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U.S. Army Pre-Retirement Counseling Guide



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PRE-RETIREMENT COUNSELING GUIDE

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FOREWORD

As the Army proponent for preparing Soldiers and their Families for retirement, the Army Soldier for Life Retirement Services Office wants to help you and your Family through the challenges of preparing for retirement. You owe it to yourself and your Family to be as well-prepared as possible to enjoy the retirement you've earned. Retirement is a process, not an event. Get started now!

I strongly recommend you read this pre-retirement guide cover-to-cover, and keep it handy as a ready reference. Online, add to your "favorites" list the HQ Army Retirement Services homepage (<https://soldierforlife.army.mil/retirement/>), the MyArmyBenefits homepage (<http://myarmybenefits.us.army.mil/>), and your nearest installation Retirement Services Officer's (RSO) homepage (find your RSO at [http:// https://soldierforlife.army.mil/retirement/rso](http://https://soldierforlife.army.mil/retirement/rso)). And, of course, work with your RSO, who is your expert on all topics associated with military retirement. If you are a Reserve Component Soldier, contact your Army Reserve Regional Support Command RSO listed at <https://soldierforlife.army.mil/retirement/reservecomponent> or Army National Guard RSO listed in the MyArmyBenefits Resource Locator for your state at http://myarmybenefits.us.army.mil/Home/Benefit_Library/Resource_Locator.html. Keep in mind, too, that you and your spouse will have the support of an RSO throughout your retirement years, no matter where you live.

We offer this guide to ease the transition of those who have devoted their professional lives to ensuring our Nation's security. Thank you for your service to our Army and our country!!

"Once a Soldier, Always a Soldier...a Soldier for Life!"

John W. Radke

Chief, Army Retirement Services

Soldier for Life Program

Military Personnel Management Directorate

Deputy Chief of Staff G-1, HQDA

"Retirement is a process not an event"

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CHAPTER 1

INTRODUCTION

1-1 GENERAL

Retirement is the final step in the lifecycle of a Soldier, but remember that retirement is a process, not an event. As such, it requires the same effort and attention that brought you this far in your career. You have to make some very important decisions. This guide will help you make your transition more comfortable and enjoyable—and more importantly tailor your retirement to your needs. The following are basic, but very important, tips:

a. Start with a positive attitude

Your retirement ceremony marks the culmination of your years of military service to our great nation. It is a time of reflection and celebration, but you will find other rewarding ways to continue to serve and stay connected to the Army—“Once a Soldier, Always a Soldier...a Soldier for Life.” The decisions you make during this transition will significantly affect your retirement, but many have walked this path successfully before. Talk to friends who preceded you into retirement, and you’ll find they are happy in their new careers and lives. View your transition as an opportunity.

b. Prepare early

The earlier you prepare, the easier your transition will be. Use the many publications and organizations available to assist you. It all starts with your Retirement Services Officer (RSO) and your Soldier for Life -Transition Assistance Program (SFL - TAP) Office. These offices will get you started and keep you connected to the Army family. You can locate your servicing RSO and SFL - TAP at: <https://soldierforlife.army.mil/retirement/> and <https://www.acap.army.mil>, respectively. Learn more about retirement at: <https://soldierforlife.army.mil/retirement/>. Soldiers nearing any type of retirement must attend a pre-retirement briefing conducted by their nearest Army Retirement Services Officer (RSO). Spousal attendance is also encouraged.

c. Understand the impact of your retirement on others

If you have a Family, remember that they have played a large part in your Army career. Their Army career is also coming to an end, and they will need some adjustment time too. Be sensitive to each other’s needs. Discussing changes can ease potential problems in your relationship. Make sure they are informed—by visiting your RSO and/or <http://soldierforlife.army.mil/retirement/>, by reading this book, and, if possible, by attending the closest pre-retirement briefing.

1-2 SOLDIER FOR LIFE

The U.S. Army established Soldier for Life to maintain trust with our Army Family during and after service. This initiative enables Soldiers, Retired Soldiers, Veterans and Families to leave military service "career ready", and connect to an established network to find employment, education and health resources. Veterans bring value to employers, schools, and communities and we strengthen the current Army and the Nation by encouraging positive transitions.

The Soldier for Life mission is to connect Army, governmental, and community efforts to build relationships that facilitate successful reintegration of our Soldiers, Retired Soldiers, Veterans, and their Families in order to keep them Army Strong and instill their values, ethos, and leadership within their communities.

When Soldiers retire, most settle in communities away from military bases where Americans have few ties and little interaction with the military that ensures their freedom and way of life. It is important for Retired Soldiers to stay connected to the Army and to tell their Army stories to their neighbors, friends, and coworkers. Americans need to understand their military in a personal way. Retired Soldiers, who have committed their lives to defending the country, are in a unique position to connect the 1% who serve to the 99% who do not, to positively influence others to join or support the military.

To influence Americans, Retired Soldiers should remain connected to the Army and familiar with its ongoing changes, challenges, and improvements. Three good ways to stay connected to the Army are reading *Army Echoes* (see para 1-5 in this guide), familiarizing yourself with the resources available at the Soldier for Life website (<https://soldierforlife.army.mil>), and MyArmyBenefits website (<http://myarmybenefits.us.army.mil/>).

You've completed your long and successful Army career, but your job isn't over. The Army still needs you as a Soldier for Life. You have an open ended invitation to continue to serve. Please contact your nearest Army organization and find out how to become involved in a way that best fits your individual circumstances. The U.S. Army established Soldier for Life to maintain trust with our Army Family during and after service. This initiative enables Soldiers, Retired Soldiers, Veterans and Families to leave military service "career ready", and connect to an established network to find employment, education and health resources. Veterans bring value to employers, schools, and communities and we strengthen the current Army and the Nation by encouraging positive transitions.

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To influence Americans, Retired Soldiers should remain connected to the Army and familiar with its ongoing changes, challenges, and improvements. Three good ways to stay connected to the Army are reading *Army Echoes* (see para 2-17 in this guide) and familiarizing yourself with the resources available at the Soldier for Life website (<https://soldierforlife.army.mil>) and MyArmyBenefits website (<http://myarmybenefits.us.army.mil/>).

You're completing your long and successful Army career soon, but your job isn't over. The Army still needs you as a Soldier for Life.

1-3 USE OF FACILITIES

You and your Family members are authorized to use facilities on military installations when adequate space is available. The capability to accommodate Retired Soldiers varies at each military installation. The Installation Commander determines whether retired personnel may use the facilities. Generally, retired personnel are accommodated providing their use of the facilities does not adversely affect Active Duty Soldiers.

CHAPTER 2

GENERAL ADMINISTRATION

2-1 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, as instances of identity theft are increasing. 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.

2-2 MILITARY RECORDS

Soldiers should obtain a copy of their medical and dental records prior to retiring; this includes all outpatient care at an Army 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.

2-3 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 2A (Ret) (blue) (Armed Forces 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 (Uniformed Services Identification and Privilege Card) is issued to eligible Family members of living and deceased Retired Soldiers.

The DD Form 1173 identifies the family member as being eligible for commissary, Exchange, theater privileges, and 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, <http://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). Retired Soldiers with an indefinite expiration date can request a new ID card without their Social Security number. 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 the Defense Enrollment Eligibility Reporting System (DEERS) may apply to any Military Identification Card Issuing Facility for issue of an ID card. 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. Gray Area Identification (ID) cards reflecting Retired Reserve (without pay) status for the individual and eligible family members will be issued at any ID card-issuing facility upon presentation of NOE and transfer orders to the Retired Reserve (without pay). The Reservist will receive a DD Form 2 (Red) ID card, while eligible Family members receive the DD Form 1173-1 (Red) ID card. Entry into the Defense Enrollment Eligibility Reporting System (DEERS) is essential for

proper eligibility verification and future ID card renewal/status changes. Once eligible to receive pay, it will be necessary to report to any ID card-issuing facility in order to receive the DD Form 2 (Blue) 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 except for the offset of it due to receipt of VA disability compensation or a civil service retirement annuity.

(2) Spouses of individuals in (1) above. (Note: A 2004 law change allows an eligible family member age 75 or older to apply for and receive an indefinite ID card, i.e., one that does not have to be renewed every four years. Eligibility requirements remain unchanged.)

(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.

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 DD FORM 137-5, DEPENDENCY STATEMENT -INCAPACITATED CHILD OVER AGE 21, Incapacitated Child form at www.dtic.mil/whs/directives/forms/eforms/dd0137-5.pdf then click ok. The ID Card Facility is not the approving authority for the packet-DFAS is. If you have any question regarding the packet please call toll free: 1-888-332-7411 or fax: 317-275-0828. If you have any question regarding the packet please call toll free: 1-888-332-7411 or fax: 317-275-0828. You must complete the packet 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.

2-4 DEFENSE ENROLLMENT ELIGIBILITY REPORTING SYSTEM (DEERS)

DEERS is a computerized database containing information on military sponsors (active, Reserve/Guard, Retired) and their beneficiaries who may be eligible for medical care and other military privileges. The database is automatically updated when a new ID card is issued. Retired Soldiers who acquire new Family members after retirement should contact the nearest military ID card issuing facility for information on DEERS enrollment and ID card issuance.

2-5 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.

2-6 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, recommend that you contact officials at the overseas location to determine the privileges available. Retirement Services Officers (RSO) can provide their current address. See the RSO listing at <https://soldierforlife.army.mil/retirement/rso> and more information on PX/Commissary please go to http://www.imcom-europe.army.mil/webs/sites/europe_life/retiree/logistical_support/germany_log_support/index.html

2-7 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 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. The Army is no longer able to provide locator services; therefore, one of the many online services available from private entities should be used.

2-8 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 (Title 10 U.S. Code, Section 3926 [Officer], Section 1293 [Warrant Officer] and Section 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) must apply to HRC for retirement and begin to draw retired pay at age 60, or any date thereafter that. 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 T10 USC 12731 paragraph (f) may qualify for reduced age retirement prior to age 60, however not less than 50.

2-9 RETIRED PAY PLANS

a. References:

(1) DoD Financial Management Regulation, DoD 7000.14-R, Volume 7B, Military Pay Policies 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) Active Army and Reserve Component (RC) Soldiers may use the calculator located at the MyArmyBenefits: <http://myarmybenefits.us.army.mil/Home.html>

b. Which retired pay plan are you under?

There are three retired pay plans (FINAL, HIGH-3, and CSB/REDUX) for computing length-of-service retired pay. These plans

and effective dates are explained at <https://soldierforlife.army.mil/retirement/PreRetirement>. The “date initially entered military service”, also called the DIEMS date (pronounced DEEMS), determines the plan that you fall under for computation of your retired pay. The DIEMS date is also used to calculate the Reserve Component (RC) Soldier’s service longevity as it is used in the formula to determine an RC Soldier’s retired pay. The DIEMS date pertains to 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 most times 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 three retired pay plans use “service creditable for percentage purposes” in their formulas. In addition to percentage credit for your active duty service, you may receive percentage 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 (ARPC Form 249-E).

d. The three retired pay plans are:

1. DIEMS date before 8 September 1980 (Final Basic Pay). Computed using the following formula: Service creditable for percentage purposes X 2-1/2 percent X final basic pay = retired pay.

a) These Soldiers receive a percentage of their final basic pay. Therefore, they should take care not to retire just before an increase in their basic pay would occur. For example, a lieutenant colonel with 21 years and 10 months on 1 April may wish to wait until 1 June to retire so the retired pay will be based on the final month's basic pay for a lieutenant colonel with over 22 years, versus over 20 years.

b) Active duty officers who retire under the Final Basic Pay plan with less than 10 years of commissioned service retire in their highest enlisted or warrant officer grade. They receive a percentage of the final basic 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 officer grade without an approved waiver, will retire at the next lower grade and receive a percentage of the final basic 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 Basic Pay plan retiring on the same day as a basic pay rate change (e.g., retire 1 January with last day of active duty on 31 December), 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 DoD Instruction 7000-14.R ("DoD Financial Management and Policy") 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 8 September 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 1 December 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—Effective immediately, the brigade or installation Personnel Automation Section has the ability to input and correct DIEMS Date (after validating supporting documentation). The local finance office is the responsible agency for corrections to the Defense Joint Military System. Once a Soldier's DIEMS date can be verified, the changes will be reflected on the Enlisted Record Brief and Leave and Earnings Statement. If the first contract or appointment is not in the Official Military Personnel File but is available, the Soldier should mail or FAX the document to:

US Army Human Resources Command
ATTN: HRCoE-PDP-TR
1600 Spearhead Division Ave
Dept 482
Ft Knox, KY 40122-5408
CML (502) 613-8950

Army National Guard (ARNG) members should contact their state personnel officer. Army Reserve members should contact their career advisor at HRC-Fort Knox, toll-free 1-888-276-9472; ask to be transferred to your career manager.

2. DIEMS date between 8 September 1980 and 31 July 1986 (High-3). Service creditable for percentage purposes X 2-1/2 percent X average of highest 36 months of basic 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 (Section 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 8 September 1980 and 31 July 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 1 December 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 DoD 7000.14-R; <http://www.dtic.mil/whs/directives/corres/dir.html>.

