/identitymanagement/authenticate.do>, click "Register" to enter the registration process and select "I have an active DoD ID card and an email on file in the Defense Enrollment Eligibility Reporting System (DEERS)."

Partial list of websites that accept DS Logon:

- [US Army White Pages](#)
- [eBenefits](#)
- [US Army My Records Portal](#)
- [TRICARE Online \(TOL\)](#)
- [milConnect](#)
- [DS LOGON Self-Service website](#)
- [Beneficiary Web Enrollment \(BWE\)](#)
- [Address Update](#)
- [Family Subsistence Supplemental Allowance \(FSSA\)](#)
- [Joint Qualification System \(JQS\)](#)
- [RAPIDS Self Service \(RSS\)](#)
- [Transition GPS \(includes VMET\)](#)
- [TRICARE Application \(RCPTA\)](#)
- [Health Net Federal Services](#)
- [Humana Military](#)

- [MetLife](#)
- [myTRICARE](#)
- [TRICARE Overseas](#)
- [TRICARE4u](#)
- [DOD Spouse Education and Career Opportunities\(SECO\)](#)

For more websites accepting DS Logon: <https://pki.dmdc.osd.mil/identitymanagement/profile/home.do>

For more information regarding DS Access Center, visit
<https://www.dmdc.osd.mil/identitymanagement/authenticate.do?execution=e4s1>

10-5 MILITARY INSTALLATION PRIVILEGES—STATESIDE

Retired Soldiers, eligible Family members, and un-remarried surviving spouses are authorized to use various Morale, Welfare, and Recreation (MWR) facilities on military installations on a space-available basis. The availability to accommodate Retired Soldiers varies widely at different Army installations. The local installation commander determines whether these facilities may be used by Retired Soldiers. This determination is usually based on whether the facilities can accommodate Retired Soldiers without creating hardships for active duty Soldiers. Retired Soldiers and family members are authorized use of commissary and Exchange facilities in the United States regardless of store adequacy. Your military ID card is sufficient proof of eligibility.

10-6 MILITARY INSTALLATION PRIVILEGES—OVERSEAS

Some Retired Soldiers who travel overseas are disappointed to learn that they are not permitted to use the Service facilities of an overseas U.S. military base — a privilege they are normally entitled to within the United States. Army regulations regarding commissary and Exchange privileges for Retired Soldiers are applicable overseas only to the extent agreed upon by the foreign governments concerned, better known as Status of Forces of Agreements (SOFA). Sometimes certain facilities are so limited in an overseas area that their use cannot be extended to Retired Soldiers. Medical facilities in some foreign countries are designed and staffed only to care for active duty Soldiers and their eligible family members, and use by Retired Soldiers and their family members must be severely limited. Before traveling overseas, we recommend that you contact officials at the overseas location to determine the privileges available. The local RSO listed at <https://soldierforlife.army.mil/retirement/contact-us> can provide guidance, and access to the Exchange overseas, visit <https://www.aafes.com/exchange-stores/overseas/>

10-7 LOCATING FORMER AND RETIRED SOLDIERS

The Privacy Act prevents the Department of the Army from releasing the home addresses of former and Retired Soldiers to private individuals (including other Soldiers and spouses of Soldiers) without the express written consent of the Soldier. U.S. Army Human Resources Command created the new Army White Pages in 2015 to replace the AKO White Pages. Anyone with a CAC or DS Logon may log into the White Pages at <https://www.hrcapps.army.mil/Portal/> to locate a Soldier, Retired Soldier, or veteran. You must opt in to allow your personal information to be visible to others. You may also update your contact information at any time. The Army is no longer able to provide locator services; therefore, one of the many online services available from private entities should be used.

10-8 MOBILIZATION/RETIREE RECALL

The Army Human Resources Command (HRC) administers a program to recall Retired Soldiers in case of full or partial mobilization. Officers and enlisted personnel under 60 years old and in good health are subject to recall in case of war or national emergency as declared by the President. Warrant officers may be recalled up to age 62. General officers are recalled on a case-by-case basis. HRC identifies Retired Soldiers using the Total Army Personnel Data Base (TAPDB). Every effort is made to assign the Retired Soldier to a base within 300 miles of his or her home. Recall orders will be issued only at the time of mobilization. HRC will make periodic contact with Retired Soldiers to keep their files up to date.

Title 10, USC requires that all Soldiers be retired or discharged at age 60 unless extended by the Secretary of the Army. Soldiers who submitted a request for retirement and whose retirement orders have been published will not have their retirement revoked. You can review more information regarding mobilization of Retired Soldiers, and volunteer for recall at: <https://hrc.army.mil/STAFF/Retiree%20Recall> and AR 601–10 paragraph 2-2, Management and Recall to Active Duty of Retired Soldiers of the Army in Support of Mobilization and Peacetime Operations (Criteria for recall).

Chapter 11

MILITARY AWARDS, CUSTOMS & COURTESIES



11-1 REPLACEMENT AWARDS

The Army offers a service to its Retired Soldiers and veterans who wish to replace awards either previously issued but lost, or issued, but for some reason never received by the Soldier. The Army may charge the individual for each medal replaced. There is no set fee since some medals are more costly than others. This service is available to the Retired Soldier or veteran who was discharged or retired before Oct. 1, 2002, by writing to: National Personnel Records Center ATTN: Army Reference Branch, 1 Archives Drive, St. Louis, MO 63138-1002 or by calling 866-272-6272; or by going online to <https://www.archives.gov/veterans/replace-medals>.

