

Afterburner

NEWS FOR USAF RETIRED PERSONNEL

VOL. 47, NO. 2

AFRP 36-1

AUTUMN 2005

Survivor Benefit Plan Open Enrollment starts Oct. 1

Two key provisions in the National Defense Authorization Act for Fiscal Year 2005 pertain to the Survivor Benefit Plan (SBP).

The first is that the unpopular and misunderstood reduction to a surviving spouse's SBP when the survivor attains age 62 is being phased out. Five-percent increments will increase the SBP payments over the next two years, so that effective April 1, 2008, every surviving spouse, regardless of age, will receive 55 percent of the base amount selected by their sponsors. (See related story on page 2).

The second provision of the FY 05 NDAA is an SBP Open Enrollment period. The one-year period, according to officials in the SBP section in the Air Force Personnel Center, will run from Oct. 1, 2005 through Sept. 30, 2006.

Eligibility — A member is eligible to make an election to participate in the SBP if entitled to retired pay on Sept. 30, 2005 and is not participating in SBP to the fullest possible extent, or was eligible, at an earlier date, to make a valid election for SBP coverage at a greater level than now in effect, but did not do so.

Retirees, who terminated coverage under Public Law 105-85 -- which provided a year-long disenrollment period and also allows members who retired after May 17, 1998 to terminate SBP between the 25th and 36th month of retirement -- may not elect coverage during this open enrollment period. However, members who had elected spouse coverage and then lost that spouse, remarried and took advantage of the option to not reestablish SBP coverage for their new spouse, will be permitted to elect SBP spouse coverage during this opportunity.

Covered beneficiaries — An open enrollment elec-

tion may be made only for a beneficiary who meets the definitions of law as of the date the election is filed. In other words, you may not elect spouse coverage unless you are married. In addition, a retiree may add an eligible child or children as "contingent beneficiary" to spouse or former spouse coverage. No election for an Insurable Interest beneficiary may be made if a member was married upon retirement or on Sept. 21, 1972, whichever was later.

(See SBP Open Enrollment on page 3)

Special SBP Open Season

This **Afterburner** contains information, instructions and the form needed to enroll in the Survivor Benefit Plan during the year-long opportunity starting Oct. 1.

Retired members considering making an election should read all SBP information in this issue before sending in the application.

The latest information and individual assistance are available by calling the SBP task force at 1 (800) 531-7502. Hours of operation are 7:30 a.m. to 4:30 p.m., CDT, Monday through Friday except holidays. Be sure to have your most recent retiree pay statement available before calling.

Reminders about the Open Enrollment period will be disseminated to subscribers of the Air Force Retiree News Service. To subscribe, go to <http://www.afpc.randolph.af.mil/afretire> and click on Retiree News and then on how to subscribe. Follow-up articles will also be posted on the web site at the same URL address and published in a future issue of the **Afterburner**. Please safeguard this issue as it is the only one that will contain the enrollment form.

Tax free compensation

Combat Related Special Compensation offers high approval rate

The approval rate of applications for Combat Related Special Compensation (CRSC) is currently running 69 percent, significantly better than playing the lottery, but the program is still not attracting a third of the number thought to be eligible.

That's the word from the CRSC staff in the Air Force Personnel Center who encourage all who meet the basic eligibility criteria to apply and let the experienced staff make the decision.

In determining eligibility, retired members should answer the following questions:

* Am I retired with 20 (or more) years of active duty or retired at age 60 from the Guard or Reserve?

* Am I receiving retired pay?

* Do I have a compensable VA disability of 10 percent or higher?

* Is my pay offset by VA disability payments (VA Waiver)?

"If you answered "yes" to those questions and have not submitted your CRSC application, you must have already

(See CRSC offers on page 10)

Afterburner publication “safe” for two more years

Following the decision by the Air Force Publishing Department to no longer fund the printing costs of certain publications, the Office of the Deputy Chief of Staff for Personnel stepped in to assure the **Afterburner, News for USAF Retired Personnel**, is printed for at least two more years.

Air Force Publishing, which had funded the printing of the **Afterburner** since the late 1960s, decided to no longer fund it and several other publications. Still other publications, such as **Airman Magazine**, go from monthly to quarterly.

In the case of the **Afterburner**, the Air Force Personnel Center, which already funds the much larger postal requirement for the **Afterburner**, simply couldn't handle the additional expense. “Dollars are stretched thin everywhere,” budget experts noted.

The AF/DP agreed to pick up the printing tab through Fiscal Year 07, which ends Sept. 30, 2007. Then, officials will take another look at the big financial picture.