3. DIEMS date on or after 1 August 1986 (High-3 or CSB/REDUX). You are automatically covered under the High-3 retired pay plan discussed in paragraph 2 above. However, between active duty years 14½ and 15, you will be given an opportunity to have your retired pay calculated under the REDUX formula and receive a \$30,000 Career Status Bonus (CSB) payable in lump sum or in two to five annual installments. CSB/REDUX elections made before a Soldier's 15th year of active duty become effective and irrevocable the 15th year. To be eligible, you must qualify under your Service's regulations for retention to 20 years. You must also agree to serve continuously until you complete a total of 20 years. In most cases, failure to complete 20 years of service will result in the Soldier having to pay back the pro-rated share of the bonus unless a disability retirement.

CSB/REDUX: Soldiers who are eligible for and elect to receive the \$30,000 CSB agree to have their retired pay calculated under the CSB/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 CSB/REDUX plan. At age 62, retired pay will be recomputed under the High-3 formula (see paragraph 2 above); however, the recomputation will NOT be retroactive under CSB/REDUX, so the longer an individual stays on active duty, the closer the retired pay percentage multiplier is to what it would have been under the High-3 retired pay plan, up to the 30-year point where the percentage multipliers are equal. However, due to receipt of "COLA minus 1 percent", retired pay received under REDUX will always be less than what is received under the High-3 retired pay 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.

The tax-deferred Thrift Savings Plan (TSP), similar to a 401K employer savings plan, became available to military members in January 2002. Soldiers must be participating (i.e., contributing monthly from their basic pay) in the TSP on the effective date of their CSB/REDUX election in order to contribute any of their CSB to the TSP. CSB/REDUX elections become effective at the 15th year if the TSP election form is returned before then; otherwise, they are effective on the date received. Participants can change their TSP enrollment options at any time, with the change being effective the beginning of the following pay period. Again, make sure your TSP participation has officially started before your CSB/REDUX election effective date if you want to contribute any of the CSB into the TSP. This becomes even more important if you plan to receive the CSB in annual installments in order to maximize the tax-deferred provisions the TSP offers. For TSP information, go to <http://www.tsp.gov>. A reminder to Reserve Component members assigned to units: Your unit MUST properly change your status code at DFAS when you are transferred to the Retired Reserve or discharged. Without the proper inactive code

you will not be able to withdraw your TSP.

For more information on the CSB/REDUX retired pay option, go to the Pre-Retirement CSB/REDUX section of the Army Retirement Services homepage at <https://soldierforlife.army.mil/retirement/PreRetirement>.

Cost of Living Adjustment (COLA): Members with DIEMS dates on or after 1 August 1986, who elect to have their retired pay calculated under CSB/REDUX (including Soldiers who retire for disability after having made a CSB/REDUX 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. To access a CSB/REDUX retirement calculator, go to: http://myarmybenefits.us.army.mil/Home/Benefit_Calculators/Retirement.html.

For more information on the three retired pay plans, go to: <http://myarmybenefits.us.army.mil/>. This website has a calculator that allows Soldiers to do “what if” calculations for the High-3 and CSB/REDUX retired pay plans. CSB/REDUX information can also be found on the retired pay fact sheet in the Federal benefits fact sheet section at <http://myarmybenefits.us.army.mil/>.

2-10 DISABILITY RETIREMENT

a. Disability Pay

It is imperative that a Soldier who might retire for disability attends a pre-retirement briefing conducted by their nearest Army Retirement Services Officer (RSO). If you’re married, it’s strongly suggested that your spouse attends.

Soldiers retiring for disability will have their retired pay calculated on the appropriate length-of-service formula (Final Basic Pay or High-3). NOTE: A Soldier who retires for disability prior to reaching 15 years of Active service (when the choice to take CSB/REDUX must be made) is not eligible for CSB/REDUX; nor is a Soldier who is undergoing a Physical Evaluation Board (PEB), Military Occupation Specialty (MOS) Medical Retention Board (MRB), or Military Medical Review Board (MMRB). If the PEB/MMRB process finds the Soldier fit for duty, then that Soldier is qualified to request CSB/REDUX. Also, Soldiers who have chosen CSB/REDUX and retire for disability after their 15th year of service and before their 20th year of Active service will not have to repay any portion of the CSB; and, their pay will be calculated under the High-3 formula, not the CSB/REDUX formula. Soldiers who chose CSB/REDUX and later retire after 20 years of service will have their pay calculated under CSB/REDUX rules.

Retired pay using the percentage of disability formula is computed by multiplying the percentage of disability by the basic pay base (final or average highest 36 months, depending on the Soldier’s DIEMS date). NOTE: Soldiers will not receive less than 50 percent of their basic pay base while on the Temporary Disability Retired List (TDRL); 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. Under current law, placement on the PDRL/TDRL with less than 20 qualifying years of service disqualifies you from receipt of CRDP.

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. Length-of-service retired pay would be 50 percent (2-1/2 percent X 20 years) of the basic pay base. Percentage of disability retired pay would be 30 percent of the basic pay base. In this example, the Soldier’s retired pay would be greater using the length-of-service formula, because it provides 50 percent, versus 30 percent, of the basic pay base.

Disability retired pay may or may not be taxed, depending on the Soldier’s status on 24 September 1975. A Soldier who was a member of a uniformed service or under a binding written agreement to become a member on 24 September 1975 will not have their disability retired pay taxed. A Soldier who was not a member of a uniformed service or under a binding written agreement to become a member on 24 September 1975 will have disability retired pay taxed unless all of it is based on percentage of disability and the disability is the direct result of one of the following: armed conflict, hazardous duty, simulated war, or an instrumentality of war. Military vehicles, weapons and other such items could be termed

instruments of war, whether being used in armed conflict or simulated war at the time. For a Soldier who was a member of a uniformed service or under a binding written agreement to become a member on 24 September 1975, the portion of retired pay that is based on the percentage of disability formula is tax-free. In the earlier example, the portion of retired pay based on disability (30 percent X final basic pay) would be tax-free, although the length-of-service retired pay formula (50 percent X basic pay) would determine the total retired pay entitlement.

b. Special Compensation Programs

1. Combat-Related Special Compensation (CRSC). The CRSC program was enacted on December 2, 2002. CRSC is 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 Retirees from all components—Active, Reserve, or National Guard and all services. The National Defense Authorization Act of 2008 opened CRSC to those who were medically retired. The revised CRSC Program (CRSC III) became effective January 1, 2008. The CRSC program is part of a legislative initiative to restore military retirement compensation that is on par with Federal service benefits. As a result of this legislation, Congress authorized two programs for disabled military Retirees: The CRSC Program and the Concurrent Retirement and Disability Program (CRDP). CRSC is a nontaxable benefit.

CRSC is subject to the 6-year statute of limitations, 31 U.S.C., Section 3702(b). In order to receive the full retroactive CRSC entitlement, you must file your CRSC claim with the Service CRSC Board within 6 years of initially becoming eligible for CRSC based on a particular disability rating. The initial date of eligibility for CRSC is the date that the VA initially determines that you have a combat-related disability, including the retroactive period of that initial rating. If you file your claim more than 6 years after initial eligibility, you will be restricted to 6 years of any retroactive entitlement. If you lose your VA entitlement and do not file for CRSC within 6 years of that loss, your CRSC claim will be barred by the statute of limitations. Any questions relating to the payment of this claim must be addressed to Defense Finance and Accounting Service (DFAS) who is the pay authority for CRSC.

CRSC and CRDP are mutually exclusive. DFAS-CL will establish the more advantageous payment for Retirees who qualify for both, and then will offer an annual open season to allow Retirees to elect the payment they find to be more advantageous. To date, open seasons periods have been conducted in January. Consult the DFAS website to confirm the date:
<http://www.dfas.mil>.

Army information number is: toll-free 1-866-281-3254.

More in-depth CRSC information is available online at: <https://hrc.army.mil/TAGD/CRSC> and <https://soldierforlife.army.mil/retirement/PostRetirement>.

2. Concurrent Retirement and Disability Program (CRDP). CRDP is a restoration of the retired pay deducted from military Retirees' accounts due to their receipt of Department of Veterans Affairs (VA) compensation (reflected on Retiree Account Statements as the "VA waiver"). Retirees are eligible for CRDP if they have a VA-rated, service-connected disability of 50 percent or higher and have twenty (20) or more qualifying years of service for a normal retirement. For members of the Reserve Components this means that they must be in receipt of a "20-Year Letter" and be at least 60 years of age. 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.

c. References:

(1) DoD Financial Management Regulation, DoD 7000.14-R, Volume 7B, Military Pay Policies 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://www.DoD.mil/comptroller/fmr/fmrvolumes.aspx>. Scroll down to Volume 7B.

(2) Active Army and Reserve Component (RC) Soldiers may use the calculator located at the MyArmyBenefits: <http://myarmybenefits.us.army.mil/Home.html>

d. Which retired pay plan are you under?

There are three retired pay plans (FINAL, HIGH-3, and CSB/REDUX) for computing length-of-service retired pay. These plans and effective dates are explained at <https://soldierforlife.army.mil/retirement/PreRetirement>. The “date initially entered military

service”, also called the DIEMS date (pronounced DEEMS), determines the plan that you fall under for computation of your retired pay. The DIEMS date is also used to calculate the Reserve Component (RC) Soldier’s service longevity as it is used in the formula to determine an RC Soldier’s retired pay. The DIEMS date pertains to 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 most times 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).

e. Service creditable for percentage purposes

All three retired pay plans use “service creditable for percentage purposes” in their formulas. In addition to percentage credit for your active duty service, you may receive percentage 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 (ARPC Form 249-E).

f. The three retired pay plans are:

1. DIEMS date before 8 September 1980 (Final Basic Pay). Computed using the following formula: Service creditable for percentage purposes X 2-1/2 percent X final basic pay = retired pay.

a) These Soldiers receive a percentage of their final basic pay. Therefore, they should take care not to retire just before an increase in their basic pay would occur. For example, a lieutenant colonel with 21 years and 10 months on 1 April may wish to wait until 1 June to retire so the retired pay will be based on the final month’s basic pay for a lieutenant colonel with over 22 years, versus over 20 years.

b) Active duty officers who retire under the Final Basic Pay plan with less than 10 years of commissioned service retire in their highest enlisted or warrant officer grade. They receive a percentage of the final basic 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 officer grade without an approved waiver, will retire at the next lower grade and receive a percentage of the final basic 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 Basic Pay plan retiring on the same day as a basic pay rate change (e.g., retire 1 January with last day of active duty on 31 December), 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 DoD Instruction 7000-14.R (“DoD Financial Management and Policy”) 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 8 September 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 1 December 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 your DIEMS—Effective immediately, the brigade or installation Personnel Automation Section has the ability to input and correct DIEMS Date (after validating supporting documentation). The local finance office is the responsible agency for corrections to the Defense Joint Military System. Once a Soldier’s DIEMS date can be verified, the changes will be reflected on the Enlisted Record Brief and Leave and Earnings Statement. If the first contract or appointment is not in the Official Military Personnel File but is available, the Soldier should mail or FAX the document to:

US Army Human Resources Command
ATTN: HRCoE-PDP-TR
1600 Spearhead Division Ave
Dept 482
Ft Knox, KY 40122-5408
CML (502) 613-8950

Army National Guard (ARNG) members should contact their state personnel officer. Army Reserve members should contact their career advisor at HRC-Fort Knox, toll-free 1-888-276-9472; ask to be transferred to your career manager.

2. DIEMS date between 8 September 1980 and 31 July 1986 (High-3). Service creditable for percentage purposes X 2-1/2 percent X average of highest 36 months of basic 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 (Section 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 8 September 1980 and 31 July 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 1 December 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 DoD 7000.14-R; <http://www.dtic.mil/whs/directives/corres/dir.html>.

3. DIEMS date on or after 1 August 1986 (High-3 or CSB/REDUX). You are automatically covered under the High-3 retired pay plan discussed in paragraph 2 above. However, between active duty years 14½ and 15, you will be given an opportunity to have your retired pay calculated under the REDUX formula and receive a \$30,000 Career Status Bonus (CSB) payable in lump sum or in two to five annual installments. CSB/REDUX elections made before a Soldier's 15th year of active duty become effective and irrevocable the 15th year. To be eligible, you must qualify under your Service's regulations for retention to 20 years. You must also agree to serve continuously until you complete a total of 20 years. In most cases, failure to complete 20 years of service will result in the Soldier having to pay back the pro-rated share of the bonus unless a disability retirement.

CSB/REDUX: Soldiers who are eligible for and elect to receive the \$30,000 CSB agree to have their retired pay calculated under the CSB/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 CSB/REDUX plan. At age 62, retired pay will be recomputed under the High-3 formula (see paragraph 2 above); however, the recomputation will NOT be retroactive under CSB/REDUX, so the longer an individual stays on active duty, the closer the retired pay percentage multiplier is to what it would have been under the High-3 retired pay plan, up to the 30-year point where the percentage multipliers are equal. However, due to receipt of "COLA minus 1 percent", retired pay received under REDUX will always be less than what is received under the High-3 retired pay 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.

The tax-deferred Thrift Savings Plan (TSP), similar to a 401K employer savings plan, became available to military members in January 2002. Soldiers must be participating (i.e., contributing monthly from their basic pay) in the TSP on the effective date of their CSB/REDUX election in order to contribute any of their CSB to the TSP. CSB/REDUX elections become effective at the 15th year if the TSP election form is returned before then; otherwise, they are effective on the date received. Participants can change their TSP enrollment options at any time, with the change being effective the beginning of the following pay period. Again, make sure your TSP participation has officially started before your CSB/REDUX election effective date if you want to contribute any of the CSB into the TSP. This becomes even more important if you plan to receive the CSB in annual installments in order to maximize the tax-deferred provisions the TSP offers. For TSP information, go to <http://www.tsp.gov>. A reminder to Reserve Component members assigned to units: Your unit MUST properly change your status code at DFAS when you are transferred to the Retired Reserve or discharged. Without the proper inactive code you will not be able to withdraw your TSP.

