



Survivor Benefit Plan (SBP) Open Season: Discontinuing Reserve Component Survivor Benefit Plan (RCSBP) Coverage Fact Sheet

OVERVIEW

The National Defense Authorization Act (NDAA) of FY 2023 authorized a Survivor Benefit Plan (SBP) Open Season that began December 23, 2022 and ends January 1, 2024. It allows Army Reserve/National Guard Soldiers and Gray Area Retired Soldiers currently participating in RCSBP to **stop (discontinue) their RCSBP coverage** during the Open Season. The Soldier or Gray Area Retired Soldier must obtain concurrence from their spouse plus any beneficiary covered by RCSBP that is 18 or over. They must also understand that they **will be responsible to pay for the RCSBP premiums for the coverage they have already received. Discontinuation from RCSBP will also result in no SBP coverage at non-regular retirement.** They will not be given an opportunity to enroll in SBP in the future.

For example, if a Gray Area Retired Soldier has had coverage for the last 15 years and discontinues RCSBP today, at non-regular retirement at age 60, they will be charged the cost of the 15 years of coverage and they will not be allowed to participate in SBP.

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>. The form and Army specific information can be found on the following webpage, <https://soldierforlife.army.mil/Retirement/survivor-benefit-plan>.

PLEASE NOTE: This Fact Sheet **provides information for Army Reserve/National Guard Soldiers and Gray Area Retired Soldiers only.**

Retired Soldiers receiving retired pay should submit their discontinuation form to DFAS. There is a different Fact Sheet posted on the DFAS focus page. Currently serving **Army Reserve/National Guard Soldiers and Gray Area Retired Soldiers** (not yet receiving retired pay) should **submit their form to the Army Human Resources Command, Gray Area Retirements Branch (HRC-GAR) at:**

(Preferred method is email)

usarmy.knox.hrc.mbx.RPMD-ord-sbp-regulatory-and-policy-team@army.mil

or mail

**ATTN: RPMD-ROR-GAR
Human Resources Command
1600 Spearhead Division Avenue Dept 482
Ft Knox KY 40122-5402**

THINGS TO CONSIDER

Before you make the decision to discontinue RCSBP coverage, you must understand the following impacts:

1. You will still **be responsible to pay** for the coverage you already received.
2. **Discontinuing RCSBP** also means **not participating in SBP** at non-regular retirement. You will not be given an opportunity to participate in the future.
3. Your **survivor will lose the inflation-protected annuity**. The RCSBP/SBP annuity has cost-of-living adjustments.

Did you know that your premiums only pay about half of the benefit and the **government pays the other half**?

In most cases, your **survivor will recoup** in benefits what you paid in the program in **less than three years**.

Make sure you consider your specific financial situation carefully. Here are a few things to think about:

1. What is your combined household income?
2. What are your total expenses and anticipated future expenses (i.e., college tuition, mortgage)?
3. What do you have in your retirement account(s)?

The Key Financial Question: In the event of your death, will your survivors be able to cover the family expenses with the loss of all the income you were bringing into the household (retired pay, yearly salary, VA disability compensation etc.)? If the answer is no, how are you going to cover that gap? Will your retirement accounts be enough? If not, you may need other tools like RCSBP/SBP, life insurance or both. If you plan to rely solely on life insurance, remember that the payout is not inflation protected and depending on your health condition and age, you may not be able to find an affordable plan for what you need.

Speak to a personal finance counselor and your Retirement Services Officer (RSO) before you discontinue RCSBP coverage. The resources section provides links to SBP Financial Tools, Facts Sheets, and contact information for your nearest Army Financial Counselor and RSO.

RESOURCES

SBP Financial Tools - <https://actuary.defense.gov/Survivor-Benefit-Plans/>

Army SBP webpage - <https://soldierforlife.army.mil/Retirement/survivor-benefit-plan>

Look for an Army Financial Counselor under the Army Community Service, Financial Readiness Program page at your nearest installation - <https://home.army.mil/imcom/index.php/garrisons>

Locate an RSO - <https://soldierforlife.army.mil/Retirement/rso?maps=all>

QUESTIONS AND ANSWERS

DISCONTINUING SBP COVERAGE – FOR Army Reserve/Guard Soldiers and Gray Area Soldiers

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[If I discontinue RCSBP coverage, can I make an SBP election at non-regular retirement?](#)

[If I discontinue RCSBP coverage and later qualify for a regular or medical retirement, can I make an SBP election?](#)

[If I am submitting my non-regular retirement pay application, can I just complete the DD Form 2656 with decline SBP coverage?](#)

Q1. Who can discontinue RCSBP coverage?