Officials point out that it's not a matter of wanting to print the **Afterburner**, but one of being able to come up with the money while funding so many other critical programs. And, even if the decision is made to fund it well into the future, cost reductions are still needed. With a postal increase looming the first of the year, the only way to reduce costs is to cut the number of mailed copies.

Members of the retiree community need to look at other means of getting pertinent retiree information and consider joining one of the many excellent military-related



**Editor's
Notebook**
By
Bill
Turner

organizations, most of which print monthly magazines.

Another resource is the electronic Air Force Retiree News Service to which individuals can subscribe by going online to <http://www.afpc.randolph.af.mil> and clicking on Retiree News. This service is used to send out individual articles of importance to retired members and also let them know when the **Afterburner** has been posted on the Internet.

After subscribing to the AFRNS, please send an e-mail message to Billy.Turner@randolph.af.mil with “Cancel Afterburner” in the subject line so the printed copy won't be mailed to you. More than 10,000 of you have already done this, but more than 757,000 copies of each **Afterburner** are still being distributed.

Since it's impossible to identify a person simply by an e-mail address, please furnish your full name, address and last four digits of your Social Security number so we can find you in the computer file.

Open enrollment has added attractions

Military retired members who decided against the Survivor Benefit Plan during the last open enrollment period, which ran from March 1, 1999 through Feb. 29, 2000, may want to give it some additional thought this time.

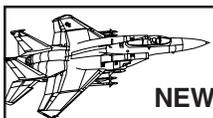
Although the cost will be more this time because of the longer period since your first opportunity to provide SBP's protection for your survivors, a recent change in the law has increased the SBP benefit. That came with the National Defense Authorization Act (NDAA) for Fiscal Year 2005, signed into law Oct. 28, 2004. The Act, Public Law 108-375, gradually eliminates the two-tier method of annuity computation for surviving spouses age 62 or older over a period of three and a half years.

Originally, at age 62, the SBP annuity was reduced from 55 percent to approximately 35 percent. Starting Oct. 1, 2005, the annuity of a survivor receiving 35 percent SBP will see it go to 40 percent. Then, on April 1, 2006 it will go to 45 percent; to 50 percent April 1, 2007; and to 55 percent on April 1, 2008.

Also, a previously passed law included an SBP paid-up provision if the retired member is at least 70 years of age and had paid into the Plan for 30 years (360 payments). That law becomes effective Oct. 1, 2008.

Retired remembers should note that the buy-in cost may seem like a large amount, but consider that it does ensure credit for the years back to when the member was first eligible for SBP, counting toward the 360 months of paid-up coverage. Example: a member who retired Oct. 1, 1978 or before, must pay the buy-in back to the retirement day, but will only have to pay monthly premium until Oct. 1, 2008 to be considered “paid-up.”

A lapse in months of paying for SBP coverage becomes a consideration in determining the 360 months to qualify for paid up SBP. A member may have had SBP premiums in a suspended status because of the death of a spouse or divorce — those months without an eligible beneficiary aren't credited to the 360 months. See related SBP information in this issue.



AFTERBURNER

NEWS FOR USAF RETIRED PERSONNEL

*The **Afterburner** is authorized by Air Force Instruction 36-3106. It is published three times a year by the Retiree Services Branch. Distribution: individuals entitled to Air Force retired pay; unremarried surviving spouses of retirees (automatically if they are receiving an annuity under Survivor Benefit Plan and/or the Retired Serviceman's Family Protection Plan, or the Reserve Component Survivor Benefit Plan); unremarried nonannuitant surviving spouses of deceased Air Force members who were entitled to receive retired pay, may receive the **Afterburner** by requesting it from the address below. The **Afterburner** is not sent to former spouses nor to retirees of other services. Additional copies are not available. The **Afterburner** address:*

HQ AFPC/DPPRT

550 C Street W Ste 3

Randolph AFB TX 78150-4713

*E-mail address is afpc.retiree@randolph.af.mil and the phone number is (210) 565-2126. The **Afterburner** is available on the Internet at <http://www.afpc.randolph.af.mil/afretire/>. Retirees may write to the Co-chairmen of the Air Force Retiree Council by using the office symbol, HQ AFPC/CCU, at the address above. To change your address to receive the **Afterburner** and other official correspondence, see the procedures on page 12 of this issue.*

SBP open enrollment period starts Oct. 1

(Continued from page 1)

No court order may require a member to make an open enrollment election, nor is an election subject to the concurrence of the member's spouse or former spouse. No open enrollment election may terminate coverage for an eligible beneficiary currently protected under the SBP.

Making an election — To make an open enrollment election, a member must complete and submit a DD Form 2656-9, Survivor Benefit Plan (SBP) Open Enrollment Election (see page 5), and mail it to the Defense Finance and Accounting Service. The address is: Director, DFAS-US, Military Retired Pay, PO Box 7130, London KY 40742-7130. It must be received (or postmarked) before the deadline. Elections will be effective the first calendar day of the month following the date DFAS receives the election.

