

# Survivor Benefit Plan Open Season Enrollment Buy-In Premium Examples for Retirees Quick Reference

## Overview

The deadline to enroll during the SBP Open Season is January 1, 2024. Please see our webpage for FAQs, deadlines, forms and details: <https://www.dfas.mil/sbpopenseason23>

The SBP Open Season allows for retirees receiving retired pay, eligible members, or former members awaiting retired pay who were NOT enrolled in SBP or RCSBP (Reserve Component Survivor Benefit Plan) as of December 22, 2022 to enroll.

For a retiree receiving retired pay who enrolls during the SBP Open Season, the law generally requires that the retiree will be responsible to pay a one-time "Buy-In Premium." The Buy-In Premium is comprised of (a) amounts the retiree would have been required to pay had they enrolled in SBP at an earlier opportunity plus (b) additional open season costs.

## What You Need to Know About Buy-In Premium Estimates After Nov 13, 2023

If DFAS has not received your Letter of Intent by **November 13, 2023**, we will be unable to provide you with an individual estimate of your Buy-In Premium prior to your enrollment. You **can enroll without an individual estimate** by submitting an official SBP Open Season Enrollment Form (available on the webpage above). Keep in mind that unless we receive a written request to cancel your enrollment **within 30 days of the date of your signature** on the enrollment form, you will be legally obligated to pay the Buy-In Premium and monthly premiums.

## Buy-In Premium Examples

The following SBP Open Season Buy-In Premium examples may assist you in making an enrollment decision without first obtaining an individual estimate. Please note these examples are based on **simple** life circumstances. Estimates for an individual retiree are based on their **specific life events**, and will vary based on those specifics.

The primary elements that impact the amount of the Buy-In Premium are the:

- **Base amount**
- **Type of coverage**
- Date of the retiree's **first opportunity** to enroll



### Ben

Ben retired from Active Duty 12 years ago. Ben wants to enroll in SBP spouse coverage during the SBP Open Season at a base amount of \$1000. This would provide a \$550 monthly SBP payment to his spouse.

- \* \$1000
- \* Spouse
- \* 12 years

◆ Ben's Buy-In Premium to enroll in **Spouse Coverage** during the SBP Open Season is: **\$9,804.60**

Base amount = \$1000; Spouse Coverage; Retired 12 years

### Marcus

Marcus retired from Active Duty 6 years ago. Marcus and his spouse have two children, ages 10 and 8. Marcus wants to enroll in SBP spouse coverage or spouse and child coverage at a base amount of \$3000. This would provide a \$1,650 monthly SBP payment to his spouse or \$825 each to his two children (if his spouse is not eligible and the children are eligible).

- ◆ Marcus' Buy-In Premium to enroll in **Spouse Coverage** during the SBP Open Season is: **\$13,720.20**
- ◆ Marcus' Buy-In Premium to enroll in **Spouse and Child Coverage** during the SBP Open Season is: **\$13,794.04**

Base amount = \$3000; Spouse Coverage or Spouse and Child Coverage; Retired 6 years; Youngest child age 8



- \* \$3000
- \* Spouse or Spouse and Child
- \* 6 years
- \* Youngest child = 8

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## Buy-In Premium Examples - continued



### Joe

Joe retired from Active Duty 3 years ago. He wants to enroll in SBP spouse coverage during the SBP Open Season at a base amount of \$4000. This would provide a \$2,200 monthly SBP payment to his spouse.

- \* \$4000
- \* Spouse
- \* 3 years

◆ Joe's Buy-In Premium to enroll during the SBP Open Season is: **\$8,998.60**  
*Base amount = \$4000; Spouse Coverage; Retired 3 years*

### Andrea

Andrea retired from Active Duty 15 years ago. She wants to enroll in SBP spouse coverage during the SBP Open Season at a base amount of \$5000. This would provide a \$2,750 monthly SBP payment to her spouse.

◆ Andrea's Buy-In Premium to enroll in Spouse Coverage during the SBP Open Season is: **\$63,557.00**  
*Base amount = \$5000; Spouse Coverage; Retired 15 years*



- \* \$5000
- \* Spouse
- \* 15 years



### Carlos

Carlos retired from Active Duty 6 years ago. Carlos wants to enroll in SBP spouse coverage during the SBP Open Season at a base amount of \$5000. This would provide a \$2,750 monthly SBP payment to his spouse.

- \* \$5000
- \* Spouse
- \* 6 years

◆ Carlos' Buy-In Premium to enroll in Spouse Coverage during the SBP Open Season is: **\$22,867.00**  
*Base amount = \$5000; Spouse Coverage; Retired 6 years*

### Michelle

Michelle retired from active duty 21 years ago. She wants to enroll in SBP spouse coverage during the SBP Open Season at a base amount of \$6000. This would provide a \$3,300 monthly SBP payment to her spouse.

◆ Michelle's Buy-In Premium to enroll during the SBP Open Season is: **\$112,706.10**  
*Base amount = \$6000; Spouse Coverage; Retired 21 years*



- \* \$6000
- \* Spouse
- \* 21 years



### Tom

Tom was not married and did not have children at retirement. He married four years ago and he and his spouse now have twins, age 2. Tom did not enroll in SBP coverage within a year of his marriage or having children. Tom now wants to enroll in SBP spouse coverage or spouse and child coverage during the SBP Open Season at a base amount of \$7000. This would provide a \$3,850 monthly SBP payment to his spouse or \$1,925 each to his two children (if his spouse is not eligible and the children are eligible).

- \* \$7000
- \* Spouse or Spouse and Child
- \* 4 years
- \* Youngest child = 2

◆ Tom's Buy-In Premium to enroll in Spouse Coverage during the SBP Open Season is: **\$15,747.55**  
◆ Tom's Buy-In Premium to enroll in Spouse and Child Coverage during the SBP Open Season is: **\$15,810.53**

*Base amount = \$7000; Married 4 years; Spouse Coverage or Spouse and Child Coverage; Youngest child age 2*

### Notes:

- Individual Buy-In Premiums will vary based on life events of a specific retiree.
- These amounts do not include additional interest if paying the Buy-In Premium over 12 months.
- Please see our webpage for FAQs, deadlines, forms and details: <https://www.dfas.mil/sbpopenseason23>

