

SBP Open Season Discontinuing SBP Coverage – Frequently Asked Questions

OVERVIEW

The Survivor Benefit Plan (SBP) Open Season allows retirees, Reserve/Guard members, and Gray Area Retirees to **stop (discontinue) their SBP coverage** during the Open Season. The member (1) must obtain concurrence from their spouse plus any beneficiary covered by SBP that is 18 or over and (2) must understand that no premiums are refunded.

There is a special form to discontinue coverage during the Open Season. The form and details are available on the NDAA 2023 SBP Open Season special focus webpage <https://www.dfas.mil/sbpopenseason23>.

PLEASE NOTE: This Fact Sheet **provides information for retirees receiving pay ONLY**. Reserve/Guard members and Gray Area Retirees should contact their Branch of Service for information.

Retirees receiving pay should submit their discontinuation form to DFAS. Currently serving **Reserve/Guard members and Gray Area Retirees** (not yet receiving retired pay) should **submit their form to their Branch of Service**. See the webpage listed for more information on where and how to submit the form.

QUESTIONS AND ANSWERS

DISCONTINUING SBP COVERAGE – FOR RETIREES RECEIVING PAY ONLY

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Q1. Who can discontinue SBP coverage?

A. Any retiree that was enrolled in SBP as of December 22, 2022 can discontinue coverage during the 2023 NDAA SBP Open Season that ends January 1, 2024. HOWEVER, the retiree's spouse and covered beneficiaries who are adults (18 and over) must concur with the discontinuance and their signature(s) must be notarized or witnessed by an SBP counselor.

Q2. What do I need to discontinue?

A. Submit the SBP Open Season 2023 Discontinuation Form to DFAS. It must be properly signed and dated by all parties, including the retiree's current spouse (if applicable), and any currently covered former spouse, child aged 18-22, or natural interest person (NIP). In addition, the covered party's signature must either be notarized or witnessed by an SBP counselor.

Members of the Reserves, Guard, or members who are awaiting retired pay (Gray Area Retirees should contact their Branch of Service – contact information is on the DFAS Gray Area Retiree webpage at <https://www.dfas.mil/grayarea>).

Q3. If I submit a discontinuation form, when will it be effective?

A. A discontinuation will be effective the first day of the first calendar month following the date a valid discontinuation request is received.

Q4. How long will it take to process my request to discontinue SBP coverage?

A. Normal processing time is 30 days from the date DFAS receives a valid discontinuation form containing all of the necessary information to discontinue coverage.

Q5. If I discontinue coverage, how much of a refund will I get?

A. No refunds of SBP premiums for the period of coverage are allowed. In addition, retirees remain responsible for any debt accrued due to unpaid premiums during the time in which the retiree had SBP or RCSBP coverage.

Q6. Who are the beneficiaries that must concur if a retiree wants to discontinue SBP coverage?

A. If the retiree is married, the spouse must concur with the member's request to discontinue coverage. Also, any currently covered former spouse, child aged 18-22, or natural interest person (NIP) must concur if discontinuing under the 2023 NDAA Open Season using the SBP Open Season 2023 Discontinuance Form available on <https://www.dfas.mil/sbpopenseason23>. The covered party's signature must either be notarized or witnessed by an SBP counselor.

Q7. I submitted a request to discontinue coverage and was told the request was processed – why are premiums still being deducted from my retired pay?

A. While every individual case is different and the specific circumstances would need to be researched, it is possible the retiree's request was unable to be processed in time to stop the deduction from the retired pay. If this is the case, DFAS will refund any overpayment of premiums.

Q8. I am in my third year of retired pay and received an email saying I have a window to terminate my SBP coverage. Is this the SBP Open Season?

*A. Retirees may terminate their SBP coverage during their third year (25th to 36th months) of receiving retired pay subject to the provisions of 10 U.S.C. § 1448a. This is different from the opportunity to discontinue coverage during the SBP Open Season. Retirees in their third year may either terminate SBP coverage pursuant to 10 U.S.C. § 1448a using the Survivor Benefit Plan Termination Request (DD 2656-2), or may discontinue coverage using the special **SBP Open Season 2023 Discontinuance Form**. Please note regardless of which option to discontinue coverage is used, married retirees in most circumstances must obtain spouse concurrence. More information on terminating SBP coverage during the third year is on this webpage: <https://www.dfas.mil/changesbp>.*

Q9. Can I change my coverage from child only to spouse and child or from spouse and child to child only?

A. The 2023 NDAA SBP Open Season does not allow for changes to existing SBP coverage. Instead, the 2023 Open Season allows only for enrollment by those who are not participating in the Plan, or for discontinuation of coverage for those currently enrolled in the Plan. Further, a retiree may not discontinue coverage during SBP Open Season for one category of beneficiary and then re-enroll in a different category. The 2023 Open Season enrollment is only for those eligible members who were NOT enrolled in the SBP as of December 22, 2022.

Q10. Can I change my coverage from full coverage to reduced coverage or from reduced coverage to full coverage?

A. The 2023 NDAA SBP Open Season does not allow for changes to the level of SBP coverage. Instead, the 2023 Open Season allows only for enrollment by those who are not participating in the Plan, or for discontinuation of coverage for those currently enrolled in the Plan. Further, a retiree may not discontinue coverage during the SBP Open Season and then re-enroll for a different level of coverage. The 2023 Open Season enrollment is only for those eligible members who were NOT enrolled in SBP as of December 22, 2022.

Q11. I have Natural Interest Person (Insurable Interest) SBP coverage. Can I discontinue it during the Open Season?

A. Retirees can terminate their SBP coverage for a Natural Interest Person (NIP) at any time without restrictions by submitting a request in writing directly to DFAS. Retirees do not need to use the SBP Open Season 2023 Discontinuation Form to discontinue NIP coverage. More information on terminating SBP NIP coverage is on this webpage:

<https://www.dfas.mil/changesbp>.

Q12. Can I discontinue coverage for a former spouse if I have a court order?

A. In order for a retiree to discontinue SBP coverage for a former spouse that was required by a court order, the retiree must provide a new court order releasing the retiree from the requirement to provide the former spouse with SBP coverage. Additionally, the retiree's former spouse must concur with the request to discontinue coverage, and the former spouse's signature must be notarized or witnessed by an SBP counselor.