



RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP) FACT SHEET

This fact sheet is designed to supplement the Department of Defense website at: <https://militarypay.defense.gov/Benefits/Survivor-Benefit-Program/>. Updated by the Headquarters, Department of the Army.

THE SIMPLE FACTS

This fact sheet provides information to help you understand the provisions of SBP. It is not a contract document. The basic statutory provisions of SBP law are in chapter 73, title 10, United States Code.

The Reserve Component Survivor Benefit Plan (RCSBP) is the only program that lets you leave a percentage of your future retired pay as a monthly annuity to your beneficiaries. The maximum annuity is 55 percent of your retired pay. This fact sheet tells how participation in RCSBP affects the general provisions of the Survivor Benefit Plan (SBP). You should also be familiar with those general provisions (see DoD website and SBP Fact Sheet).

ELIGIBILITY

- a. **Initial RCSBP Election Timeframe.** Once you are notified that you qualify for a Non-regular retirement and receive your Notification of Eligibility (NOE) commonly known as the 20-year letter, you are eligible to sign up for RCSBP, regardless of your military status, age, or health. You have a 90-day period to make an RCSBP election beginning the day you receive your NOE.
- b. **Spouse Concurrence.** If you are married and do not elect Option C, immediate Spouse RCSBP coverage based on your full retired pay, your spouse must concur with your election and sign the RCSBP Election Certificate (DD Form 2656-5) prior to the end of the 90-day period that began the day you received your NOE. The spouse's signature must be notarized and dated on or after your signature on the DD Form 2656-5. If you do not obtain your spouse's concurrence, your RCSBP election defaults to spouse immediate (Option C) RCSBP coverage based on your full retired pay.

Note: You do not need spouse concurrence for a former spouse or former spouse and child(ren) election.

- c. **Automatic RCSBP Coverage.** If you fail to complete the RCSBP Election certificate within the 90 days allotted, by law your eligible dependents on the date of the NOE will receive automatic Option C RCSBP coverage based on your full retired pay.

- d. **Automatic RCSBP for Special Situations.** The following situations will result in automatic Option C full coverage of RCSBP for your dependents:
1. If you die after becoming eligible for a non-regular retirement but before receiving the NOE.
 2. If you die after receiving the NOE but are within the 90 days from notification and have not made an RCSBP election.
 3. If you die in the line of duty of an injury or illness incurred or aggravated during inactive-duty training.

COVERAGE

Your RCSBP election covers you from the time you qualify for a non-regular retirement until you begin receiving retired pay at non-regular retirement. Once in receipt of retired pay, your RCSBP election (Option B or C) automatically becomes your SBP election. If you elected to decline RCSBP (Option A), you will have no RCSBP coverage and must make a decision about SBP coverage at the time of your non-regular retirement. Active duty retirement for length of service or medical retirement invalidates an RCSBP election and you will be required to make an SBP election without regard to a previous RCSBP election. If retired from active duty, you will not be charged any premiums for RCSBP coverage received.

ELECTION OPTIONS

- a. **Option A (DECLINE TO MAKE ELECTION UNTIL Non-Regular Retirement (AGE 60 or earlier if you are eligible for a reduced age retirement)).** You will remain eligible to elect SBP coverage upon reaching the age you qualify for a non-regular retirement. An annuity will not be payable to your beneficiaries if you die before non-regular retirement. Since you received no RCSBP coverage, you will not pay RCSBP premiums at retirement.
- b. **Option B (DEFERRED ANNUITY).** Provides coverage but if you die before age 60, the RCSBP or SBP annuity does not start until date you would have turned 60 years old. At non-regular retirement, the RCSBP election becomes your SBP election and you will pay both RCSBP premiums for coverage already received and SBP premiums for current coverage.
- c. **Option C (IMMEDIATE ANNUITY).** Provides coverage for an RCSBP or SBP annuity to begin immediately, whether you die before or after your non-regular retirement. At your non-regular retirement, the RCSBP election becomes your SBP election and you will pay both RCSBP premiums for coverage already received and SBP premiums for current coverage.
- d. **No Dependents at NOE.** If you are not married, have no eligible children, and do not desire to elect RCSBP for a former spouse or insurable interest, you do not have an RCSBP election option. However, once you gain the first spouse or child after

your NOE, you have one year to request RCSBP coverage for your eligible dependent.