Death within two years — If a member makes an election during the open enrollment period and dies within two years of the effective date of the election, the election is void. All premiums attributable to the open enrollment election will be refunded in a lump sum payment to the person who would have been the beneficiary had the deceased member lived the required two years.



Premiums — Members making an open enrollment election under the provisions of PL 108-375 must pay the required premiums for coverage.

Two categories of premiums apply to these open enrollment elections. First, there are prospective, normal monthly premiums paid for the coverage beginning with the effective date of the election. These premiums will continue until the retiree dies, or the

beneficiary loses eligibility, or until meeting the criteria of the SBP paid up provision. The SBP paid-up provision passed in 1998 when Congress authorized participants who had been in the SBP for 30 years and were age 70 to be considered "paid-up" but not until Oct 1, 2008. The provisions of this open enrollment will give credit retroactive to the date of the "first event" toward meeting the criteria of the 30-year paid-up feature.

The second category of premiums is a one-time open enrollment "buy-in" premium. These premiums are due at the time the member files an open enrollment election, although a member may defer a portion of the open enrollment premium and have the amount deducted from retired pay in 24 equal monthly installments.

The amount deferred may not exceed the total net retired pay the member expects to receive over this period. The member must pay in a lump sum at the time of enrollment any amount that exceeds the maximum available retired pay over the 24-month period.

Pat Peek, who heads the SBP section, emphasized that eligible retirees should read all the related material in this edition of the **Afterburner** before starting to complete the DD Form 2656-9. Since there will be a buy-in payment due, each person should obtain a good estimate of that amount before making their decision.

The amount of the "buy-in" is determined by the length of time the retiree had an eligible beneficiary, but didn't elect SBP's protection. This amount, plus interest, is based upon the number of years since the "event" — the date when first eligible to elect SBP coverage.

For example, a married member retired in 1976, but declined SBP coverage for his wife, now wishes to protect his full retired pay (\$1,000), which would pay his wife \$550 per month for the remainder of her life. The monthly premium for this level of coverage would be \$65. Table 1

shows the per-dollar penalty factor to be 574 for the 29 years since the member's retirement. Therefore, this retiree's retroactive "buy-in" would be about \$37,310 (574 times \$65), and he would have to remit that amount to DFAS-CL within 24 months after making the election. In addition to the lump-sum buy-in, ongoing monthly costs of \$65 will be deducted from the member's retired pay until his death, or his wife dies or they divorce, or until Oct 1, 2008 — if he is age 70 when his SBP coverage could be "paid-up."

Now, let's look at a little different case. For this example, the married member retired in 1992 and elected

(See SBP on page 4)

Spouse and Spouse/Child	
Completed years since "Event"	Lump sum factor per \$1 of monthly premium
0	38
1	48
2	57
3	67
4	74
5	83
6	93
7	103
8	119
9	136
10	153
11	171
12	189
13	209
14	228
15	248
16	269
17	289
18	311
19	332
20	355
21	379
22	404
23	430
24	456
25	482
26	506
27	529
28	552
29	574
30	597
31	618
32	639
33	658

	Member's Status	Date Used to Determine Open Enrollment Premium
Spouse or Spouse and Child Coverage	Married at retirement and currently married to same spouse.	Date of retirement.
	Married at retirement and elected spouse SBP, lost spouse, premiums suspended, remarried and declined to cover new spouse.	First anniversary of the marriage to the new spouse. If remarried previous spouse who was SBP beneficiary at retirement, effective date is date of remarriage.
	Not married at retirement, married later and did not elect SBP for spouse.	First anniversary of the marriage.
Former Spouse or Former Spouse and Child Coverage	Married at retirement, did not elect spouse coverage, divorced.	Date of retirement.
	Unmarried at retirement, married, did not elect SBP, divorced.	First anniversary of first marriage.
	Divorced prior to retirement, declined SBP.	Date of retirement.
	Married at retirement, elected SBP, divorced, remarried but elected not to provide spouse coverage under section 1448(a)(6) of title 10, United States Code.	Date of divorce.
Other Coverage	Electing child only coverage.	Date of retirement or date child acquired, whichever is later.
	Electing insurable interest coverage.	Date of retirement.

SBP coverage

Continued from page 3

reduced coverage for his wife and now wishes to increase the base amount. By increasing the level of coverage from the current amount of \$1,000 to \$2,200, he would ensure his wife would receive more than twice the amount of her original payment: \$1,210 versus \$550 per month until her death. The SBP annuity would be suspended should the spouse remarry before age 55.