For more information on the CSB/REDUX retired pay option, go to the Pre-Retirement CSB/REDUX section of the Army Retirement Services homepage at <https://soldierforlife.army.mil/retirement/PreRetirement>.

Cost of Living Adjustment (COLA): Members with DIEMS dates on or after 1 August 1986, who elect to have their retired pay calculated under CSB/REDUX (including Soldiers who retire for disability after having made a CSB/REDUX 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. To access a CSB/REDUX retirement calculator, go to:
http://myarmybenefits.us.army.mil/Home/Benefit_Calculators/Retirement.html.

For more information on the three retired pay plans, go to: <http://myarmybenefits.us.army.mil/>. This website has a calculator that allows Soldiers to do “what if” calculations for the High-3 and CSB/REDUX retired pay plans. CSB/REDUX information can also be found on the retired pay fact sheet in the Federal benefits fact sheet section at <http://myarmybenefits.us.army.mil/>.

2-11 MYARMYBENEFITS (MAB) PROGRAM

The Secretary of the Army was directed within the National Defense Authorization Acts (NDAA) of 2004, 2006, and 2010, Section 561, to provide a web-based comprehensive capability as a one-stop source providing comprehensive pay, benefits, and entitlements information to Soldiers and their Families. This program has grown more important as Soldiers and Families continue to transition from reserve or active duty and then to retirement or by completing military service obligations and returning to their civilian communities. The MAB program was implemented in 2007 to help Active, US Army Reserve, US Army National Guard, Retired Soldiers, and Families easily link to all critical benefits information. My Army Benefits resides at <http://myarmybenefits.us.army.mil/> and offers updated planning calculators for retirement, survivorship, deployment and disability that are accessible using a Common Access Card (CAC), or Department of Defense Self-Service Logon (DS LOGON). MAB also provides over 150 fact sheets separated by topic, type of military status, and specific situations. MAB covers important benefit topics such as the 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 Retired and Disability Pay (CRDP), Social Security (SS) compensation, and other Federal Benefits. MAB also provides comprehensive Resource Locators for 54 states and territories and 11 countries. Starting in FY 2013, MAB began providing casualty benefit reports for survivors of military decedents for all military services within the Department of Defense.

2-12 OTHER RETIRED PAY INFORMATION

The retired pay of Retired Soldiers is processed by DFAS–CL. Documents related to military retired pay matters should be mailed to their mail handling center at: DFAS, US Military Retired Pay, P.O. Box 7130, London, KY 40742-7130, or faxed to 1-800-469-6559. DFAS-CL can be reached toll-free at 1-800-321-1080 option 1 (0800-1700 Eastern Time), or online at <http://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 Retiree Account Statement (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 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 insure that your correspondence address is current at the end of each year. Use of DFAS’s electronic myPay system is highly encouraged – <https://mypay.dfas.mil>. See details in paragraph 2-8 f of this guide. If you use myPay, your RAS and 1099R are available only via myPay unless you elect to receive hard copy. Installation Retirement Services Officers (RSO) can re-issue your 1099R if needed.
- c. Electronic Funds Transfer.** The use of Direct Deposit or Electronic Funds Transfer (EFT) of retired pay is required by the US Department of the Treasury starting March 1, 2013. With EFT, your retired pay is sent directly to your financial institution. International Electronic Fund Transfer (IEFT) is available to Retired Soldiers and annuitants residing in most overseas locations. Contact DFAS-CL for more specific information.

d. Taxes. Retired Soldiers must submit an IRS W-4 to DFAS when requesting a change in federal taxes. If/when applicable and requested by you in writing, state taxes will also be deducted from retired pay. Your retired pay is not subject to Social Security/FICA tax withholding because it is “deferred” income rather than “earned” income.

e. Allotments. Allotments from active duty pay, except for the Combined Federal Campaign (CFC), Servicemembers’ Group Life Insurance (SGLI), and Veterans Educational Assistance Program (VEAP), will continue into retirement unless stopped by the Soldier. Retired Soldiers may have up to six “discretionary” allotments and unlimited “non-discretionary” allotments as long as there is sufficient net 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. Retired Soldiers wishing to start or continue purchasing bonds through payroll deduction will be required to establish an online account with Treasury Direct (www.treasurydirect.gov). Once a TreasuryDirect account is established, they may request a new discretionary allotment, using their TreasuryDirect account number, established from their retired pay. The amount does not have to follow bond plan amounts we previously used. A member can have a deduction from \$1.00 on up. Only the TreasuryDirect website will be able to validate for the member whether bonds have been issued. A member may still purchase savings bonds at his local bank. Allotments may be changed as frequently as desired after retirement, as long as the number of discretionary allotments does not exceed six.

f. Electronic pay changes. Retired Soldiers may also make changes to their account and gain access to other helpful materials through myPay at <https://mypay.dfas.mil/>. Use of DFAS’s electronic myPay system is highly encouraged. myPay is the online personal pay system operated by DFAS that lets Active, Guard and Reserve members, civilian employees and military Retired Soldiers and annuitants take charge of their pay accounts online. **If you use your DoD Enterprise Email address in myPay, change it to a civilian address just before you retire and turn in your CAC.** This way, you will continue to be able to receive email from myPay after you retire. myPay delivers powerful features. Customers can perform the following activities:

- View, print and save leave and earning statements and RASs
- View and print tax statements
- Change federal and state tax withholdings
- Update bank account and EFT information
- Manage allotments
- Edit address information
- Purchase U.S. savings bonds by allotment to your own electronic U.S. Treasury Direct account
- Control Thrift Savings Plan activity
- View and print travel vouchers (Features vary by Armed Service and status)

myPay is simple and secure, and means no waiting in lines or on the phone. Easy to use menus and clear confirmation messages give customers confidence that changes they request are made quickly and correctly. Further information about myPay can be found on the DFAS website, or by calling toll-free 1-888-332-7411 option 5.

2-13 TRANSITION LEAVE

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

b. At retirement, leave accrued through your retirement date may be sold (limit of 60 days per career), used as transition leave before your retirement date, or split 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 Basic Pay or High-3 formulas, or 1/12th of 3.5 percent, for those under CSB/REDUX.

- Servicemembers must retire on the 1st day of a month unless retired for disability.
- Accrued leave days are sold back for basic pay only.
- Accrued leave paid in a lump sum is automatically taxed at 25 percent.
- Servicemembers are not permitted to be employed while on Permissive TDY status.
- Servicemembers 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.

Soldiers may not use Transition Permissive Temporary Duty (PTDY) with leave without completing a duty day between the two periods of absence unless, after final outprocessing, Transition PTDY is taken in its entirety in conjunction with transition leave.

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

Senior Commanders may approve up to 20 days (CONUS) or 30 days (OCONUS) of Transition PTDY. It is a non-chargeable absence that may be granted in addition to transition leave. Transition PTDY may be used 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).

Annual Leave: Except during the period 1 OCT 08 thru 30 SEP 15, Service members may carry forward no more than 60 days of leave into the next Fiscal Year (FY). Beginning 1 OCT 15, any accrued leave in excess of 60 days will be lost, unless protected under SLA.

Under SLA authority, Service members could accumulate, during the period 1 OCT 08 thru 30 SEP 15, a maximum of 120 days of leave (75 days ordinary plus 45 days SLA-protected leave). Any leave accrued in excess of 120 days was lost at the end of the Fiscal Year. Outside of 1 OCT 08 thru 30 SEP 15, a maximum of 120 days of leave (60 days ordinary leave plus 60 days SLA) can be carried forward. Leave accrued before and during qualifying deployments (not to exceed maximum limits) and leave earned during a 120 consecutive day or longer hospitalization is protected by SLA. Leave earned after return from deployment is not protected. SLA protection ends when the accumulated leave balance drops to 75 days or less (60 days as of 1 OCT 15). The actual leave carried forward is the lowest monthly leave balance after completing qualifying duty. SLA days, with their expiration date, appear as "Combat Zone LV Carryover Bal" in the Remarks section of the LES. SLA days can only be sold except under the Sell Back provision.

Under the Sell Back provision, Enlisted Soldiers with extremely large leave balances may sell up to 30 days leave accrued in excess of the 120 day carryover limit. Leave sellback counts against the 60-day leave sell back limit during a military career. Leave sellback is not available to warrant officers and commissioned officers.

2-14 RETIREMENT RECOGNITION

You will be given the opportunity to participate in a retirement ceremony. The Army honors individual retiring Soldiers and their Families in recognition of careers of selfless service to our Army and Nation, by issuing the Army Retiring Soldier Commendation Program Package, which includes:

- Full-color Box Carrier
- U.S. Flag, 3'x5'
- U.S Army Retired Lapel Button
- Soldier for Life window decals (one large, two small)

2-15 EMPLOYMENT

There are several employment restrictions which apply to Retired Soldiers. These restrictions are covered in DoD Directive 5500.7, Standards of Conduct, at http://www.DoD.mil/DoDgc/defense_ethics/ethics_regulation/ and at mandatory pre-retirement briefings. You are urged to attend a pre-retirement briefing before you accept post-retirement employment. Specific questions should be directed to a Designated Agency Ethics Official (DAEO), usually located at installation legal assistance offices.

2-16 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—Retired (TAPDB-R). 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. Note: 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 <https://hrc.army.mil/staff/retiree%20mobilization%20and%20recall%20continuum%20of%20service%20application> and AR 601–10 Management and Recall to Active Duty of Retired Soldiers of the Army in Support of Mobilization and Peacetime Operations paragraph 2-2 (Criteria for recall)

2-17 ARMY ECHOES

Army Echoes is a 16-page hardcopy, a 20-page electronic newsletter, and now 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 Handbook.

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 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 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 your myPay account. You may also call DFAS at 1-800-321-1080 or call the nearest installation retirement services officer. More information is provided at <https://soldierforlife.army.mil/retirement/echoes>. A "Gray Area" Soldier (in the Retired Reserve not yet collecting retired pay), should ensure the Reserve Retirements Branch at the US Army Human Resources Command has their current mailing and email address by calling them at 1-888-276-9472.)

The *Army Echoes* Blog is available at <https://soldierforlife.army.mil/retirement/blog>. Three to five new articles are posted to the blog each week. The articles are the same type found in the newsletter, but they are available to you

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. Readers may subscribe to the blog using the instructions on the right side of the webpage.

2-18 FEDERAL LONG TERM CARE INSURANCE PROGRAM

Long term care is ongoing care for people who need lengthy or even lifelong help with everyday activities— such as bathing and dressing—due to an illness, injury or severe cognitive impairment. It is estimated that over half of people who reach age 65 will need long term care at some point in their lives. Long term care could be the most expensive type of care you ever face—and costs are only going to get higher. Long term care expenses are those not covered by traditional medical insurance plans. Most health care programs, including the Federal Employees Health Benefit Program (FEHBP), TRICARE and TRICARE for Life (TFL), cover very few long term care expenses, if any. Long term care insurance helps preserve your retirement savings should a long term care need arise. The Federal Long Term Care Insurance Program (FLTCIP) is the only plan that has Office of Personnel Management (OPM) oversight and sponsorship. Further information is available by contacting The Long Term Care Partners, LLC, who administers the program, toll-free at 1-800-582-3337; or going online to: <http://www.ltcfeds.com>. You must enroll in the FLTCIP before you need its benefits or you will be ineligible to use them. We strongly recommend you become knowledgeable and compare policies from several sources before making any decision involving long term care insurance. There are many variables and provisions available.

2-19 SOLDIER FOR LIFE – TRANSITION ASSISTANCE PROGRAM

There are 75 Soldier for Life - Transition Assistance Program (SFL-TAP), formerly known as Army Career and Alumni Program (ACAP), locations serving Active and Reserve Component Soldiers world-wide, to include a SFL-TAP Virtual Center which is operational 24/7. Transition counselors provide extensive transition support to transitioning and retiring Soldiers, Department of Army Civilians and their Family members. SFL-TAP is a valuable source of information and has programs tailored towards the unique needs of Active Component Soldiers, Reserve Component Soldiers, Army Wounded Warriors, Surviving Spouses, Care Givers, Retired Soldiers, Army Veterans, Army Civilians, Army Family Members and Employers.

If a Soldier is retiring, then he/she can initiate SFL-TAP services two years prior to their actual retirement date. SFL-TAP provides the following services:

- Pre-separation Counseling (DD Forms 2648 and 2648-1, Pre-separation Counseling Checklist, and Initial Counseling). Soldiers are informed about transition services and benefits that are available to them. They are also offered assistance in developing an Individual Transition Plan (ITP) from highly qualified counselors. Soldiers must receive Pre-Separation Counseling NLT one year prior to transition or retirement date.
- Military Occupational Specialty (MOS) Crosswalk (including completion of Skills Gap Analysis). During this course, Counselors instruct Service members how to examine their military experience, education and training in order to identify civilian occupations that align with their experience and document the gap between what they want to do as a civilian and what is required for the desired occupation. A completed Gap Analysis is required prior to transition.
- Department of Labor (DOL) Employment Workshop. These 3-day workshops are facilitated by Department of Labor staff members. The workshop provides attendees with the basic knowledge and skills 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 prior to transition, in addition to a completed job application package.
- Financial Planning Seminar. This seminar is conducted by Certified SFL-TAP Financial Counselors. These Counselors provide information and tools needed to identify financial responsibilities, obligations and goals during their transitional period. The deliverable for this workshop is a completed 12-month post transition budget, which is required prior to transition.
- Individual Employment Counseling. Counselors assist clients 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. Clients have the opportunity to use resume writer, cover letter writer and complete on-

line applications for federal employment. They can also participate in job fairs, career days and use an extensive SFL-TAP Reference Library.

