

## **SBP Open Season Enrollment - Frequently Asked Questions**

### **DECEMBER 2023 IMPORTANT DEADLINE INFORMATION**

#### **January 1, 2024 – Open Season Deadline**

Open Season Enrollment Forms must be RECEIVED by DFAS before midnight Eastern Standard Time on January 1, 2024. We strongly recommend retirees upload their forms via our askDFAS online upload tool to ensure it is received prior to the deadline.

Our final postal mail delivery before the deadline is on Friday, December 29, 2023. If you are mailing a form, we recommend you use mail service with proof of mail date. If we receive the form in the mail after the January 1, 2024 deadline, you will need to provide proof it was postmarked or otherwise provided to the mail service prior to midnight on January 1, 2024.

You can also fax your form prior to the deadline.

#### **Individual Estimate Requests No Longer Accepted**

We are UNABLE to provide individual estimates for requests received after November 13, 2023.

#### **Retirees Can Enroll Without an Estimate**

Enrollment is not contingent upon getting an estimate. YOU CAN ENROLL WITHOUT GETTING AN INDIVIDUAL ESTIMATE. If you decide to enroll, you should **submit an SBP Open Season Enrollment Form by midnight on January 1, 2024.**

If you decide to enroll and submit an enrollment form, after we process your enrollment, we will you an enrollment confirmation letter that includes the amount of the Buy-In Premium and the monthly premiums. The enrollment confirmation letter will also include payment instructions. You should NOT submit payment with the enrollment form.

#### **Examples of SBP Open Season Buy-In Premiums**

We have SBP Open Season Buy-In Premium examples posted on the Open Season webpage. These may assist retirees in making an enrollment decision without obtaining an individual estimate. SBP Open Season webpage:

<https://www.dfas.mil/sbpopenseason23>.

#### **SBP Open Season Enrollment Form askDFAS Online Upload Tool**

<https://corpweb1.dfas.mil/askDFAS/ticketInput.action?subCategoryID=22324>

*Please note: All documents submitted via an askDFAS online upload tool must be in PDF format; include name and SSN on each attachment.*

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**Fax or Mail SBP Open Season Forms:**

**Fax to:** 800-469-6559

**OR Mail to:**

Defense Finance and Accounting Service  
U.S. Military Retired Pay  
8899 E 56th Street  
Indianapolis IN 46249-1200

**OVERVIEW**

The Survivor Benefit Plan (SBP) Open Season allows eligible retirees, reserve/guard component, and Gray Area Retirees who, on December 22, 2022, were not participating in SBP or RCSBP to enroll in the Plan.

For a member who enrolls during the SBP Open Season, the law generally requires that the member will be responsible to pay retroactive SBP premium costs that would have been paid if the member had enrolled at retirement (or enrolled at another earlier date, depending on the member's family circumstances).

**Open Season Enrollment Forms must be RECEIVED by DFAS before midnight Eastern Standard Time on January 1, 2024.** We strongly recommend you upload your form via our askDFAS online upload tool to ensure it is received prior to the deadline. Our final postal mail delivery before the deadline is on Friday, December 29, 2023.

If you are mailing a form, we recommend you use mail service with proof of mail date. If we receive your form in the mail after the January 1, 2024 deadline, you will need to provide proof it was postmarked or otherwise provided to the mail service prior to midnight on January 1, 2024.

For a member already receiving retired pay: Upon enrollment you will be legally responsible and obligated to pay a "buy-in premium." The buy-in premium is comprised of (a) amounts you would have been required to pay you had enrolled in SBP at an earlier opportunity plus (b) additional open season costs.

**[Check out our Example Buy-In Premiums here.](#)**

If you decide to enroll and submit an enrollment form, after we process your enrollment we will mail you an enrollment confirmation letter that includes the amount of your Buy-In Premium and your monthly premiums. The enrollment confirmation letter will also include payment instructions.

The SBP Open Season runs from December 23, 2022 to January 1, 2024.

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Enrollment in SBP during the Open Season is a two-step process.

**STEP 1.** *After considering the costs, if you want to officially enroll, submit the enrollment form, including your choice for how you will pay for the buy-in premium.*

**STEP 2.** *DFAS will confirm your enrollment, including your final costs, and provide instructions on how to submit payment or start deductions. You are allowed 30 days from the date you sign your enrollment form to cancel enrollment – cancellation must be in writing and received within the 30 days. Do not send payment with your Enrollment Form. Your enrollment confirmation letter will include payment instructions.*

The details of the enrollment process are available on the NDAA 2023 SBP Open Season special focus webpage <https://www.dfas.mil/sbpopenseason23>.