1. Army Reserve and Retired Reserve Soldiers need to send the request for RCSBP coverage to the Human Resources Command. Current members of the Army National Guard should contact the State RSO or RPAM NCO.
2. The election must be submitted on a DD Form 2656-5 and you must elect an election category, an RCSBP Option (B or C), and level of coverage. If you are unmarried with no eligible children and you do not elect coverage for an insurable interest or former spouse, you would select no RCSBP option. If you fail to elect RCSBP coverage within one year of gaining an eligible family member, you will default to RCSBP Option A until your non-regular retirement at which time you will have to make an SBP election.

ELECTION BENEFICIARY CATEGORIES

- a. **Spouse only.** To be eligible for an annuity, your spouse must be married to you on the date of your NOE and still be married to you on the date of your death. In the event you marry or remarry after your NOE, your new spouse must be married to you for one year, or be the parent of a child by that marriage to qualify for RCSBP. If you wish to cover your new spouse, you must elect coverage for that spouse within one year of marriage. If you divorce and remarry the spouse you were married to and who you had elected spouse RCSBP for at your NOE, that spouse is immediately eligible for RCSBP upon the remarriage.
- b. **Child only.** Coverage of children is limited to unmarried children under the age of 18, or under age 22 if in school pursuing a full-time course of study or training; or any age if incapable of self-support because of a mental or physical incapacity incurred while still eligible as defined above. RCSBP or SBP for a fully incapacitated child may affect other benefits the child may be entitled to, based on the disability. In order to mitigate the effect of SBP on the child's other benefits, the law allows the SBP annuity for an incapacitated child to be paid to a special needs trust. Coverage is for all eligible children.
- c. **Spouse and Children.** Same child eligibility rules as above; however, children will receive an RCSBP annuity only if your spouse becomes ineligible (through death or remarriage before age 55). Coverage is for all eligible children.
- d. **Former Spouse/Former Spouse and Child or Children.** You may elect to provide an annuity to a former spouse or a former spouse and child(ren). Only the children of the marriage to the former spouse receive coverage if the election is former spouse and child(ren). You may elect these beneficiary options even though you are married or have a dependent child outside of the marriage to the former spouse, but such an election prevents payment of an annuity to the current spouse or a child outside of the marriage to the former spouse. Under an election for former spouse and child(ren), the child receives an RCSBP annuity only if the former spouse becomes ineligible (through death or remarriage before age 55).

- e. **Insurable Interest.** This coverage may be elected only if you are unmarried with no eligible child.
 - 1. Any person more closely related to you than a cousin does not require justification to show the financial interest in your life for an insurable interest election.
 - 2. Any other person may qualify if you provide proof that person benefits in some manner from your continued life (a business partner, for instance).
 - 3. This is a very expensive election for both RCSBP and SBP premium costs and can be cancelled at any time.
 - 4. 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 gaining a child. If no action is taken within the year of marriage and/or gaining a child, you close that category or categories for both RCSBP and SBP.