- Veteran Affairs (VA) Benefit Briefings I & II. These briefings are conducted by VA counselors. The briefings cover all VA services and benefits available to Veterans. Attendance is required prior to transition.
- Higher Education and Career Technical Training. These 2-day workshops are in accordance with the Service members ITP and are designed for Service members seeking higher education or technical training. The Accessing Higher Education course guides participants through evaluating schools and programs and the admissions process.
- Entrepreneur course. Also a 2- day workshop, this course is provided by the Small Business Administration and introduces the fundamentals of small business ownership and business concepts in addition to tools and resources available to veterans.
- The SFL-TAP offers the opportunity for transitioning Service members to participate in the Army's Career Skills Program 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 automated tools without being at a SFL-TAP center.
- The SFL-TAP Virtual Center in addition to the brick and mortar, provides transitioning Soldiers with transition counselors to answer questions and assist during transition.
- The SFL-TAP Services after Retirement. 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.

2-20 ARMY EMERGENCY RELIEF (AER)

Army Emergency Relief provides financial assistance to Retired Soldiers and their immediate Family members on the basis of emergency financial need. Assistance may include, but is not limited to, emergency transportation, rent, mortgage, food, essential POV repairs, clothing, HVAC and appliance repair, dependent medical and dental care, cranial helmets, furniture and recovery from natural disasters.

Upon retiring from the Army, some benefits you enjoyed as a Soldier may be curtailed or even eliminated. This is not the case with AER. As a Retired Soldier you will continue to enjoy the same entitlements as when you were on active duty. This eligibility applies to all Retired Soldiers and includes those placed on Temporary Disabled Retired List (TDRL) or Permanent Disabled Retired List (PDRL) for medical reasons. U.S. Army Reserve and National Guard Soldiers obtain eligibility upon the commencement of retired pay at age 60 or earlier if applicable.

There are currently 78 AER sections located on U.S. Army installations worldwide that Retired Soldiers can contact to obtain financial assistance. Those Retired Soldiers not located near an Army installation may contact an American Red Cross Call Center at 1-877-272-7337 for assistance in processing an application to AER. Also, a reciprocal agreement with the Air Force Aid Society, Coast Guard Mutual Assistance and Navy-Marine Corps Relief Society allows Retired Soldiers and their Family members to request AER assistance through any military installation with a military relief society office.

Unmarried dependent children of Active Duty Soldiers and Retired Soldiers are eligible for four years of AER undergraduate scholarships. AER also has an undergraduate scholarship program for the spouses of Active Duty Soldiers and Retirees. The spouses and children of "gray area" retirees are also eligible for AER scholarships.

AER provides financial assistance to the widows of Soldiers who die on active duty or after retirement. Generally, entitlements such as SBP, DIC, social security, or individual insurance will not commence until 30-90 days after the death of a retiree. AER will provide financial assistance to widows for "routine or normal" monthly expenses while awaiting the start of their entitlements. This assistance is provided as a grant.

To obtain further information on the many categories of assistance available to Retired Soldiers and their family members visit AER's website at www.aerhq.org, or contact a representative of the National Headquarters, Army Emergency Relief at their toll free number 1-866-878-6378.

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2-21 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 was established by Congress in the Federal Employees' Retirement System Act of 1986 and 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. Did you know that-

- You stop contributing to TSP at retirement
- Your options at retirement:
 1. do nothing and draw returns when permitted; or
 2. roll into an IRA
- You may resume active participation if you become a federal civilian employee; military and civilian TSP accounts may be combined.

If you decide to leave your money in the TSP, be aware that you will be required to start withdrawing your money by April 1 of the year following either:

- The year you turn age 70½, if you are separated from Federal employment or the uniformed services, or
- As a helpful reminder, the TSP will notify you before your required withdrawal date and mail you important tax information about your TSP withdrawal, as well as information about the IRS required minimum distributions.

The TSP website offers in-depth tools and information- www.tsp.gov.

2-22 THE DEPARTMENT OF DEFENSE SELF-SERVICE LOGON (DS LOGON)

DS Logon is the secure, self-authentication protocol that replaces AKO Single Sign On and provides Retired Soldiers and other beneficiaries access to their personal records and information on many DoD and VA websites (see list). DS Logon is the only method for Retired Soldiers and Family members, who don't 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)."

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 \(includes VMET\)](#)
- [DMDC Reserve Component Purchased](#)
- [TRICARE Application \(RCPTA\)](#)
- [Health Net Federal Services](#)
- [Humana Military](#)
- [MetLife](#)
- [myTRICARE](#)
- [TRICARE Overseas](#)
- [TRICARE4u](#)
- [DOD Spouse Education and Career Opportunities\(SECO\)](#)

For more information regarding DS Access Center, please visit:

<https://www.dmdc.osd.mil/identitymanagement/authenticate.do?execution=e4s1>

2-23 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 Department of the Army or Department of 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 as follows:

(1) "USA Retired" will be used by all Regular Army (RA) personnel retired for service, age, or physical disability, including RA personnel on the Temporary Disability Retired List (TDRL)(for example, A. B. Smith, COL (USA Retired).

(2) “USA Retired” will be used by all personnel on the Army of the United States (AUS) Retired list, including non-regular Army personnel on the TDRL.

e. Social and business cards must reflect the retired status as prescribed above.

f. In a military office, Retired Soldiers using military titles on the telephone could lead to confusion and unwitting misrepresentation, conveying the impression of active duty status. In any case, common sense is the guide when a Retired Soldier works for the Government. No reasonable Retired officer would invite awkwardness when employed in a military office by insisting on being called by military title, if such title outranks the Retired Soldier’s active duty supervisor. The Retired Soldier’s use of his rightful title in Government employment is guided by his acceptance of his civilian status and loyal conformance to the established channels of command. Local customs, practices, and conditions of employment are the primary influencing factors. 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.

2-24 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; 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.

CHAPTER 3

MEDICAL INFORMATION

3-1 RETIREMENT PHYSICAL

A retirement physical (not applicable to Reservists unless on active duty) is required and should be obtained no more than six months and no less than one month before your retirement date or the start of transition leave. 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 1-800-827-1000.

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 (OIF) are also eligible to participate in the Persian Gulf War Registry examination program. For more information regarding services available to returning Active Duty, National Guard and Reserve servicemembers of Operations Enduring Freedom and Iraqi Freedom visit <http://www.oefoif.va.gov/>

The Benefits Delivery at Discharge (BDD) Program is also available to those who may want to apply for disability from the Department of Veterans Affairs (VA). BDD 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 60-180 days prior to retirement to allow sufficient time to complete the application and medical examination. To learn more about BDD, contact your local Transition Assistance Office, SFL - TAP Center or call the VA at 1-800-827-1000.

3-2 QUICK START PROGRAM

Quick Start allows a Soldier to submit a claim for disability compensation 1 to 59 days prior 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.

<http://benefits.va.gov/predischarge/claims-pre-discharge-quickstart.asp>

Soldiers with 1-59 days remaining on active duty or full time Reserve or National Guard (Title 10 or Title 32) service, or Soldiers who do not meet the Benefits Delivery at Discharge (BDD) criteria requiring availability for all examinations prior to discharge, may apply through Quick Start. The program is available nationwide and open to all Soldiers on full time active duty, including members of the National Guard and Reserves.

3-3 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 many 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, and through collaborative relationships. 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 through 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 9.6 million beneficiaries worldwide, comprising statutorily eligible full-time active duty servicemembers, activated National Guard and Reserves, military Retirees, their eligible family members, survivors and certain former spouses worldwide as well as other qualified persons who have purchased premium-based TRICARE coverage.

This document will provide the 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.

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.

Eligibility status and accurate and timely payment of claims are based on data in the Defense Enrollment Eligibility Reporting System (DEERS). Retiree sponsors must ensure that their information, as well as the information of eligible family members, is accurate and up-to-date in DEERS. Visit the nearest DEERS office and update your DEERS profile. DEERS/ID Card offices can be located at www.dmdc.osd.mil/milconnect.

1. Retirees under age 65 and not Medicare eligible: Beneficiaries under age 65 years and not eligible for Medicare may choose to obtain care under any of the following TRICARE plans:

- **TRICARE Prime** (50 United States and District of Columbia)
- **TRICARE Standard and Extra** (Globally, except Extra can only be used in the 50 United States and District of Columbia)
- **TRICARE Plus** (Globally, MTF based ONLY program. Restrictive and limited based on MTF capability and capacity)
- **U.S. Family Health Plan (USFHP)** (six selected locations in the United States)
- **TRICARE Retired Reserve (TRR)** (globally, for those members who qualify and are under age 60)

NOTE: TRICARE Young Adult (TYA). Unmarried dependent children who have lost eligibility for TRICARE at age 21 or up to age 23 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.

Premium-free coverage under TRICARE Standard and Extra is automatic as long as the beneficiary is eligible and that eligibility is registered appropriately in DEERS. TRICARE Prime, TRICARE Plus and USFHP require enrollment.

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 TMA TRICARE Smart site: www.tricare.mil/tricaresmart/. In general, the TRICARE health plan option that is both authorized and appropriate for the beneficiary is dependent on the beneficiary category, the sponsor's military status, and where the beneficiary lives.

2. TRICARE Prime is a managed care option offering the most affordable and comprehensive coverage. Enrollment is required. TRICARE Prime is available in areas known as Prime Service Areas surrounding all DoD Service MTFs and designated Base Realignment and Closure (BRAC) locations. TRICARE Prime is required for all active duty servicemembers; however, TRICARE Prime is an option for all other 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 ADFM only has Medicare Part A, or has Medicare Part A & Medicare Part B they remain eligible for TRICARE Prime. ADFMs and non-active duty beneficiaries under age 65 and entitled to Medicare Part A & Medicare Part B remain eligible for TRICARE Prime, TRICARE Extra and TRICARE Standard. 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 beneficiary, the TRICARE Prime-enrolled beneficiary is assigned to, or may select a primary care manager (PCM) who oversees all of the medical care either at a 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 benefits include enhanced vision and preventive services and travel reimbursement for some specialty care. For additional information on TRICARE Prime, see www.tricare.mil or the TRICARE Prime Handbook on the official TMA TRICARE Smart site www.tricare.mil/tricaresmart/. If a referral for specialty care requires travel of over 100 miles, the Prime-enrolled beneficiary is reimbursed for lodging and reasonable travel expenses under the TRICARE Prime Travel Benefit. NOTE: TRICARE Overseas Prime is only available to ADSM permanently assigned overseas and command sponsored ADFMs, similar to the note in item number 3 regarding TRICARE Extra.

Out-of-Pocket Costs Cost-sharing does not apply to servicemembers on active duty greater than 30 days. Active duty family members in TRICARE Prime programs have no enrollment fees and no out-of-pocket costs for care received from the PCM with a referral. Care received without a referral is subject to denial of payment or point-of-service (POS) charges. (POS does not apply to members on active duty status) TRICARE Prime enrolled ADFMs have to pay a cost share for pharmaceuticals when they are acquired outside an MTF. All other beneficiaries pay annual TRICARE Prime enrollment fees (\$282.60/ year for individuals or \$565.20/year for Families for FY2016) and have cost-shares for civilian healthcare encounters and non-MTF acquired pharmaceuticals.

3. TRICARE Standard is a fee-for-service plan and **TRICARE Extra** is a preferred provider option health plan. Both are available to all eligible beneficiaries, except Active Duty Servicemembers. Enrollment is not required. Coverage is automatic as long as the beneficiary is eligible and that eligibility is registered in DEERS. When using TRICARE Standard and TRICARE Extra, beneficiaries can obtain care from TRICARE-authorized providers, network or non-network. Care at a DoD MTF is on a space-available basis only. The type of provider seen determines which option is used and how much the beneficiary will pay out-of-pocket. If a beneficiary visits a non-network provider, they are using the TRICARE Standard option. If they visit a network provider, they are using the TRICARE Extra option. When the TRICARE Extra option is used, the beneficiary pays less out of pocket and the provider will file claims for the beneficiary. NOTE: TRICARE Extra is not available outside the 50 United States and District of Columbia. For information on TRICARE Standard and TRICARE Extra, see: www.tricare.mil or the TRICARE Standard Handbook on the official TMA TRICARE Smart site: www.tricare.mil/tricaresmart/.

Out-of-Pocket Costs Costs vary depending on the beneficiary category, (Active Duty family members vs. Retirees, their Families and others). After the annual deductible, beneficiaries are responsible to pay a cost-share for each encounter, up to the catastrophic cap associated with the beneficiary.