**PLEASE NOTE:** *These FAQs are **intended for retirees receiving pay ONLY. Reserve/Guard Component and Gray Area Retirees** (not yet receiving retired pay) should submit their Letter of Intent and enrollment form to their Branch of Service. See the webpage (above) for more information.*

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## QUESTIONS AND ANSWERS

### ENROLLING IN SBP – FOR RETIREES RECEIVING PAY ONLY

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## **Q1. What are the Advantages and Disadvantages of the Survivor Benefit Plan?**

A. To learn more about the advantages and disadvantages of SBP, please visit <https://www.dfas.mil/sbpadvantages>

## **Q2. Who is Eligible to Enroll?**

A. An eligible member who, on December 22, 2022, was receiving retired pay and was not participating in SBP or RCSBP may elect SBP for any type of coverage you would have been eligible to elect and declined, or failed to elect, at your first opportunity. This includes eligible members who previously participated in SBP and discontinued participation.

**NOTE:** If you discontinue coverage in SBP during the Open Season, you are NOT eligible to reenroll during the Open Season.

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. How Do I Enroll?**

A. Enrollment is a two-step process:

**STEP 1.** After considering the costs, if you want to officially enroll, submit the enrollment form, including your choice for how you will pay for the buy-in premium. Payments can be made in a lump sum or through 12 equal monthly installments or a combination of a partial sum and 12 equal monthly installments.

**STEP 2.** DFAS will confirm your enrollment, including your final costs, and provide instructions on how to submit payment or start deductions. You are allowed 30 days from the date you sign your enrollment form to cancel enrollment – cancellation must be in writing and received within the 30 days.

**\*\*NOTE:** This process is for ARMY, NAVY, AIR FORCE, SPACE FORCE, and MARINE CORPS RETIREES **RECEIVING PAY** – for all others, see instructions on the webpage or LOI.

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#### **Q4. What Will It Cost?**

*A. Eligible members who elect to participate will be required to pay for participation in the program. The total amount of the one-time buy-in premium to be paid shall be the sum of:*

- 1) The total amount by which your retired pay would have been reduced before the effective date of the election if you had elected to participate in the Survivor Benefit Plan, for the same base amount specified in the election, at the first opportunity that was afforded you to participate; plus*
- 2) Interest on the amount by which your retired pay would have been so reduced, computed from the date on which the retired pay would have been so reduced at such rate or rates and according to such methodology as the Secretary determines reasonable; and*
- 3) An additional amount the Secretary of Defense determined is necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.*

*Each one-time buy-in premium will be different based on these factors, as well as your individual situation. Please see the Buy-In Premium Examples on our SBP Open Season special focus webpage at <https://www.dfas.mil/sbpopenseason23>*

**Note:** *In addition to the "buy-in premium" above, members who choose to enroll will be subject to prospective premium deductions each month beginning with the effective date of the election, in the same manner monthly SBP premiums are collected for all SBP participants.*

#### **Q5. How is the One-Time Buy-In Premium Calculated?**

*A. The one-time buy-in premium is calculated based on a table of cost factors determined by the DoD Office of the Actuary. Please see our special focus webpage for more details: <https://www.dfas.mil/sbpopenseason23>*

*Each one-time buy-in premium will be different because it is based on your individual situation. We have SBP Open Season Buy-In Premium examples posted on the Open Season webpage. The examples may assist in making an enrollment decision without obtaining an individual estimate.*

#### **Q6. What Does Participating Mean?**

*A. The term "participating" includes those retired members who previously elected to participate in SBP and have not terminated participation in any way allowed under title 10, chapter 73, subchapter II of the United States Code (10 U.S.C. Ch 73), even if they no longer have an eligible beneficiary. As participants, (even in a suspended status) such members are not eligible to make an election to enroll during the open season period authorized by Section 643 of Public Law 117-263.*

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## **Q7. What Are The Payment Options?**

A. There are three payment options available on the enrollment form. You can choose only one option for payment. Once enrolled, you are **legally responsible to pay** according to that option.