The normal monthly premiums for this level of coverage would also increase and become \$143 (\$2,200 times 6.5 percent). Table 1 shows the per-dollar penalty factor to be 209 for the 13 years since the member's retirement. Therefore, this retiree's "buy-in" cost would be about \$16,302 (209 times \$78 [only the additional cost to increase the base amount is subject to the buy-in penalty]). The retired member can remit the total buy-in premium when making the election, or request it be deducted from their retired pay in 24 equal monthly installments

after making the election. In addition, the new monthly premium of \$143 would not be deducted from retired pay after 2022 when SBP coverage would be considered "paid-up," if the retired member is 70 years of age at that time.

It's important to remember that the repayment must be completed in 24 months and the retiree must live for 24 months before the new beneficiary becomes eligible, or an increased annuity becomes payable. The buy-in amount may be recouped by a surviving spouse in less than 15 months.

Details on electing coverage only for a child, or an insurable interest person, as well as other features of the open enrollment, should be directed to the SBP open enrollment special task force at 1 (800) 531-7502. Please have your latest retired pay statement in front of you before you call for information. The team may be reached from 7:30 a.m. to 4:30 p.m., Central time, Monday through Friday except holidays.

SBP counselors at military installations near you are not equipped or staffed to provide guidance.

**SURVIVOR BENEFIT PLAN (SBP)
AND RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)
OPEN ENROLLMENT ELECTION**

*(Public Law 108-375) (October 1, 2005 - September 30, 2006)
(Please read Privacy Act Statement and Instructions before completing form.)*

SECTION I - MEMBER INFORMATION

1. NAME (Last, First, Middle Initial)	2. SSN	3. RETIREMENT/ TRANSFER DATE (YYYYMMDD)	4. RANK/PAY GRADE/ BRANCH OF SERVICE	5. DATE OF BIRTH (YYYYMMDD)
6. CORRESPONDENCE ADDRESS (Ensure your finance center or reserve personnel center is advised whenever your correspondence address changes.)				
a. STREET ADDRESS (Include apartment number)	b. CITY	c. STATE	d. ZIP CODE	e. TELEPHONE (Incl. area code)
f. E-MAIL ADDRESS (Optional)				

SECTION II - BENEFICIARY INFORMATION (This section must be completed regardless of SBP/RCSBP Election.)

7. SPOUSE				
a. NAME (Last, First, Middle Initial)	b. SSN	c. DATE OF BIRTH (YYYYMMDD)		
8. CORRESPONDENCE ADDRESS (Complete if address is different from member's address.)				
a. STREET ADDRESS (Include apartment number)	b. CITY	c. STATE	d. ZIP CODE	e. TELEPHONE (Incl. area code)
9. DATE OF MARRIAGE (YYYYMMDD)	10. PLACE OF MARRIAGE (See Instructions)			
11. DEPENDENT CHILDREN (Indicate which child(ren) resulted from marriage to former spouse by entering (FS) after relationship in column d.)				
a. NAME (Last, First, Middle Initial)	b. SSN	c. DATE OF BIRTH (YYYYMMDD)	d. RELATIONSHIP (Son, daughter, stepson, etc.)	e. INCAPACITATED? (Yes/No)

SECTION III - ELECTION OF COVERAGE

12. BENEFICIARY CATEGORY(IES) (Initial one item only.) (See Instructions.) I ELECT COVERAGE FOR:				
a. SPOUSE ONLY.				
b. SPOUSE AND CHILD(REN).				
c. CHILD(REN) ONLY.				
d. NATURAL PERSON WITH INSURABLE INTEREST (Complete Item 14).				
e. FORMER SPOUSE (Complete DD 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage", or Coast Guard Form CG PSC-4700, "Coast Guard & NOAA Retired Pay Account Worksheet and Survivor Benefit Plan Election".)				
f. FORMER SPOUSE AND DEPENDENT CHILD(REN) OF THAT MARRIAGE (Complete DD 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage", or Coast Guard Form CG PSC-4700, "Coast Guard & NOAA Retired Pay Account Worksheet and Survivor Benefit Plan Election".)				
13. LEVEL OF COVERAGE (Initial one item only. Complete UNLESS 12.d. was selected above.)				
a. I ELECT COVERAGE BASED ON FULL GROSS RETIRED PAY.				
b. I ELECT COVERAGE BASED ON A REDUCED BASE AMOUNT OF \$ _____ (See Instructions).				
c. I ELECT TO INCREASE MY CURRENT REDUCED BASE AMOUNT TO A HIGHER BASE AMOUNT THAT IS LESS THAN FULL GROSS RETIRED PAY (Enter desired base amount \$ _____).				
14. INSURABLE INTEREST BENEFICIARY				
a. NAME (Last, First, Middle Initial)	b. SSN	c. RELATIONSHIP	d. DATE OF BIRTH (YYYYMMDD)	
e. STREET ADDRESS (Include apartment number)		f. CITY	g. STATE	h. ZIP CODE