4. TRICARE Plus—is an MHS-authorized MTF commander's program that can provide MTF in-house Primary Care needs to TRICARE Plus enrollees. All Title 10 U.S.C. beneficiaries that are authorized MTF care are eligible for MTF Plus empanelment/enrollment with the exception of the following: (1) already enrolled in TRICARE Prime; or (2) enrolled in an employee-sponsored or Medicare Health Maintenance Organization (HMO). There is no age restriction and the program can apply to both Medicare-eligible and non-Medicare-eligible beneficiaries. MTF commanders will 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 (i.e. TRICARE Standard or TFL), or their Other Health Insurance (e.g. for dependent parents and Secretarial Designees). TRICARE Plus is not portable, meaning that TRICARE Plus beneficiaries cannot use their Plus enrollment at another MTF

5. US Family Health Plan (USFHP) is an alternative TRICARE Prime option offering Prime health care coverage to, Active Duty family members and all military Retirees and their eligible family members under the age of 65, or older if they are not entitled to premium-free Medicare Part A. Beneficiaries age 65 and older and who were enrolled in USFHP on September 30, 2012, may continue their enrollment in USFHP. Full-time Active Duty Service members and activated National Guard and Reserves are not allowed to enroll into USFHP. For more information on USFHP, see: www.usfhp.com

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:

North Region – Continental U.S.

– **Johns Hopkins Medicine**

Serving MD, Washington D.C., parts of PA, VA and WV

– **Martin's Point Health Care**

Serving ME, NH, VT, northeastern NY

– **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

South Region – Continental U.S.

– **CHRISTUS Health**

Serving southeast TX, southwest LA

West Region – Continental U.S.

– **Pacific Medical Centers (Pacmed Clinics)**

Serving the Puget Sound area of WA state

6. TRICARE Retired Reserve (TRR) is a premium-based health plan available for purchase qualified retired Reserve 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 through the Reserve Component Purchased TRICARE Application (RCPTA) system. Members will need a Common Access Card (CAC), DFAS (MyPay) Account, or a DoD Self-Service Logon (DS Logon). Retired Reserve 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 information on TRR, visit: www.tricare.mil/trr or the TRICARE Choices for National Guard and Reserve brochure on the official TMA TRICARE Smart site: www.tricare.mil/tricaresmart.

Out-of-Pocket Costs A two-month premium payment is required upon application to purchase TRR coverage. Monthly electronic premium payments are required. Retiree TRICARE Standard/Extra deductibles and cost shares apply. There are no costs when receiving care in an MTF.

7. TRICARE and Medicare Retirees or retiree family members (who are entitled to premium-free Medicare Part A (regardless of their age)), must have Medicare Part B to retain their TRICARE benefits. Beneficiaries under 65 who are entitled to Medicare Part A and have Medicare Part B can access healthcare services under TRICARE Prime, or TRICARE for Life (TFL). Beneficiaries 65 and older who are entitled to premium-free Medicare Part A, and who have an active duty sponsor, are not required to have Medicare Part B and may continue to use TRICARE Prime or TRICARE Standard. Upon retirement of the sponsor, retiree family members entitled to premium-free Medicare Part A must have Medicare Part B to remain eligible for TRICARE. 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.

Beneficiaries with service connected disability ratings may be eligible for care from the Veterans Affairs Health system. Visit <http://www.va.gov/> to learn more about veterans affairs health benefit. NOTE: The VA cannot bill Medicare. It is in your financial interest to obtain care unrelated to service related injuries or illness outside the VA where Medicare can be billed.

Each beneficiary needs to evaluate all the available health plan options and determine the appropriate health plan that fits their health needs. TRICARE/Medicare beneficiaries should 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.

For beneficiaries using TFL:

- If services are covered by both TRICARE and Medicare, Medicare will pay the Medicare allowable amount and TRICARE will pay the cost-share as well as any Medicare deductibles.
- If services are covered by Medicare but not by TRICARE, Medicare will pay its normal amount and the beneficiary will be responsible for the Medicare deductible and cost-shares.
- If services are covered by TRICARE but not Medicare, Medicare pays nothing and TRICARE will pay the TRICARE allowable amount and the beneficiary will be responsible for the TRICARE deductible and cost-shares as if the beneficiary was under TRICARE Standard/Extra.
- If Medicare denies coverage because a service provided is determined to be “not medically necessary”, neither Medicare nor TRICARE will pay the claim.
- All dual-eligible (TRICARE and Medicare) claims for civilian care are processed by the TRICARE Dual Eligible Fiscal Intermediary Contractor (TDEFIC) for civilian encounter claims processing.

8. Temporary Disabled Retirement List (TDRL) Beneficiaries

For Service members to be retired and placed on the Temporary Disabled Retirement List (TDRL), their Service has determined that they have a physical condition, injury or disease that renders them unfit for military service, and the members must receive a disability rating from the service of at least 30 percent. This rating is a separate rating from the one given by the Department of Veterans Affairs (VA).

TDRL members are re-evaluated by the Service at least every 18 months for a period of up to five years. At that time, the Service determines whether the situation has improved, remained the same or has gotten worse. Depending on the outcome, the member can be retained on the TDRL, separated from service, returned to duty or placed on the Permanent Disability Retirement List (PDRL). TDRL re-evaluations must be performed in MTFs, whenever possible. If a MTF is not available within reasonable distance or if the MTF cannot perform the re-evaluation service, the re-evaluation can be performed by a physician in the civilian network at no cost to the Servicemember. Contact the nearest BCAC if you need assistance coordinating TDRL evaluation.

When the Servicemember is on TDRL or PDRL, he or she is eligible for TRICARE benefits as described above (as long as they are registered in DEERS) along with their eligible family members (registered in DEERS).

If the Service disability rating is less than 30 percent, the members are separated from active duty, and they may qualify transitional health care benefits:

- Transitional Assistance Management Program
- Continued Health Care Benefit Program

Additionally, medically-retired members of the Armed Services 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).

c. Pharmacy Benefits

TRICARE prescription drug coverage is available to all TRICARE-eligible beneficiaries who are enrolled in the Defense Enrollment Eligibility Reporting System (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 along with their Families
- Retired servicemembers 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

- Other beneficiaries listed in DEERS as eligible for TRICARE, including foreign force members and their Families
- When updating DEERS with your personal information, be sure to update your address with a physical address. If living outside of the United States, be sure to list your APO/FPO address, if you have one, as your mailing address.

Although not TRICARE eligible, former beneficiaries enrolled in the Continued Health Care Benefit Program (CHCBP) also receive prescription drug coverage through civilian pharmacies.

If you are eligible for Medicare, you may continue to have prescriptions filled through the TRICARE Pharmacy Program. If you reached age 65 on or after April 1, 2001, you must have Medicare Part B. If you are entitled to Medicare Part A, but do not have Part B, your pharmacy benefit is limited to the medications available at military treatment facility pharmacies, unless you have an active duty sponsor.

Filling Your Prescription

TRICARE offers several convenient ways for you to have prescriptions filled depending on your Family's specific needs. You can have prescriptions filled at any of these pharmacies, based on your specific situation, and you can use more than one option at a time.

- Military Pharmacy: Least expensive option with no out-of-pocket costs
- Home Delivery: Safe, convenient and the most cost-effective option when a military pharmacy is not available.
- Network Pharmacy: Fast and convenient...more than 60,000 network pharmacies in the United States and U.S. Territories
- Non-Network Pharmacy: Most expensive option

To have a prescription filled, you'll need a written prescription and a valid uniformed services identification card. All prescriptions filled through the MTF, Mail Order or at a retail network pharmacy are checked against your TRICARE prescription history for potential drug interactions. More information about the TRICARE Pharmacy benefit can be found at <http://www.tricare.mil/Prescriptions.aspx>

d. The TRICARE Retiree Dental Program (TRDP)

TRDP is a voluntary, premium-based dental coverage program administered by Delta Dental of California. The TRDP offers dental coverage in the continental United States and in all overseas locations.

- The TRDP is available for purchase by the following beneficiaries:
- Retired servicemembers and their family members (regardless of age)
- Retired National Guard or Reserve members and their family members
- Medal of Honor recipients and their Families
- An un-remarried surviving spouse or eligible child(ren) of a deceased member

Benefits are limited during the first twelve months of coverage, with additional benefits available after this twelve month waiting period. The waiting period may qualify for a waiver if enrollment takes place within four months of eligibility for TRDP.

TRDP requires monthly premium payments and some cost shares apply for certain services. Premium rates may change on October 1 of each benefit year. For detailed information on TRDP and the current premium rates, go to TRDP website at www.trdp.org or the TRDP Benefit Fact Sheet on the official TMA TRICARE Smart site www.tricare.mil/tricaresmart/.

e. Minimum Essential Coverage

Under the Patient Protection and Affordable Care Act of 2010 (ACA), all Americans, unless exempted, must have health care coverage that meets a minimum standard called minimum essential coverage (MEC), TRICARE coverage, including premium-based TRICARE coverage when purchased, meets the MEC requirement under the ACA. Beneficiaries that are solely eligible for care in MTFs (for example, parents and parents-in-law) may need to obtain MEC from a non-DoD source or be subject to an annual penalty for each month they do not have adequate coverage. The fee will be collected each year with federal tax returns. For more information, go to www.tricare.mil/aca.

CHAPTER 4

DEPARTMENT OF VETERANS AFFAIRS BENEFITS

4-1 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. Individual counseling is available at any local VA office. Contact them for an appointment. To reach the nearest VA regional office, call toll-free 1-800-827-1000, or go online to <http://www.va.gov>. You should also check the MyArmyBenefits website www.myarmybenefits.us.army.mil, your state government's VA website to see if there are additional benefits offered to you as a state resident, and the eBenefits website: <https://www.ebenefits.va.gov/ebenefits-portal/ebenefits.portal>

4-2 VA DISABILITY COMPENSATION

Retiring personnel should apply to the VA for a service-connected disability rating. This rating provides the Retired Soldier 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 amount of money to compensate you 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 0-100 percent and is always based on increments of 10 percent. Federal law sets VA disability dollar amounts, which ranges (for a single retiree) in 2013 from \$129 for 10 percent to \$2816 for 100 percent, per month, with additional amounts payable if other conditions are met. Find current VA compensation rates at <http://www.va.gov>; or by calling 1-800-827-1000. These rates typically increase annually, effective 1 December, if a Cost of Living Allowance 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 usual dollar-for-dollar reduction are payments under the Combat-Related Special Compensation (CRSC) or Concurrent Retirement and Disability Payments (CRDP) programs. See details in section 2-6.

Review your medical records thoroughly and record all medical problems you experienced during active duty. These problems 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 <http://www.va.gov>. 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.

4-3 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. For more information, contact the VA or go to:

<http://www.benefits.va.gov/homeloans/>.

4-4 EDUCATIONAL ASSISTANCE

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. Beginning October 1, 2011 you can use your POST-9/11 GI Bill for on-the-job training, apprenticeships, and non-college degree programs. For information on the Post 9/11 GI Bill, which became effective August 2009, go to <http://www.gibill.va.gov> or contact the VA.

4-5 SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE.

Soldiers on active duty and most Reserve Component Soldiers are covered by Servicemembers' Group Life Insurance (SGLI). This group life insurance program is supervised by the VA. 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://insurance.va.gov/sgliSite/SGLI/sglidisabled.htm>. 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 every five years at renewal time, and is based on your nearest age at the time of renewal. To see the premium schedule, go to:

<http://www.insurance.va.gov/sgliSite/VGLI/VGLI.htm>. 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.insurance.va.gov/miscellaneous/index.htm>.

4-6 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 enrollment (Note: Enrollment priority group 8 currently remains closed to new Retirees). 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: <http://www.va.gov/healthbenefits/>.

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 more specific information and help determine your entitlements under the VA medical system. You'll find contact information for your local VA office in the blue government pages of your phone book;

or you can search online by ZIP code and state at: <http://www2.va.gov/directory/guide/home.asp?isflash=1>.

4-7 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. Obtain more details at a pre-retirement briefing or from the VA by calling toll-free 1-800-827-1000; or going online to <http://www.va.gov>.

CHAPTER 5

SOCIAL SECURITY

5-1 GENERAL

Soldiers with 10 or more years of active duty are fully insured for Social Security purposes. NOTE: Social Security benefits are not reduced because of entitlement to retired pay or vice versa. You are able to receive a Social Security retirement benefit as early as age 62. Full benefits may be drawn at age 65 or later, depending on your birth year. Spouses, surviving spouses, former spouses (married to the member for at least 10 years), and minor children are also eligible to receive benefits on your Social Security work record. The Social Security Administration (SSA) mails annual benefit estimate statements to all beneficiaries 25 years of age or older. You can also obtain an estimate of your Social Security earnings by contacting Social Security toll-free at 1-800-772-1213, or online at: <http://www.socialsecurity.gov/retire2/estimator.htm>. If your spouse qualifies to receive a local, state or federal retirement annuity from work not covered by Social Security, please read about the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO on the SSA homepage). A surviving spouse loses eligibility for survivor Social Security benefits if she/he remarries before age 60. List of services you can do on line: <http://www.ssa.gov/onlineservices/>

CHAPTER 6

SURVIVOR BENEFITS

6-1 GENERAL

You have probably already heard about the Survivor Benefit Plan (SBP). You may have gotten your information from a variety of sources: Retired Soldiers; friends; insurance agents; and other well-intentioned individuals. Unfortunately, not all of your “advisors” will provide 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/rso>.

Army Reservists may contact the Human Resources Command or the Regional Support Command (RSC) Retirement Services Office for assistance. Army National Guardsmen may contact their state Guard headquarters to speak to the person assigned responsibility for retirement services matters. That individual has current data on SBP and can accurately outline SBP’s benefits and costs to you.

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

Participation in SBP is not a subject to be taken lightly. The decision you and your spouse make could greatly impact your Family’s financial future and is likely the most important retirement-related decision you’ll make. Your election is generally permanent and irrevocable.