Current members of the Army Reserve and Army National Guard should contact their local commanders for assistance. Retired Soldiers or veterans who were discharged or retired after Oct. 1, 2002 may write to: Army Human Resources Command, ATTN: AHRC-PDP-A, 1600 Spearhead Division Ave., Dept. 480, Fort Knox, KY 40122-5408. Additional information is available on the following webpage: <https://www.hrc.army.mil/content/Awards%20Inquiries%20for%20Army%20Retirees%20and%20Veterans>.

11-2 MILITARY TITLES AND SIGNATURES

- a. All retired personnel not on active duty are permitted to use their military titles socially and in connection with commercial enterprises. However, such military titles must never be used in any manner which may bring discredit to the Army. The use of military titles is prohibited in connection with commercial enterprises when such use, with or without the intent to mislead, gives rise to any appearance of sponsorship or approval by the Departments of the Army or Defense.
- b. Military titles will not be a part of the signature block of a Retired Soldier when signing official correspondences as a civil service employee.
- c. Retired Soldiers not on active duty will not use their military titles in connection with public appearances outside the United States unless such use is authorized by the appropriate overseas commander.
- d. When military titles are used by members to sign their names to documents that pertain to them personally, they must show that they are in a retired status after the grade (for example, A. B. Smith, COL (USA Retired)). "USA Retired" will be used by all personnel retired for service, age, or physical disability, including personnel on the Temporary Disability Retired List (TDRL).
- e. Social and business cards must reflect the retired status as prescribed above.
- f. Retired Soldiers serving as DA civilians will not use or refer to their military grade or rank except when referring to their personal retirement actions.

11-3 UNIFORMS AND RANK IN RETIREMENT

- a. Retired Soldiers may wear the Army uniform at occasions essentially of a military character, at which the uniform is more appropriate than civilian clothing. These functions include, but are not limited to: military balls, military parades, inaugurations, weddings, memorial services, and military funerals; as well as memorial services, meetings, conferences, or similar functions of associations formed for military purposes, of which the membership is composed largely or entirely of current or honorably discharged veterans of the Armed Forces of the United States. Authority to wear the uniform includes

wear while traveling to and from the ceremony or function, provided the travel in uniform can be completed on the day of the ceremony or function.

b. In addition to the occasions for wear listed above, retired personnel are authorized to wear the uniform only when attending parades on national or State holidays, or other patriotic parades or ceremonies in which any active or reserve U.S. military unit is taking part. Uniforms for these occasions are restricted to service and dress uniforms; the combat uniform and physical fitness uniforms will not be worn. Wearing the Army uniform at any other time, or for any other purpose than stated above, is prohibited.

c. Retired Soldiers are prohibited from wearing Army uniforms:

- When furthering any political or commercial interests, or when engaged in civilian employment.
- When participating in public speeches, interviews, picket lines, marches, rallies, or public demonstrations.
- When attending any meeting or event that is a function of, or is sponsored by, an extremist organization.
- When wearing the uniform would bring discredit upon the Army.
- When specifically prohibited by Army regulations.
- When not on active duty but acting as an instructor or responsible for military discipline at an educational institution, unless the educational institution is conducting courses of instruction approved by the Armed Forces.

d. All persons wearing the Army uniform will wear awards, decorations, and insignia in the same manner as prescribed for active duty Soldiers. On the blue service and dress uniforms, Retired Soldiers will wear the retired service ID badge and may wear the combat service ID badge if they were authorized wear of the Shoulder Sleeve Insignia – Former Wartime Service while on active duty.

e. Retired personnel on active duty will wear their uniform and insignia in the same manner as prescribed for personnel in the Active Army of corresponding grade and branch.

f. Retired personnel not on active duty may wear either the uniform reflecting their grade and branch on the date of their retirement, or the uniform prescribed for personnel in the Active Army of corresponding grade and branch, when appropriate, but may not mix the two uniforms. Personnel will wear the grade as shown on the retired grade of rank line on their retirement order. Personnel who will be advanced to a higher grade upon retirement have the option of wearing the insignia of that grade thereafter.

g. Retired Soldiers are authorized to wear military medals on appropriate civilian clothing. This includes clothes designed for veteran and patriotic organizations on Veteran's Day, Memorial Day, and Armed Forces Day, as well as at formal occasions of ceremony and social functions of a military nature. Personnel may wear either full-sized or miniature medals. Personnel who wear medals on civilian clothes should place the medals on the clothing in approximately the same location and in the same manner as for the Army uniform, so they look similar to medals worn on the Army uniform.

h. Retired Soldiers are authorized to wear the physical fitness uniform:

(1) With civilian attire off the installation.

(2) When wearing the physical fitness uniform as a complete uniform, Retired Soldiers will follow the guidance in AR 670-1 par. 23-3f.

i. The guidance above is summarized from Army Regulation 670-1, *Wear and Appearance of Army Uniforms and Insignia*, and Department of the Army Pamphlet 670-1, *Guide to the Wear and Appearance of Army Uniforms and Insignia*.

Retired insignia may be purchased at www.shopmyexchange.com or any installation military clothing sales store.

11-4 SALUTING THE UNITED STATES FLAG

The National Defense Authorization Acts of 2008 and 2009 authorized veterans, in or out of uniform, to render the hand salute to the United States flag when it is raised and lowered, when it passes them, and during the playing of the national anthem.



This publication may be downloaded from the Army Retirement Services website at <https://soldierforlife.army.mil/Retirement/retirement-planning>



Soldiers with the 75th Ranger Regiment scale the cliffs like Rangers did during Operation Overlord 75 years ago at Omaha Beach, Pointe du Hoc, Normandy, France, June 5, 2019. (U.S. Army photo by Markus Rauchenberger)