SECTION IV - REMARKS

15. USE THIS SECTION TO CONTINUE AN ITEM OR MAKE ADDITIONAL COMMENTS.

SECTION V - MARITAL STATUS HISTORY *(See Instructions)*

16. INDICATE DATE(S) OF PREVIOUS MARRIAGE(S) AND DIVORCE(S), IF ANY.

SECTION VI - ENROLLMENT PREMIUM PAYMENT INFORMATION*(Payments under this section are in addition to normal monthly premiums. Use the Premium Tables to determine the amount owed.)*17. ENROLLMENT PREMIUM OPTIONS *(Initial one)* *(See Instructions)*

- | |
|--|
| a. IMMEDIATE FULL ENROLLMENT PREMIUM PAYMENT OF \$ _____ <i>(payment attached).</i> |
| b. IMMEDIATE PARTIAL ENROLLMENT PREMIUM PAYMENT OF \$ _____ <i>(payment attached).</i> The remainder due will be deducted from retired pay in 24 monthly installments. |
| c. FULL ENROLLMENT PREMIUM AMOUNT DEDUCTED FROM RETIRED PAY IN 24 MONTHLY INSTALLMENTS |

SECTION VII - MEMBER OF A RESERVE COMPONENT*(Complete only if you are a member or a former member of a Reserve Component who has completed qualifying service for retired pay at age 60.)*18. I ELECT RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP) *(Initial one)*

- | | | |
|--|---|---|
| a. CHANGE MY ELECTION FROM DEFERRED TO IMMEDIATE ANNUITY <i>(from Option B to Option C).</i> | b. DEFERRED ANNUITY UNTIL AGE 60 <i>(Option B).</i> | c. IMMEDIATE ANNUITY <i>(Option C).</i> |
|--|---|---|

NOTE: I understand that if I was required to elect SBP for a former spouse and that former spouse submitted a deemed election, any RCSBP election I make during this open enrollment period shall be voided and any premiums I pay will be returned.

SECTION VIII - SPOUSE CONCURRENCE FOR RESERVE COMPONENT SURVIVOR BENEFIT PLAN ELECTION ONLY*(Required when a Reserve member is married and elects child(ren) only coverage or does not elect full immediate spouse coverage.)*

19. SPOUSE.

I hereby concur with the Reserve Component Survivor Benefit Plan election made by my spouse. I have signed this statement of my free will.

a. SIGNATURE		b. DATE SIGNED (YYYYMMDD)	
20.a. WITNESS NAME <i>(Last, First, Middle Initial)</i>	b. SIGNATURE	c. DATE SIGNED (YYYYMMDD)	
d. STREET ADDRESS <i>(Include apartment number)</i>	e. CITY	f. STATE	g. ZIP CODE

SECTION IX - CERTIFICATION

21. Under penalties of perjury, I certify that all statements on this form are made with full knowledge of the penalties for making false statements. *(18 U.S. Code 287 and 1001 provide for a penalty of not more than \$10,000 fine, or 5 years in prison or both.)* I further understand that my enrollment in the SBP/RCSBP is contingent upon payment of all premiums due. I understand this election is irrevocable, except as described in the instructions, and that the election is void if I do not live for 24 months from the effective date of the election.

a. MEMBER SIGNATURE	b. DATE SIGNED (YYYYMMDD)
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**SURVIVOR BENEFIT PLAN (SBP)
AND RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP)
OPEN ENROLLMENT ELECTION**

(Public Law 108-375) (October 1, 2005 - September 30, 2006)

PRIVACY ACT STATEMENT

AUTHORITY: 10 U.S. Code 1401; 10 U.S. Code 2771; 10 U.S. Code 1477; PL 92-425 (September 21, 1972, as amended) and EO 9397.

PRINCIPAL PURPOSE(S): To permit eligible individual to make Survivor Benefit Plan, Reserve Component Survivor Benefit Plan elections during the open enrollment period (October 1, 2005 - September 30, 2006).

ROUTINE USE(S): None.

DISCLOSURE: Voluntary; however, failure to furnish requested information will result in delays in adjusting pay and amounts not being properly computed.

INSTRUCTIONS

GENERAL.

1. Read these instructions carefully before completing the form. Please print legibly.

2. Ensure that you advise your finance center (see Item 3 below for address) of your marital status, correspondence and check address changes, at all times. Reserve component members must notify their personnel center (see Item 4 below for address) of their marital status and correspondence address at all times.