6-2 SURVIVOR BENEFIT PLAN (SBP)

SBP was established by Public Law 92-425 on 21 September 1972. It was designed to provide a monthly annuity to eligible survivors after a Retired Soldier’s death. **REMEMBER, RETIRED PAY STOPS WITH THE DEATH OF THE RETIRED SOLDIER.** If the Retired Soldier declined SBP coverage, no continuing benefits from the Soldier’s retired pay are payable to the surviving Family members. In short, SBP provides income protection for survivors of Retired Soldiers. 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 the government and the Retired Soldier, with the government subsidizing the cost.

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 in a document like this all the variables each Soldier can have. However, your RSO can address your individual questions. Take a few minutes, schedule an appointment with the RSO, give the RSO an opportunity to explain the program, and make an informed decision that best meets you and your Family’s needs.

Consider in your decision that 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). Additionally, there is a one-year window between the 25th and 36th month following commencement of retired pay to terminate SBP participation, with

spouse consent.

The bottom line is this: With SBP you get SOMETHING to provide financial support for your loved ones when you're gone. Because of its many positive features, we strongly recommend you make SBP the foundation of your Family's financial support package. Take the time to read the following information on SBP to assist you in making an informed decision.

6-3 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 servicemembers 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?

That was its original design – to supplement military-contributed Social Security benefits. However, as a result of legislation, SBP now pays a 55 percent annuity to a surviving spouse forever, without regard to age or Social Security entitlement.

What is SBP's greatest advantage?

SBP's #1 advantage is the fact that it is cost-of-living adjusted to keep pace with inflation. This feature helps keep the SBP annuity's purchasing power in step with tomorrow's dollar value. It is a permanently increasing product in that all features of the plan are increased by the same percentage as is a Retired Soldier's retired pay. Therefore, the ratio of cost to benefit remains constant.

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.

Details of each election category include:

#1: Spouse. A surviving spouse is the spouse married to the Soldier at retirement and at the Retired Soldier's death. If they marry after retirement, the marriage must last at least one year or there must have been a child born of that marriage. If the Soldier remarried the former spouse they were married to at retirement and elected spouse SBP for at retirement, that spouse is an eligible SBP beneficiary immediately on remarriage. Benefits are paid until the spouse dies, but stop upon remarriage before age 55 (and can be resumed if that remarriage ends by death or divorce). Since June 26, 2013, the spouse SBP category has applied to same sex spouses.

#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 was involved in the retiree's wrongful death. The 55 percent annuity is divided equally among the eligible children. Eligibility ends for a child at age 18 or at age 22 if a full-time, unmarried college 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.

#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 college 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 the Retired Soldier dies while a child is eligible, the 55 percent annuity continues until the 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 are eligible beneficiaries. 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 in the age of

eligibility. Note: It is recommended that you research the impact SBP for a fully disabled child may have on other benefits the child is or will receive. Recent legislation allows payment of SBP for an incapacitated child to a special needs trust.

#4: Former Spouse. This option 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 spouses. Remarriage limitations also apply. Former spouse coverage precludes spouse coverage at the time.

#5: Former Spouse and Children. This is identical to the “spouse and children” option in costs and benefits, except that only children of the marriage to the former spouse are eligible beneficiaries.

#6: Natural Person with an Insurable Interest. If at retirement a Soldier is unmarried with no or only one eligible child, this option may be selected. The “natural person” must be someone with a financial interest in your life. Examples are a close relative or a business partner. The annuity is 55 percent of retired pay minus the SBP premium, and is payable for life. Should the Retired Soldier gain a spouse or child in the future, insurable interest coverage may be canceled in favor of one or both of them within one year of acquisition of SBP eligible dependent. Failure to cancel the insurable interest coverage and elect spouse and or eligible child SBP within one year closes that category of SBP dependent.

NOTE: If retiring for disability and death occurs within one year of retirement for a cause related to the disability for which retired, the Insurable Interest election is invalid with the exception of Insurable Interest elections made for a Family member authorized a Military Dependent ID Card as the retiree’s dependent. If death occurs within one year of retirement for a cause related to the disability retirement, premiums paid will be refunded to designated beneficiary. This provision does not apply to length-of-service Retired Soldiers.

NOTE: Since Oct. 17, 2006, a Retiree may within 180 days of the death of their insurable interest beneficiary elect in writing to cover a new natural person insurable interest beneficiary. The Retiree must live two years from the effective date of the election for it to be valid. If the member dies 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. The member’s premium for the new insurable interest election will be based on the age of the new beneficiary. It will include the total additional amount by which the retired pay of the member would have been reduced before the effective date of the election if the original beneficiary had not died, and had been covered under the plan through the date of the election, and had been the same number of years younger than the new beneficiary plus interest.

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.

What are the costs and benefits of SBP?

While on active duty, ALL Soldiers are automatically enrolled in SBP at no cost until date of retirement, at which time the following tax-free, government-subsidized costs apply.

Spouse (or Former Spouse): The cost is 6.5 percent of the base amount. For example, with a base amount of \$1,000 per month, the cost for spouse coverage is \$65. The annuity amount is 55 percent of \$1,000 (or \$550) regardless of the annuitant’s age.

Spouse (or Former Spouse) & Children: The spouse’s portion of this election costs 6.5 percent of the base amount. The children 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.

Children Only: The cost is based on the Retired Soldier’s age and youngest child’s age. For example, using a \$1,000 base amount, with the Retired Soldier being 42 and the youngest child 10, the child cost is \$1.70. . Children are the only beneficiaries in this option. Eligible children equally divide the 55 percent benefit.

Natural Person with an Insurable Interest: Full retired pay must be the base amount in this option. Cost is 10 percent of full retired pay, plus 5 percent for each full five years younger the beneficiary is than the Retired Soldier, with a cap of 40 percent of retired pay.

Active duty death SBP cost information.

Public Law 107-107, 28 December 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 occurring since 10 September 2001. There is no cost for this participation while the member serves on active duty.

Can an election be changed?

Elections are generally permanent and irrevocable. However, since 17 May 1998, a member is able to disenroll from the Plan during a one-year period between the 25th and 36th month following start of retired pay. Written spouse concurrence is required. If a former spouse election is made in accordance with a court order, a change to the court order is required. No costs are refunded, as coverage has already been received. No future enrollment is allowed. Premium deductions from retired pay continue as long as there is an eligible beneficiary. Costs are suspended if a spouse is lost to death or divorce. If a spouse is acquired subsequently, and the member had previously enrolled in spouse coverage, SBP coverage automatically resumes for the new spouse at the first anniversary of the marriage unless a written request to decline resumption is made by the Retired Soldier before that date. Child SBP costs stop when the youngest child is ineligible. Insurable interest option can be cancelled at any time following retirement. A Retiree may elect a new insurable interest beneficiary within 180 days of current insurable interest beneficiary's death.

NOTE: 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.

Does my spouse have to agree with my election?

Yes, your spouse at retirement must agree with your initial election at retirement if you: (1) cover less than full retired pay; (2) cover children only; (3) decline coverage, or (4) received the Career Status Bonus (CSB) and do not elect coverage based on the amount of retired pay you would have received under the High-3 pay plan. In these cases, the spouse's written notarized concurrence must be provided after the Soldier's election and prior to retirement, or the SBP election is automatic full spouse coverage.

What happens to my spouse coverage if I divorce after retirement?

Spouse coverage will be suspended when the Defense Finance and Accounting Service (DFAS) is provided proof of divorce. Notify them immediately upon divorce. If the court has ordered or a written agreement requires former spouse coverage, the Retired Soldier has 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 may do it voluntarily without a court order or written agreement. The former spouse has the same one-year period to request that a former spouse election be deemed if court-ordered or part of a written agreement. If there is no former spouse SBP, SBP coverage automatically resumes for a new spouse at the first anniversary of the marriage unless a written request to decline resumption is made by the Retired Soldier before that date.

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

A Retired Soldier may withdraw from SBP if he or she have a service-connected disability or disabilities and have been rated by the VA as totally disabled for five continuous years from the date of retirement; or if awarded after retirement, for ten continuous years. Withdrawal from SBP is allowed because VA will presume the Retired Soldier died of a service-connected reason regardless of the actual cause of death and his or her surviving spouse will qualify for VA Dependency and Indemnity Compensation (DIC) benefits. After a Retired Soldier meets the above time frame requirement, he or she must contact DFAS-CL, in writing to request withdrawal based on total VA disability. The Retired Soldier's withdrawal from SBP based on total disability will require his or her spouse's notarized concurrence. Since there is a dollar for dollar offset of the spouse SBP annuity by the spouse DIC, the Retired Soldier may choose to withdrawal from SBP if he or she meets the

above requirements. After the Retired Soldier's death, the surviving spouse will be entitled to a refund of all the SBP premiums paid for spouse SBP. Since the Retired Soldier withdrew from SBP, his or her spouse will not be entitled to any SBP that exceeds the DIC amount or Special Survivor Indemnity Allowance (SSIA). The surviving spouses of Retired totally disabled Soldiers who continued SBP participation will receive the SBP amount that exceeds the DIC, and any authorized SSIA. The SBP premiums the Retired Soldier paid for SBP coverage that is offset by the DIC will be refunded to the surviving spouse.

Is SBP a good value?

The subsidy, tax-free costs, COLA treatment, and 55 percent annuity structure make this a good buy for most male Retired Soldiers. Female Soldiers may wish to use the Actuary's valuation software when considering their enrollment. It's found at: <http://actuary.defense.gov/>.

6-4 SBP'S PERCEIVED NEGATIVES

Retired pay stops when you die! The Survivor Benefit Plan (SBP) is the sole means for you to leave a portion of military retired pay to your survivors. The decision must be made at retirement from military service and is a critical one, given its lifetime impact on the Family's financial well-being.

The cost of SBP increases.

True-but the relative cost remains constant. Retired pay, SBP costs and SBP annuities are increased at the same rate as the Retired Soldier cost-of-living adjustment (COLA). Also important is the designed government subsidy, or cost-share

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

The key here is that this statement may be true in the beginning (i.e., the first several years after retirement). The SBP decision is for a LIFETIME. The indexing of retired pay gives SBP a lot of value "down the road" which private insurance can't 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, also available at <https://soldierforlife.army.mil/retirement/sbp>.

SBP doesn't have cash value and I can't borrow against it.

True- When a product offers cash value buildup, you pay extra for it. SBP is an income protection program that is 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. Cost rises or benefits decrease with age. SBP should, in fact, be likened to permanent, increasing term protection at a constant cost whose proceeds cannot be outlived by the recipient.

The SBP annuity is taxed.

True-but remember this important aspect—the premiums are TAX-FREE. The tax-free benefit is realized as you pay, since the premiums are deducted from retired pay before taxable income is calculated. This lowers your income tax obligation at a time when Family income (and tax bracket) is normally the highest. The surviving spouse's tax bracket is normally significantly lower than when the Retired Soldier was alive.

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 money if no accident occurs. 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 insure your spouse's life. In fact, you could use the tax savings offered by SBP to purchase the policy. Also don't forget the fact that SBP elections are made by "category," so upon the loss of your spouse the costs are suspended. And, 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 new spouse's age, health, pre-existing conditions, etc., would determine the cost of new protection.

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

True-SBP was never intended to be an inherited benefit; instead it continues a portion of the retired pay to a beneficiary, primarily a spouse. However, 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 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 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 the spouse cannot outlive it. Consider these facts based on a male retired officer age 45, with a spouse age 42. Forty percent of the 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 would be a period of time when the surviving spouse would not have sufficient income to meet basic needs. SBP is guaranteed for the surviving spouse’s lifetime, however long (although it is suspended if remarriage occurs before age 55). NOTE: Female Retired Soldiers should consult with an RSO in considering their mortality prospects compared to their husband’s.

SBP cannot be tailored to meet my individual needs.

Not true-Continual attention under SBP is not necessary because SBP automatically adjusts the base amount covered and annuity amount payable through COLAs. Tailoring to individual needs was accomplished when the Soldier’s retired pay was calculated. Since SBP is an extension of retired pay, the tailoring is built in, and is enhanced by the tie to the retired pay COLA percentage. Flexible, tailored plans for individuals often cause confusion and make comparisons of two or more plans difficult. SBP requires no periodic review, whereas commercial plans require continual adjustment as the economy changes.

Once I’m enrolled, I’m in forever.

Not true-Since 1998, Retired Soldiers may disenroll from SBP during the one-year period between the 25th and 36th month after retired pay starts. Written spouse notarized concurrence is required to terminate coverage; no costs are refunded; and no future re-enrollment is permitted.

I paid for a 55 percent benefit which is reduced to 35 percent at age 62.

Not true-SBP now pays 55 percent, regardless of the age of the annuitant.

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 all the material, including the valuation program, that is online at http://myarmybenefits.us.army.mil/Home/Benefit_Calculators/Survivor_Benefits.html.

6-5 THE RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)

RCSBP was created by Congress on 1 October 1978. It is discussed in the “Reserve Component Retirement System” section of this guide.

CHAPTER 7

UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT Division of Retired pay and Former spouse SBP

7-1 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.

7-2 BACKGROUND

The 1981 landmark case, *McCarty v. McCarty*, brought the issue of whether or not a court could consider military retired pay as marital property and order a division of it to the U.S. Supreme Court. The Court ruled that retired pay could not be divided as community property without Congressional authorization. Shortly afterwards, 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.

7-3 DIVISION OF RETIRED PAY

The USFSPA granted two main authorities:

1. That state courts may treat military retired pay as they would other marital property to permit a qualified division; and,
2. 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, the Defense Finance & Accounting Service Cleveland Center (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-14 November 1986 court order dates): Amounts of retired pay based on disability (per Title 10, Chap. 61);
- (For pre-3 February 1991 court order dates): Amounts owed the U.S.;
- (For post-3 February 1991 court order dates): Amounts withheld for federal and state income taxes, consistent with the member's tax liability.