BENEFICIARY CHANGES AFTER INITIAL RCSBP ELECTION AT NOE

- a. **Suspended Spouse RCSBP.** If you remarry after electing RCSBP Spouse Coverage, and your spouse coverage is suspended (RCSBP covered spouse lost through death or divorce), the new spouse must be married to you for one year, or be the parent of a child by that marriage to qualify as an RCSBP beneficiary. Within one year of marriage you can elect to increase the amount of retired pay you covered for spouse RCSBP up to full coverage, decline to cover the new spouse and any future spouse, or resume existing RCSBP coverage. Taking no action will result in the new spouse automatically receiving the existing spouse RCSBP coverage.
- b. **No RCSBP Beneficiaries at NOE.** If you have no eligible RCSBP beneficiaries at retirement, and this marriage or child is your first eligible dependent (spouse and/or child) after receiving your NOE but before your non-regular retirement, you have one year to request to change your RCSBP election to Spouse or Spouse and Child coverage or your RCSBP election defaults to Option A, decline RCSBP coverage. If you default to Option A for RCSBP, you will have an opportunity to elect SBP at non-regular retirement.
- c. **Adding Spouse to Existing Child RCSBP.** If you were not married at your NOE, elected Child RCSBP coverage, and this is your first marriage following your NOE; you can add your spouse to your existing Child RCSBP coverage as long as you make the election change within one year of your marriage. If you take no action within one year of your first marriage following your NOE, you will close the spouse category for both RCSBP and SBP.
- d. **Child after NOE.**
 - 1. If you have a child after the date of your NOE and you previously elected Child or Spouse and Child RCSBP coverage, the child will be added to your existing RCSBP coverage.

2. If you had no children at your NOE, elected Spouse RCSBP, and this is your first child, you have one year to add the child coverage. If you take no action within one year, that child and any future child is excluded from RCSBP or SBP coverage.
 3. If you had no dependents at your NOE and the child is your first dependent, you have one year to request to change your RCSBP election to child coverage or your RCSBP election defaults to Option A, decline RCSBP coverage.
- e. **Insurable Interest.** If your insurable interest beneficiary dies, you have 180 days to elect a new insurable interest. The costs will be calculated from the death of the previous insurable interest.

Note: US Army Reserve and Army Retired Reserve Soldiers must immediately report any change in beneficiary status prior to non-regular retirement to the Army Human Resources Command Gray Area Retirements Branch. Army National Guard Soldiers must report those changes immediately to the State Joint Force Headquarters Retirement Services Office.

RCSBP COSTS (PREMIUMS)

There are two premiums associated with RCSBP. These premiums are not paid until you begin receiving your retired pay. The two types of premiums are: Basic (SBP) Premium and Reserve (RCSBP) Premium. There is no RCSBP premium for RCSBP Option A as you receive no RCSBP coverage or for RCSBP coverage if retired under an active duty law for length of service or medical disability.

RCSBP PREMIUM

- a. If you chose to elect RCSBP under Option B (Deferred Annuity) or Option C (Immediate Annuity), there is a Reserve premium added to the basic cost to cover the additional benefit previously received for coverage prior to receiving retired pay. The Reserve premium is based on a percentage of the SBP base amount, and is dependent on your age and the age of the beneficiary when you made your election, as well as the period of RCSBP coverage
- b. Calculators to estimate your retired pay, SBP and RCSBP premiums are available on the MyArmyBenefits homepage at <http://myarmybenefits.us.army.mil/>. Army Reserve and Retired Reserve Soldiers can contact their Readiness Division (RD) or 9th Mission Support Command (MSC) RSO for assistance in calculating estimated RCSBP costs. Current members of the Army National Guard can request the same assistance from the State RSO or RPAM NCO.

BASIC SBP PREMIUMS

SBP premiums and benefits are each a percentage of your elected "base amount," which may be your full monthly retired pay or a lesser amount, but not less than \$300. If your monthly gross retired pay is less than \$300, then your full monthly retired pay must

be designated as the base amount. The base amount, premiums and annuity payments all increase at the same time and by the same percentage as the increase in retired pay Cost-of-Living Adjustments (COLAs).