3. For retirees who are entitled to receive retired pay, regardless of VA, Civil Service offset/waiver, mail your election (certified or registered mail with return receipt requested is strongly recommended) to the appropriate Uniformed Service designated agent. The Uniformed Services' designated agents are:

(a) **ARMY, NAVY, AIR FORCE AND MARINE CORPS:** Director, DFAS-US Military Retired Pay, PO Box 7130, London, KY 40742-7130;

(b) **COAST GUARD:** Commanding Officer (RAS), USCG Personnel Service Center, 444 S.E. Quincy Street, Topeka, KS 66683-3591;

(c) **PUBLIC HEALTH SERVICE:** Office of Commissioned Corps Support Services, Compensation Branch, 5600 Fishers Lane, Room 4-50, Rockville, MD 20857;

(d) **NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION:** Same as U.S. Coast Guard.

4. For Reserve Members who have not received retired pay, mail your election (certified or registered mail with return receipt requested is strongly recommended) to the appropriate Branch of Service as follows:

(a) **ARMY:** Commander, Human Resources Command - St. Louis, ATTN: AHRC-PAP-T, 1 Reserve Way, St. Louis, MO 63132-5200;

(b) **NAVY:** U.S. Naval Reserve Personnel Center (Code N32), 4400 Dauphine Street, New Orleans, LA 70149-7804;

(c) **AIR FORCE:** Headquarters, ARPC/DPSSE, 6760 E. Irvington Place, Denver, CO 80280-4020;

(d) **MARINE CORPS:** Headquarters, U.S. Marine Corps, Manpower and Reserve Affairs (MMSR-5), 3280 Russell Road, Quantico, VA 22134-5103;

(e) **COAST GUARD:** Commanding Officer (RAS), USCG Personnel Service Center, 444 S.E. Quincy Street, Topeka, KS 66683-3591.

SECTION I - MEMBER INFORMATION.

ITEMS 1 and 2. Self-explanatory.

ITEM 3. If you are retired from active duty, enter the date of retirement or the date of transfer to the Fleet Reserve. If you are a Reserve member whose eligibility for retired pay arises under Chapter 1223 of title 10, United States Code, enter either the date of your 60th birthday, or the later date on which you applied to receive retired pay.

ITEMS 4 and 5. Self-explanatory.

ITEM 6. Enter the address and telephone number (including area code) where you can be contacted.

SECTION II - BENEFICIARY INFORMATION.

This information is needed to determine SBP/RCSBP premiums and annuities at the time of death.

ITEM 7.a. Provide your spouse's name and requested information. Also, attach a copy of your marriage certificate. If you have no spouse, enter "N/A".

7.b. through 10. Provide the requested information about your spouse. In Item 10, if marriage occurred outside the United States, include city, province, and name of country.

ITEM 11. If you do not have dependent children, enter "N/A" in this item. If you elect coverage for your dependent children, provide the requested information and attach copy of birth certificate(s).

11.e. An incapacitated child is an unmarried child who has become incapable of self support before the age of 18, or after the age of 18 but before age 22 while a full time student. Documentation is required.

SECTION III - ELECTION OF COVERAGE.

NOTE: Election becomes effective on the first day of the month after the month it is received by your finance center or the Reserve Personnel Center for Reserve Members awaiting retired pay. You must live for 24 months from the effective date in order for the beneficiary to receive an annuity. If you die before the end of the 24 month period, all Open Enrollment premiums that you paid will be refunded to the beneficiary you elected.

ITEM 12. Complete if you fall into one of the following categories:

1. Retired from active duty and either:
 - a. declined SBP; or
 - b. elected spouse or former spouse coverage at less than the maximum level or child-only coverage.
2. Are a Reservist whose eligibility for retired pay arises under Chapter 1223 of title 10, United States Code, who:
 - a. elected RCSBP for a spouse or former spouse at less than maximum coverage or child-only coverage;
 - b. when notified prior to January 1, 2001 of eligibility to receive retired pay at age 60, either declined SBP or made no RCSBP election; or
 - c. when notified on or after January 1, 2001 of eligibility to receive retired pay at age 60, declined SBP or RCSBP.

12.a. through 12.f.

Persons not participating in SBP or RCSBP: If you are not participating in SBP or RCSBP, you may elect any category of coverage that you could have elected when you were first eligible to participate in SBP or RCSBP. However, if you were previously a participant and elected to discontinue coverage under section 1448a of title 10, United States Code, you are **not** eligible to participate in this open enrollment.

Persons currently participating in SBP or RCSBP with less than maximum spouse or former spouse coverage, or child-only coverage: If you have SBP or RCSBP coverage for a spouse or former spouse at less than the maximum base amount, you may increase that coverage up to your maximum base amount. You may also add coverage for a dependent child. In addition, if you have child-only coverage, you may add coverage for a spouse or former spouse or elect to increase your child-only coverage up to your maximum base amount. No other elections are available to you under this open enrollment period.