Application Procedure: Only the former spouse or the former spouse's attorney can apply for direct pay under the USFSPA, using a DD Form 2293 (Application for Former Spouse Payments from Retired Pay). The member cannot. 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.

7-4 SURVIVOR BENEFIT PLAN (SBP)

Voluntary or Court Ordered: Since 14 November 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. However, if that 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: A Retired Soldier with a former spouse election can disenroll between the 25th and 36th month after the start of retired pay. 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 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 Soldiers awarded court ordered RC-SBP will submit their DD Form 2656-10 for deemed former spouse RC-SBP 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. Or, if notification is made, the required written request is not, and thus the election category is not changed from “spouse” to “former spouse”. Costs continue to be withheld (for a nonexistent spouse beneficiary), and the Retired Soldier assumes that continued cost 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. 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.

7-5 MILITARY IDENTIFICATION AND PRIVILEGE CARDS

The USFSPA and its subsequent amendments authorize military benefits to certain former spouses.

Minimum Eligibility Requirements: 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 overlap is at least 20 years—full privileges.

If overlap is at least 15, but less than 20, years—medical care only for one year from 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. NOTE: Former spouses in this category, whose divorces were finalized on or before 2 April 1985, were granted indefinite medical benefits.

Call your nearest military ID card office for additional information on this topic or go to:
<https://soldierforlife.army.mil/retirement/usfspa>.

CHAPTER 8

RESERVE COMPONENT RETIREMENT SYSTEM

8-1 GENERAL

If you are a Reserve or National Guard Soldier, you must meet the following minimum requirements to be eligible for retired pay:

- Be at least 60 years of age (or younger if they have qualifying periods of service, see paragraph 8-2 below); and
- Have performed at least 20 years of qualifying service computed under Section 12732, Title 10, United States Code (15 but less than 20 for those who 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 4 October 1994; have performed the last six qualifying years in the Reserve Component (RC) if the 20th year was attained between 5 October 1994 and April 2005. NOTE: The 6-year rule was eliminated effective 26 April 2005. This change was not grandfathered.
- 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;
- Have not received DISABILITY SEVERANCE PAY; and,
- Must apply for retired pay by submitting an application to:

**HUMAN RESOURCES CENTER OF EXCELLENCE (ATTN: AHRC-PDP-TR)
1600 SPEARHEAD DIVISION AVENUE DEPT 482
FT. KNOX, KY 40122-5402**

HRC processes applications for age 60 Reserve retirements for the United States Army Reserve (USAR) and Army National Guard (ARNG). Effective October 1, 2014, HRC no longer automatically mails retirement applications. Eligible Soldiers will have to request a retirement application by calling 888-276-9472 or by downloading the application from HRC's website <https://hrc.army.mil/TAGD/Reserve%20Component%20Retirements>. Application packets include instructions and forms necessary to process your retirement.

NOTE: 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. .

8-2 CHANGES TO RETIREMENT AGE FOR CERTAIN RESERVE SOLDIERS

The 2008 National Defense Authorization Act changed the retirement age from 60 to a lesser age for those who have served under a specific authority of law AFTER THE DATE OF ENACTMENT OF THE 2008 NDAA, 28 January 2008. **The change is not "grandfathered." That is, it does not apply to service before 29 January 2008.** The NDAA lowers the retirement age by 3 months for each aggregate of 90 days within a fiscal year (1 October – 30 September) or any two consecutive fiscal years for service performed after 30 September 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) 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 Resource Command, United States Army Reserve Command, and National Guard Bureau websites have policy memos concerning this subject and providing specific examples. More information at <https://hrc.army.mil/TAGD/REDUCED%20AGE%20RETIREMENT>.

This law only allows a Soldier to receive his retired pay early, it does not apply to retiree TRICARE medical benefits and coverage. TRICARE will not go into effect for the Soldier or his 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 retiree until you reach age 60. Remember, the decision to apply for the Reduced Age Retired Pay is voluntary.

8-3 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's points for Troop Program Unit (TPU) Soldiers and ARNG drilling 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 years' (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 RY. 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.

In 1981, the Retirement Points Accounting System (RPAS) was created. It is an automated system that annually accumulates and verifies retirement point data for each Reserve 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 each USAR and ARNG Soldier 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

NOTE: HRC recommends you keep your retirement points updated and that all corrections be processed prior to reaching your 59th birthday. If you are a USAR unit member, have your unit technician update your points. If you are an ARNG unit member, 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 1-888-276-9472 to update the RPAS.

8-4 QUALIFYING YEAR

As a USAR or ARNG, you must have 20 qualifying years (15 if medically retired by the USAR or ARNG) of service 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: http://www.apd.army.mil/pdffiles/r140_185.pdf (USAR); or National Guard Regulation (NGR) 680-2 (ARNG); or contact your Unit Technician, Regional Support Team, State Joint Forces Headquarters (JFHQ) or HRC.

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

8-5 MAXIMUM POINT RULE

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

- **Effective 30 October 2007: 130**
- **Effective 31 October 2000: 90**
- **Effective 23 September 1996: 75**
- **Prior to 23 September 1996: 60**

Inactive Duty for Training (IDT) points include retirement points earned for IDT participation, extension/correspondence courses, and membership points.

8-6 COMPUTATION OF RETIRED PAY

To determine how much retired pay you may be eligible to receive at age 60, 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 the Soldier has completed (comparable to full-time service). For example, 3,600 points equals 10 years.

HRC will notify the Defense Finance and Accounting Service—Cleveland Center (DFAS-CL) of the number of years of service you have earned. Reserve Component (RC) members 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.

NOTE: Separating/discharging rather than transferring to the Retired Reserve will impact your retired pay and should be carefully considered.

Depending on the date you initially entered military service (DIEMS) (see paragraph 2-5 of this guide for an explanation of DIEMS), your retired pay will be calculated under the “Final Basic Pay” or “High-3” formula as follows:

- **Final Basic Pay. DIEMS date before 8 September 1980:** Multiply your years of satisfactory (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 8 September 1980:** Multiply your years of satisfactory (equivalent) service by 2.5 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 last 36 months before they reach age 60. Members who request a discharge military service without transfer to the retired reserve before 60, however, can’t use basic pay rates in effect after their discharge. Again, think carefully before requesting a discharge from the Retired Reserve as it will impact your retired pay entitlement.

The My Army Benefits retirement calculator at

http://myarmybenefits.us.army.mil/Home/Benefit_Calculators/Retirement.html allows RC Soldiers to accurately estimate their retired pay. The calculator provides a personal calculation by connecting to and pulling personal data from DEERS, the Army Reserve Retirement Points Accounting System (RPAS), and the Army National Guard Retirement Points Accounting Management System (RPAM). The accuracy of retired pay calculations will be affected by the accuracy of the data provided by these systems.

8-7 COST-OF-LIVING ADJUSTMENTS TO RETIRED PAY

Your retired pay will be increased annually by a cost-of-living adjustment (COLA) which is 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 1 December and payable the first working day of January.

8-8 NOTIFICATION OF ELIGIBILITY (NOE) (20-YEAR LETTER)

For years the Services had difficulty in accurately establishing when a 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 members when they had completed sufficient years for retired pay purposes. A letter with the subject, "Notification of Eligibility for Retired Pay at Age 60," commonly referred to as the 20-Year Letter, accomplishes this. You should receive this letter within one year of completing 20 qualifying years of service for retired pay purposes, provided that you have a current valid address on file with HRC. If you are a member of the Army National Guard, you will receive your letter from your State JFHQs.

If you are a USAR Soldier and all your creditable service is reflected in RPAS, RPAS will generate your 20-Year Letter approximately 45-90 days after the RYE that documents completion of your 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 RYE before your 20-Year Letter will be issued. Non-unit Soldiers must work with their career advisors at HRC. Troop Program Unit Soldiers must work with their unit technicians and through their chain of command to ensure all creditable service is reflected in RPAS.

Army National Guard Soldiers will have their 20 year NOE generated by the Retirement Point Accounting Management (RPAM) system. This letter will be signed by the State 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 have choices to make: continue serving in the Army Reserve or Army National Guard; transfer to the Retired Reserves as a "Gray Area Reservist"; 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.

8-9 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.

Soldiers eligible for age 60-reserve retirement will have to request a retirement application by calling 888-276-9472 or by downloading the application from HRC's website <https://hrc.army.mil/TAGD/Reserve%20Component%20Retirements>. . Soldiers eligible for Reduced Age (Early Drop)-reserve retirement must download or contact HRC for a retirement application and submit retirement pay application no less than nine months from eligibility date. These packets include instruction sheets and all of the forms necessary to process your retirement.

NOTE: Soldiers who were ordered to active duty under eligible authorities listed in 10 USC 12731 paragraph (f) on or after 29 Jan 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 (1 Oct – 30 Sep) or any two consecutive fiscal years for service performed after 30 September 2014. Soldiers who claim this "drop" should adjust the requested retirement date (block 3 of the forms), write Reduced Retired Pay Age 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). Once you return 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 1-888-276-9472 to inquire whether the packet has been received.

8-10 RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)

RCSBP was created by Congress and became effective on 1 October 1978. It is a plan which allows you to continue a portion of your retired pay entitlement to your designated beneficiary(ies) in the event that you die before you begin to receive retired pay at age 60 (i.e., during "gray area.") The basic rules of RCSBP are identical to those of the Survivor Benefit Plan (SBP). Read Section F—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, YOUR ELECTION IS GENERALLY PERMANENT AND IRREVOCABLE.

8-11 ELIGIBILITY

Upon being notified that you qualify for Reserve retired pay (i.e., receive your NOE/20-Year Letter), and before reaching age 60, you are eligible to enroll in RCSBP. You are required by law to elect coverage during the 90-day period beginning the day you receive your NOE. Effective January 1, 2001, automatic enrollment of the dependent spouse and/or children the Reservist had at receipt of the NOE is required by law at maximum coverage (Option C full base amount) if the Reservist fails to make a valid RCSBP election or if the Spouse does not concur with the election made by the Soldier.

8-12 ELECTION OPTIONS

Effective 1 January 2001, RCSBP adopted (by law) the same spouse concurrence feature as SBP. Automatic spouse or spouse and child Option C full base amount RCSBP enrollment occurs for married Soldiers who elect the following and do not provide written spouse concurrence: decline RCSBP (Option A), Option B or Option C (covering less than full retired pay, or children only). Failure to make an election within 90 days of receiving your NOE results in automatic RCSBP Option C full base amount coverage for spouse and or children at receipt of NOE.

Option A (DECLINE TO PARTICIPATE)

Under this option, you will have no survivor protection in place before Reserve non-regular retirement. Should you die, no portion of your future retired pay entitlement is payable to a beneficiary. However, you remain eligible to enroll in SBP at Reserve non-regular retirement when you apply for retired pay. There is no RCSBP cost. Soldiers with no eligible beneficiaries at the time they receive their NOE are automatically covered under this option see no Spouse or Child below.

Option B (DEFERRED ANNUITY)

This option provides that an annuity will be payable to your beneficiary on the 60th anniversary of your birth, if you die before age 60, or immediately if you die after age 60. If your Reserve 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. The RCSBP election becomes your SBP election at Reserve non-regular retirement.

Option C (IMMEDIATE ANNUITY)

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

No Spouse and or Child

Reservists, who upon receipt of the NOE, do not have a spouse and or child and do not desire to elect insurable interest or former spouse coverage, cannot make an RCSBP election. However, within one year of acquiring a spouse and/or child following receipt to the 20 year letter, they can request RCSBP coverage for the eligible beneficiary. If the RCSBP election is not initiated within one year of acquiring the RCSBP eligible dependent, the RCSBP election defaults to Option A, Decline RCSBP participation.

8-13 ELECTION CATEGORIES

They are identical to SBP. NOTE: Any change in beneficiary status must be reported immediately to HRC, or for National Guard Soldiers to the State Retirement Services Office or RPAM Administrator, to include any actions involving court-ordered or voluntary Former Spouse elections.

8-14 ELECTION COSTS

Depending on your election options, there are two possible costs associated with RCSBP: the Basic Cost and the Reserve Portion which is paid for the period of RCSBP coverage that was received prior to receipt of retired pay. These costs are not paid until you begin receiving retired pay at age 60, at which time they are deducted from your retired pay PRIOR to calculation of taxable income. Following is a brief summary of each.

Basic Cost

Same as SBP.

Reserve Portion

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

Option B and Option C—the Reserve Portion Premium in addition to the basic cost premium covers the additional benefit and protection afforded under RCSBP should you die prior to age 60.

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 election date.

NOTE: You can get your estimated RCSBP cost online by using the interactive calculator at MyArmyBenefits (http://myarmybenefits.us.army.mil/Home/Benefit_Calculators.html.) You can also read the “How to Estimate Your Reserve Component Survivor Benefit Plan” section on HRC’s website, <https://www.hrc.army.mil/tagd/army%20reserve%20retirement%20calculator>

Annuity

Surviving spouses may receive up to 55 percent of the covered base amount of retired pay regardless of age or Social Security entitlement.