### **Buy-In Premium Payment Options**

**Payment Option A = Choose to submit a lump sum payment** for the total amount of the one-time buy-in SBP premium due.

**Payment Option B = Choose to submit a partial payment** of the SBP buy-in premium due and have the remainder of the SBP buy-in premium plus installment interest deducted from your retired pay or CRSC pay in **12 equal monthly installments**. If you receive both retired pay and CRSC pay, we will deduct the installments from whichever has the highest net pay. If you want to **submit a specific amount as a partial payment** of the SBP buy-in premium due, **please write a note** on SBP Open Season 2023 Enrollment Form and **include the specific amount** you want to pay.

**Payment Option C = Choose to have the SBP buy-in premium plus installment interest deducted** from either your retired pay or your CRSC pay in **12 equal monthly installments** (if you receive both retired pay and CRSC pay, we will deduct the installments from whichever has the highest net pay); OR choose to **make direct payments to DFAS in 12 equal monthly installments** plus installment interest.

You are strongly encouraged to review your retired pay or CRSC pay and keep in mind any expected changes to your pay in the upcoming months and how those changes might affect the payment option you choose. Also, keep in mind that your net pay will be reduced by your SBP monthly premium cost going forward.

If you choose to make a lump sum payment, a partial payment or direct installment payments, we must receive payment within 30 days of the date of the enrollment confirmation letter.

If you choose to pay your buy-in premium over time, installment interest will be added to your buy-in premium. This information will be included in your enrollment confirmation letter. Do not send payment with your Enrollment Form. Your enrollment confirmation letter will include payment instructions.

## **Q8. I Want To Pay Part Of My Buy-In Premium Up Front And Have The Rest Deducted From My Pay. What Do I Put On The Enrollment Form?**

If you **want to submit a specific amount as a partial payment** of the SBP buy-in premium due, **please write a note** on SBP Open Season 2023 Enrollment Form and **include the specific amount** you want to pay.

If you choose to submit a partial payment directly, do not send payment with your Enrollment Form. After processing your enrollment, we will send you an enrollment confirmation letter with payment instructions. We must receive payment within 30 days of the date of the enrollment confirmation letter.

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**Q9. I Want To Have My Buy-In Premium Deducted From My Pay. I Get Both Retired Pay And CRSC Pay. Which One Will You Deduct The Premium Installments From?**

*If you receive both retired pay and CRSC pay, we will deduct the installments from whichever has the highest net pay.*

**Q10. I Want To Have My Buy-In Premium Deducted From My Pay But the Monthly Installments Would Be Higher Than My Pay. What Can I Do?**

*If you choose to have the buy-in premium deducted from your pay in 12 equal monthly installments and we determine your net pay will not be high enough to cover the installments, you will be required to make a partial payment plus have the balance of the buy-in premium deducted in 12 equal monthly installments from your pay. We will include this information in your enrollment confirmation letter. We must receive your partial payment within 30 days of the date of the enrollment confirmation letter.*

**Q11. I Plan to Make a Lump Sum Payment for the Buy-In Premium. When Do I have to Pay It?**

*If you choose to make a lump sum payment, a partial payment or direct installment payments, do not send payment with your Enrollment Form. After processing your enrollment, we will send you an enrollment confirmation letter with payment instructions. We must receive payment within 30 days of the date of the enrollment confirmation letter.*

**Q12. I Want To Pay the Buy-In Premium Directly in 12 Monthly Payments. What Do I Put On The Enrollment Form?**

*If you DO NOT want the installments deducted from your pay, please write a note on your enrollment form that you want to make direct payments. Do not send payment with your Enrollment Form. After processing your enrollment, we will send you an enrollment confirmation letter with payment instructions.*

*If you choose to pay in 12 equal monthly installments, the default payment method for the buy-in premium is to deduct the installments from your pay (if you have enough net retired pay or net CRSC pay to cover the deduction of the monthly installments).*

*In addition, in this case we must receive your first payment within 30 days of the date of the enrollment confirmation letter.*

**Q13. If I Choose Installment Payments Deducted from My Pay, Can I Change that During the 12 Months?**

*If you choose to pay in 12 equal monthly installments, you must either have the installments deducted from your pay over the entire 12 months OR pay DFAS directly for the entire 12 months. We are not able to change your method of payment during the 12 months.*