12.d. Initial if you are not married, or unmarried with one dependent child at retirement and have never married since, and desire coverage for a person with an insurable interest in you, and provide the requested information about that person in Item 14. An election of this type must be based on your full gross retired/retainer pay. If the person is not a relative, is a cousin or is more distantly related, attach evidence that the person has a financial interest in the continuance of your life. Under provisions of Public Law 103-337, you are permitted to withdraw from insurable interest coverage at any time. Such a withdrawal is effective on the first day of the month following the month the request is received by your finance center. There is no refund of SBP premiums collected before the effective date of the withdrawal.

12.e. and 12.f. Initial Item 12.e. if you desire coverage for a former spouse. Initial Item 12.f. if you desire coverage for a former spouse and dependent child(ren) of that marriage, and provide the requested information about these children in Item 11 as appropriate. Provide a certified photocopy of final decree of divorce that includes separation agreement or property settlement which discusses SBP for former spouse coverage. The DD Form 2656-1, "Survivor Benefit Plan (SBP) Election Statement for Former Spouse Coverage," or Coast Guard Form CG PSC-4700, "Coast Guard & NOAA Retired Pay Account Worksheet and Survivor Benefit Plan Election," must be completed and accompany this form.

ITEM 13. You cannot decrease the level of coverage. If you have coverage based on full retired pay and add a category of beneficiary not previously covered (i.e., if you are adding your spouse to existing child-only coverage based on full retired pay), you may not select a reduced amount.

13.a. Initial if you desire coverage based on your full gross retired/retainer pay.

13.b. Initial if you desire coverage based on a reduced portion of your retired/retainer pay. This reduced amount may not be less than \$300.00. If your full gross retired/retainer pay is less than \$300.00, the full gross pay is automatically used as the base amount. Enter the desired amount in the space provided to the right of this item.

13.c. Initial if you are a current participant and desire to increase your base amount. Enter the desired amount in the space provided to the right of this item.

ITEM 14. Enter the information for insurable interest beneficiary and provide a copy of the birth certificate(s). (See Item 12.d. above.)

SECTION IV - REMARKS.

ITEM 15. Reference each entry by item number.

SECTION V - MARITAL STATUS HISTORY.

ITEM 16. Attach a copy of any divorce decree or court order.

SECTION VI - ENROLLMENT PREMIUM PAYMENT INFORMATION.

Payments under this section are in addition to your normal monthly premiums. Refer to the Premium Tables to determine the total enrollment premium amount owed. Choose one of the three payment options provided.

NOTE: **Make your check payable to DFAS-Cleveland Center, U.S. Coast Guard, or DHHS as appropriate. Write your Social Security Number and "SBP OPEN ENROLLMENT" on your check.** Once your finance center receives your election, you will be notified of any amount owed. If you should desire to void your election, you must notify your finance center in writing within 30 days of being notified of the amount owed.

SECTION VII - MEMBER OF A RESERVE COMPONENT.

Members whose eligibility for retired pay arises under Chapter 1223 of title 10, United States Code, who did not elect Reserve Component Survivor Benefit Plan (RCSBP) after qualifying years of service, or elected RCSBP Deferred must complete this section. If you previously made a RCSBP election, attach a copy of your RCSBP election. NOTE: If you desire to void your election, you must notify your reserve personnel center in writing within 30 days.

ITEM 18.a. Initial this block if you have elected Option B and would like to change to Option C. See Items 18.b. and 18.c. for more detail.

18.b. Initial this block if your last election was Option A. Option A defers a survivor annuity election or declines RCSBP coverage until age 60. By initialing Option B, you elect to provide a deferred survivor annuity to your beneficiary(ies) that begins on the 60th anniversary of your birth, or the day after your death, whichever is later.

18.c. Initial this block if your last election was Option A and you would like to change it to Option C. By initialing Option C, you elect to provide an immediate survivor annuity beginning on the day after your death, whether before or after age 60.

SECTION VIII - SPOUSE CONCURRENCE FOR RESERVE COMPONENT SURVIVOR BENEFIT PLAN ELECTION ONLY.

If you have no existing RCSBP coverage, Section 1448 of title 10, United States Code requires that an otherwise eligible spouse must concur if a member elects less than maximum coverage or elects child-only coverage. The spouse's concurrence must be obtained and dated on or after the date of the member's election. If concurrence is not obtained when required, maximum coverage will be established for your spouse and child(ren) if appropriate. The spouse and the witness must complete Items 19 and 20. The witness cannot be named as the beneficiary in Sections II and III, and cannot be the retiree.