8-15 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)
- 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 1070-61 (proof of Navy Reserve Duty)
- NAVMC Form 768 (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)
- 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 Letter

Who to Contact for Help:

- Unit Technician or Readiness NCO for retirement prior to age 60
- myPay (DFAS)
- HRC customer service, toll-free 1-888-276-9472

- National Archive Records Administration (if discharged) at <http://www.archives.gov/veterans/military-service-records/>
- Reserve Component Retirements 502-613-8950
- Nearest Army installation Retirement Services Officer, listing at: <https://soldierforlife.army.mil/retirement/rso>
- MyArmyBenefits Help Desk at <http://myarmybenefits.us.army.mil/Home/Help.html>
- Nearest ARNG State Retirement Services Officer and/or Retirement Points Accounting Manager (RPAM) NCO

Live Phone Help: Speak with benefits experts between 9AM and 5PM EST Monday - Friday: Local - 703-286-2560 or Toll-Free - 888-721-ARMY (888-721-2769).

CHAPTER 9

REPLACEMENT OF MEDALS/RIBBONS/ CERTIFICATES

9-1 REPLACEMENT

The Army offers a service to its Retired Soldiers and Veterans who wish to replace award emblems 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 1 October 2002, by writing to: National Personnel Records Center ATTN: Army Reference Branch, 1 Archives Drive, St. Louis, MO 63138–1002 or by calling toll-free 1-866-272-6272; or by going online to <http://vetrecs.archives.gov>.

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 1 October 2002 may write to: Army Human Resources Command, ATTN: AHRC-PDP-A, 1600 Spearhead Division Ave. Fort Knox, KY 40122-5408. Additional information is available on the following webpage: <https://www.hrc.army.mil/TAGD/Veterans%20and%20Retiree%20Information>

9-2 AWARDS AND DECORATIONS

An individual approaching retirement may be considered for an appropriate award based on grade, years of service, degree of responsibility, and manner of performance. A meritorious service award may be awarded, upon retirement, which may include periods of service longer than that served in the recommending command. Such periods should be limited to the last 10 years of service. Award recommendations submitted for meritorious service based upon retirement will be submitted so that they are processed prior to the desired presentation date. To determine presentation date, the recommender must consider the Soldier's requested retirement date, number of days of any transition leave, and authorized travel/transition processing time. Federal law and Army policy require that recommendations for military awards and decorations be formally submitted through official channels within two years of the act that is to be recognized. Any award not submitted during the prescribed timeframe must be pursued through a Member of Congress under the provision of Title 10, United States Code §1130 (10 USC §1130). Under this provision, the requester is responsible for obtaining all supporting documents for submission. More detailed information is available at: <https://hrc.army.mil/TAGD/Awards%20and%20Decorations%20Branch>.

An award recommendation that has been previously submitted and approved can be reconsidered if there is new substantive evidence that has been made available. Awards submitted within the prescribed time limitations may be acted upon if there is evidence that the award was not processed to a conclusion either through inadvertence or because it was lost. Any request for reconsideration of a disapproved or downgraded recommendation must be placed in official channels within one year from the date of the awarding authority's decision. A one-time reconsideration by the award authority shall be final. However, a Member of Congress may request a review of a proposal for the award or presentation of a decoration (or the upgrading of a decoration) that is not authorized to be awarded due to limitations established by law or policy for timely submission of a recommendation.

Cold War Recognition Certificates

In accordance with section 1084 of the Fiscal Year 1998 National Defense Authorization Act, the Secretary of Defense approved awarding Cold War Recognition Certificates to all members of the armed forces and qualified federal government civilian personnel who faithfully and honorably served the United States anytime during the Cold War era, defined as 2 September 1945 to 26 December 1991. All members of the armed forces and federal government civilian personnel who faithfully served the United States during this time period are eligible to receive the certificate. Individuals requesting a certificate will certify that their character of service was honorable and provide proof of service. Any official government or

military document with the recipient's name, Social Security Number/Military Service Number/Foreign Service Number and date of service is acceptable. To request a Cold War Certificate, go to:
<https://hrc.army.mil/tagd/awards%20and%20decorations%20branch%20-%20cold%20war%20certificate%20program>-
then FAX documentation to 1- 502-613-4531. For additional information on awards, visit the Awards and Decorations Branch section of the HRC homepage at: <https://hrc.army.mil/TAGD/Awards%20and%20Decorations%20Branch>.

CHAPTER 10

RETIREMENT OUTPROCESSING CHECKLIST

10-1 GENERAL

Following is a suggested timetable for accomplishing some of your retirement outprocessing actions. Your installation RSO or your military personnel officer can provide a more detailed checklist that addresses local installation requirements.

Timeframe	Action
ASAP after decision	a. Contact the SFL - TAP Office for job transition/résumé help.(NLT 24 months prior)
ASAP after decision	b. Contact the installation Retirement Services Officer (RSO) to (12 months prior) arrange a retirement and Survivor Benefit Plan (SBP) briefing.
6 months prior	c. Initiate retirement physical prior to transition leave or retirement.
3 months prior	d. Study medical and dental care options for Retired Soldiers; consider purchasing a TRICARE supplement if needed.
3 months prior	e. Make an appointment with the Staff Judge Advocate to prepare a will.
2 months prior	f. Contact Transportation for household good shipment; must have orders.
2 months prior	g. Complete DD Form 2656, Data for Payment of Retired Personnel (and SBP election). A DD Form 2656-1 is needed if a former spouse SBP election is being made.
2 months prior	h. Complete VA Form 21-526, Application for Compensation from Department of Veterans Affairs.
2 months prior	i. Complete DD Form 2860, Application for Combat-Related Special Compensation (CRSC), if applicable.
1 month prior	j. Obtain SF 1199A, Direct Deposit Sign-Up Form, for electronic transfer of retired pay to financial institution (needed only if changing financial institution).
Day of retirement	k. Initiate action to obtain retired ID cards.
Within 120 days after	l. Convert SGLI to VGLI (VA sends application), if desired.
ASAP after	m. Consider joining military service associations and remain active in support of retiree issues.

CHAPTER 11

RETIRED SOLDIER CASUALTY ASSISTANCE CHECKLIST

11-1 GENERAL

If you died tomorrow, would your Family know what to do? You can help your Family now by filling out these pages and making sure they know where you keep this checklist.

Retired Soldier Information

Name:

SSN:

Date and Place of Birth:

Date of Retirement:

Retired Grade/Rank:

Check all that apply:

Survivor Benefit Plan (SBP)

Reserve Component Survivor Benefit Plan (RCSBP)

VA Claim #

Did you disenroll from SBP? YES NO

Are you eligible for VA disability
compensation? YES NO

Do you receive Social Security? YES NO

If Yes, age first received: Years: Months:

Do you wish to be an organ donor? YES NO

Do you have a living will? YES NO

If yes, location:

Spouse Information

Name:

SSN:

Date of Birth:

Date of Marriage:

Married (City, County, and State):

Children Information (For each child)

Name:

Address:

Name:

Address:

Name:

Address:

Are any children incapable of self-support? YES NO

Insurance Policies

Company: Policy #
Amount: Beneficiary (include as of date):

Company: Policy #
Amount: Beneficiary (include as of date):

Company: Policy #
Amount: Beneficiary (include as of date):

Investments
Type (IRA, CD, Mutual Fund)

Type: Account #: Amount (as of date):
Type: Account #: Amount (as of date):

Bank Accounts

Bank: Amount (as of date):
Type: Account #

Bank: Amount (as of date):

Type: Account #

Bank: Amount (as of date):

Type: Account#

Creditors

Name & Address:

Account # Balance Due (as of date):

Life Insurance: YES NO

Name & Address:

Account # Balance Due (as of date):

Life Insurance: YES NO

Name & Address:

Account # Balance Due (as of date):

Life Insurance: YES NO

Burial Information

Do you want to be: Buried Cremated?

Who should be notified of your death?

Name: Relationship:

Address: Phone Number:

Do you want to be buried in uniform? YES NO

Do you want a memorial service? YES NO

Do you want to be buried in a Veteran’s cemetery? YES NO

Do you want a military honor guard? YES NO

Do you have a preferred funeral home? YES NO

Name:

Location of Documents

Documents **Location**

Will

DD214 (if applicable)
Retiree Account Statement
Marriage Certificate
Divorce Decree/Property Settlement
Retirement Orders/20-Year Letter
Birth Certificates/Adoption Papers
Safe Deposit Box (list contents)
Insurance Policies
Tax Returns

Documents

Location

Burial Plot Information
Medical & Dental Records
Real Estate Deeds

Other Information deemed appropriate:

Phone Numbers

Casualty Assistance Office: (immediate assistance upon Retired Soldier's death) 1-800-626-3317
<https://hrc.army.mil/TAGD/Reporting%20A%20Death>

Contact information:
<https://hrc.army.mil/TAGD/CMAOC%20Branches>

Retired and Annuitant Pay: 1-800-321-1080
myPay: <https://mypay.dfas.mil/mypay.aspx> - For additional information or assistance, contact the DFAS Centralized Customer Support Unit toll free at 1-888-DFAS411 or 1-888-332-7411, or call commercial at (216) 522-5096. The Customer Support Unit is available Monday through Friday, from 8:00 A.M. till 5:00 P.M. Eastern Standard time.

MyArmyBenefits: Speak with benefits experts between 9AM and 5PM EST Monday – Friday
Local - 703-286-2560 Toll-Free - 888-721-ARMY (888-721-2769).

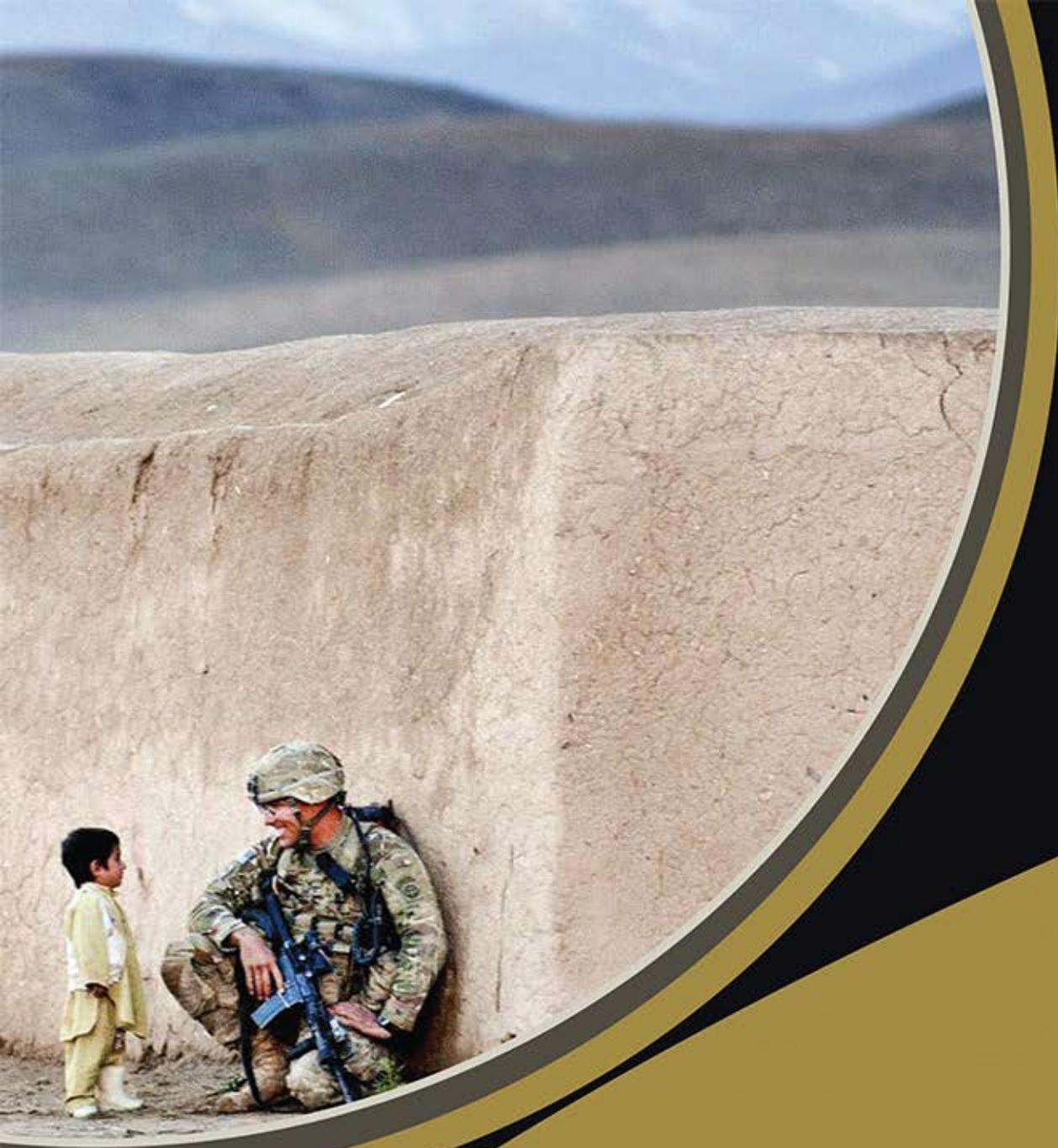
Dept. of Veterans Affairs: 1-800-827-1000

Social Security: 1-800-772-1213

Nearest RSO: _____

RSO contact information can be obtained from any issue of *Army Echoes* and online at:
<https://soldierforlife.army.mil/retirement/rso>

Casualty information can be obtained at: <https://soldierforlife.army.mil/retirement/casualty>



This publication may also be downloaded from the
Army Retirement Services website at:
<http://SoldierForLife.army.mil/retirement/PreRetirement>