- a. **Basic SBP Premium for Spouse/Former Spouse.** SBP premium calculators are available on the MyArmyBenefits homepage at <http://myarmybenefits.us.army.mil/>.
- b. **Basic SBP Premium for Children.** The cost to cover children is also based on a percentage of the SBP base amount. For child(ren) only, it depends on your age and the age of your youngest child. For spouse and child(ren), it also depends on the age of your spouse. SBP premium calculators are available on the MyArmyBenefits homepage at <http://myarmybenefits.us.army.mil/>.
- c. **Basic SBP Premium for Insurable Interest.**
 - 1. The base amount for an insurable interest beneficiary must be the full monthly retired pay.
 - 2. The cost is 10 percent of full monthly retired pay, plus an additional 5 percent for each 5 full years that the beneficiary is younger than you. However, the total cost cannot exceed 40 percent of monthly retired pay.

SBP/RCSBP ANNUITY AMOUNT

Your RCSBP election becomes your SBP election when you reach eligibility to receive retired pay. The annuity is 55 percent of the base amount. The base amount is the amount of retired pay you elected for RCSBP/SBP coverage.

DEPENDENCY AND INDEMNITY COMPENSATION (DIC)

If you die as a result of a service connected condition, then your family may be eligible to receive DIC from the Department of Veterans Affairs (VA). They will need to apply for this benefit through the VA.

The National Defense Authorization Act for Fiscal Year 2020 phases out the spouse SBP offset by spouse DIC and the offset will be completely eliminated January 1, 2023. See the DFAS website for the most up to date information on this law change, <https://www.dfas.mil/retiredmilitary/survivors/SBP-DIC-News/>.

- a. The SBP annuity of a spouse will be reduced by two thirds of the DIC amount the spouse receives in 2021. Starting January 1, 2022 the reduction of SBP will decrease to one third the DIC amount until it is eliminated on January 1, 2023. Your spouse will be eligible for DIC payments only if you die of a service-connected cause. In the event the DIC payment is greater than the SBP annuity, the annuity will not be paid. If you die between now and January 1, 2023 and your surviving spouse is eligible to receive both SBP and DIC, your surviving spouse will receive a prorated refund of the premiums you paid.

- b. When considering your SBP election and possible annuity reductions, the important point to consider is that what you're leaving your spouse is permanent income based on your retired pay.
- c. If your spouse's SBP is offset by DIC, they will be entitled to the Special Survivor Indemnity Allowance until the offset is eliminated January 1, 2023.

SPOUSE RCSBP ANNUITANT REMARRIAGE

Your spouse/former spouse RCSBP annuity stops if your spouse or former spouse remarries before age 55. The annuity can resume if that remarriage ends due to death or divorce. If your spouse/former spouse remarries after age 55, the RCSBP annuity continues.

RETIREMENT UNDER THE PROVISIONS OF AN ACTIVE DUTY LAW

If retired under the provisions of an active duty law either for length of active service or for medical disability, your RCSBP election will not affect your SBP election and you will not pay for any RCSBP coverage received.

RCSBP WHEN DEATH IS ON ACTIVE DUTY

An RCSBP election does not apply while you are on active duty. If you die while in an active duty status, you are subject to the active duty death SBP provisions of the law.

RCSBP POINTS OF CONTACT

Retired Reserve/Army Reserve	US Army Human Resource Command ATTN: TAGD (AHRC-PDP-TR) 1600 Spearhead Division Avenue-DEPT 482 Fort Knox, KY 40122-5402 https://www.hrc.army.mil/content/Gray%20Area%20Retirements%20Branch	HRC Call Center – 1-888-ARMYHRC (276-9472) Gray Area Retirements Branch – 502-613-8950
Army Reserve	Readiness Division (RD) and 9th Mission Support Command (MSC) Retirement Services Officer (RSO). To contact your RSO go to the Soldier for Life webpage at: https://soldierforlife.army.mil/Retirement/ArmyReserve	
Army National Guard	State Army National Guard RSOs. To contact your State Army National Guard RSO go to go to the Soldier for Life webpage at: https://soldierforlife.army.mil/Retirement/rso?maps=all Select your state and find the State National Guard Retirement Services Office	

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