A. Any Army Reserve/National Guard Soldier or Gray Area Retired Soldier that is enrolled (Option B or C) in RCSBP as of December 22, 2022 can discontinue coverage during the 2023 NDAA SBP Open Season that ends January 1, 2024. HOWEVER, the Army Reserve/National Guard Soldier's or Gray Area Retired Soldier'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/RCSBP Open Season 2023 Discontinuation Form to HRC-GAR at usarmy.knox.hrc.mbx.RPMD-ord-sbp-regulatory-and-policy-team@army.mil or mail it to

ATTN: RPMD-ROR-GAR
Human Resources Command
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It must be properly signed and dated by all parties, including the Army Reserve/Guard Soldier's or Gray Area Retired Soldier'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.

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 RCSBP coverage?

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

Q5. If I discontinue coverage, will I still have to pay RCSBP premiums?

A. Yes. You will still be responsible to pay for the coverage you already received. The RCSBP premiums will be charged to you at non-regular retirement. For example, if you have had coverage since your 20 year letter and that was 15 years ago, you will be responsible to pay for the 15 years of coverage you received.

Q6. Who are the beneficiaries that must concur if an Army Reserve/Guard Soldier or Gray Area Retired Soldier wants to discontinue RCSBP coverage?

A. If the Army Reserve/Guard Soldier or Retired Soldier is married, the spouse must concur with the Soldier's or Gray Area Retired Soldier'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/RCSBP 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 have Natural Interest Person (Insurable Interest) RCSBP coverage. Can I discontinue it during the Open Season?

A. Army Reserve/Guard Soldiers and Gray Area Retired Soldiers can terminate their RCSBP coverage for a Natural Interest Person (NIP) at any time without restrictions by submitting a request in writing directly to HRC. 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>.

Q8. Can I discontinue coverage for a former spouse if I have a court order?

A. In order for an Army Reserve/Guard Soldier or Gray Area Retired Soldier to discontinue RCSBP coverage for a former spouse that was required by a court order, the Soldier or Gray Area Retired Soldier must provide a new court order releasing the Soldier or Gray Area Retired Soldier from the requirement to provide the former spouse with RCSBP/SBP coverage. Additionally, the Soldier's or Gray Area Retired Soldier'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.

Q9. If I discontinue RCSBP coverage, can I make an SBP election at non-regular retirement?

A. No. Discontinuing RCSBP coverage results in no future SBP coverage at non-regular retirement. You will not be able to make an SBP election when you apply for your retired pay.

Q10. If I discontinue RCSBP coverage and later qualify for a regular or medical retirement, can I make an SBP election?

A. Yes. If you retire under a regular retirement or a medical retirement you will be given an opportunity to make an SBP election because you qualify for a retirement other than a non-regular retirement. Keep in mind that outside of the open season, if a Soldier with RCSBP coverage later qualifies for a regular or medical retirement, they are afforded an opportunity to participate in SBP and the RCSBP premiums for the coverage they previously received will not be charged.

Note: If you discontinue RCSBP now and don't qualify for a regular or medical retirement, you will not be able to enroll in SBP and you will still owe the RCSBP premiums for the coverage you previously received.

**FOR GRAY AREA RETIRED SOLDIERS AND
SOLDIERS WHO RECEIVED THEIR NOTIFICATION OF ELIGIBILITY FOR NON-REGULAR RETIREMENT**

Q11. If I am submitting my non-regular retired pay application in 2023 and I am participating in RCSBP, can I complete the DD Form 2656 with decline SBP coverage to discontinue RCSBP and SBP?

A. No. To discontinue RCSBP coverage and therefore future SBP coverage, you will still need to complete the discontinuation form and submit that with your retired pay application for non-regular retirement.