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**Q14. I Received My Enrollment Confirmation. Why is the Buy-In Premium Amount Higher Than It Was on My Original Estimate.**

*Your final enrollment costs, both the monthly premium and buy-in premium, may change if there is a time gap between when you submitted your LOI and the time you submitted your final enrollment form. Costs may also change if there are changes to the information submitted. In addition, if you choose to pay your buy-in premium over time, installment interest will be added to your buy-in premium.*

**Q15. I Had SBP Coverage Before and Paid Monthly Premiums. Will Those Premium Payments Reduce the Buy-In Premium?**

*If you were enrolled in SBP coverage at some point prior to this SBP Open Season and you paid monthly SBP premiums, those premiums can be credited toward your buy-in premium amount.*

**Q16. If I Have the Buy-In Premium Installments Deducted from my Retired Pay, Will It Reduce My Taxable Income?**

*Since the one-time buy-in premium is not considered a reduction in retired pay due to an election under chapter 73 of title 10, United States Code, these amounts do not serve to reduce the member's taxable retired pay. This applies even when paid through deductions from retired pay.*

**Q17. If I Submit an Enrollment Form, When Will It Be Effective?**

*A. Enrollment will be effective the first day of the first calendar month following the date a valid enrollment form is received.*

**Note:** *Once a valid enrollment form is submitted, you are considered obligated for payment of the one-time buy-in premium and prospective monthly premiums unless cancellation in writing is received within 30 days of the date of your signature on the enrollment form. Premium accrues from the point of obligation until paid in full.*

**Q18. Is spouse (or other beneficiary) concurrence required for a member who is receiving retired pay to make an open season election?**

*An eligible member who, on December 22, 2022, was receiving retired pay and was not participating in SBP is not required to have concurrence of his/her spouse (or other beneficiary) to make an open season election.*

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### **Q19. What Type of Information Is Needed With the Enrollment Form?**

A. In order to process an enrollment request and determine the monthly premium and one-time buy-in premium we need information and documentation for your eligible dependents. Please see the enrollment form for specifics. Some examples include:

**Spouse Only or Former Spouse election:** marriage certificates, divorce decrees, and court orders for all events that have taken place since you were first eligible to elect coverage through present day.

**\*\*NOTE:** If you have had more than one marriage since retirement or Notice of Eligibility for Retirement (NOE), we also need the date of marriage and the spouse's date of birth for your first spouse at or after retirement or NOE.

**Child Only, Spouse and Child or Former Spouse and Child election:** Birth certificates, adoption documents, court appointed guardian documents, and supporting medical documentation if a child is incapacitated.

**Natural Interest Person election:** Birth certificate.

### **Q20. Can I Change My Coverage From Child Only to Spouse and Child or From Spouse and Child to Child Only?**

A. No. 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 were NOT enrolled in SBP as of December 22, 2022, or for discontinuation of coverage for those enrolled in SBP as of December 22, 2022. Further, you 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 SBP as of December 22, 2022.

### **Q21. Can I Change My Coverage From Full Coverage to Reduced Coverage or From Reduced Coverage to Full Coverage?**

A. No. 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 were NOT enrolled in SBP as of December 22, 2022, or for discontinuation of coverage for those enrolled in SBP as of December 22, 2022. Further, you 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.

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**Q22. Am I Required to Enroll for a Former Spouse If I Have a Court Order?**

*A. The 2023 NDAA SBP Open Season specifically states enrollment in the Plan must be voluntary on the part of the eligible member. It further specifies that no court order may require an eligible member to make an open season election pursuant to section 643, P.L. 117-263. Details regarding the law surrounding enrollment and court orders are found on SBP Open Season special focus website:*

<https://www.dfas.mil/sbpopenseason23>

**Q23. Can a Former Spouse with a Court Order Enroll in SBP Coverage because of the Open Season?**

*A. The 2023 NDAA SBP Open Season does not provide for a beneficiary to "deem" an election. Further, it specifically states enrollment in the Plan must be voluntary on the part of the eligible member. It specifies that no court order may require an eligible member to make an Open Season election pursuant to section 643, P.L. 117-263.*

*However, that does not prevent a Former Spouse from deeming an election using the normal process (the request must be submitted within one year of the order requiring former spouse SBP coverage) during the time period of the Open Season. See the following webpage for information:*

<https://www.dfas.mil/Garnishment/FormerSpouseSBPDeemedElection/>