SECTION IX - CERTIFICATION.

Read the statement carefully, then sign your name and indicate the date of signature. For your SBP/RCSBP election to be valid, you must sign and date the form.

Military retirees, annuitants overseas offered Direct Deposit

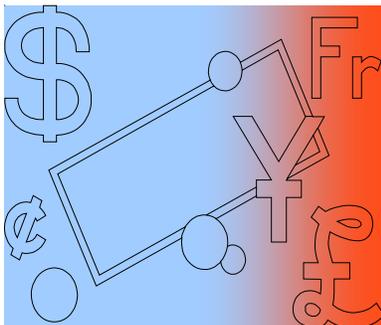
U.S. military retirees and annuitants living in certain overseas locations can have their monthly payments sent directly to their local banks through the Defense Finance and Accounting Services' (DFAS) International Direct Deposit Program.

The first phase of the program began Aug. 1 when enrollment packages were mailed to retirees and annuitants living in the United Kingdom, Australia, Canada, France, and Germany.

"It has been a complex process to make International Direct Deposit a reality," said Navy Captain Karl Bernhardt, director of DFAS Retired and Annuitant Pay Services. "We've been working with the Treasury Department, the Federal Reserve Bank and the State Department to make sure each of our customers that enrolls will be able to enjoy the convenience and security of direct deposit."

International Direct Deposit (IDD) will electronically deposit funds into an individual's bank account on the day they are paid. Enrollees will avoid delays caused by regular mail service as well as those experienced by misrouted or stolen checks.

"There are many benefits with IDD," said Bernhardt.



"In addition to the timeliness and security of delivery, retirees and annuitants can see real savings by bypassing the need to cash their checks and convert dollars to their local currencies. For those who already have their checks deposited in a U.S. bank, using IDD can save them the costs of wire transfers."

Each enrollment package will include the necessary instructions, form and return envelope to begin requests for IDD service. DFAS Retired and Annuitant Pay Service officials urge each enrollee to make sure the form is accurately completed and signed.

Incomplete or wrong bank account numbers, names or addresses will require sending the form back and delaying the process. Bernhardt pointed out that one item that might be overlooked is the name used in an individual's bank account. It should match the name on their DFAS pay account, otherwise, it may be misrouted once it is received by the bank.

While the first phase of the program consists of only five countries, DFAS officials plan to add more than 35 nations to the list soon. More information on DFAS' International Direct Deposit program, as well as plans for future expansion, can be found on the Internet at www.dod.mil/dfas.

AF Enlisted Village assisted living dream becomes reality

Construction on Hawthorn House, the Air Force Enlisted Village's assisted living residence, at last report was continuing on schedule for an August 2005 opening. The 64-apartment complex, located on five acres of land on the Bob Hope Village campus in Shalimar, Fla., features all the amenities of a state-of-the-art facility.

The opening brought a 38-year dream to fruition - lifetime care for the widows of retired Air Force enlisted members. "The need for such a facility increases each and every day," said retired CMSAF Jim Binnicker, president and chief executive officer. "It's the most critical missing piece to our whole plan."

Over the years, many widows have been forced to move to state-run nursing homes, assisted living facilities or move in with their families because they couldn't handle day-to-day living on their own.

"Having our own assisted living facility means our residents will be able to simply move across the street rather than leave their friends and military family," he said.

Binnicker said an added benefit to opening the assisted living facility is that a number of apartments in Bob Hope Village and Teresa Village will open up because many of the current residents will be moving to the new facility. "If you're a widow who isn't sure if she's ready to move to the Air Force Enlisted Village, now is the perfect time

to reconsider," said Binnicker. "We're going to have lots of rooms available and we'll be able to support even more widows who may need our help." Enlisted widows of other branches of the military are eligible for residency on a space-available basis.

Applications for Hawthorn House are now available. When eligibility criteria are met, the following priority system will be used to place individuals in assisted living:

- * Current residents of Teresa Village and Bob Hope Village
- * Prior residents of either village
- * Those people currently on the waiting list for independent living
- * New individuals.

Those people currently on the independent living waiting list who are interested in applying for assisted living will be required to complete a new application.

For more information, contact the Hawthorn House director of admissions, toll-free at (800) 258-1413.

Officials have also announced that it's easier for individuals looking for information on the Enlisted Village on the Internet with a more user-friendly web site.

The site features many photos, as well as information on the Village in general and also on the Hawthorn House. The site is at www.afenlistedwidows.org.

DFAS stresses myPay to 400,000 military retired members

The Defense Finance and Accounting Service is gearing up another effort to encourage retirees to use the myPay electronic system.

A DFAS letter in July to 400,000 retired members under age 65, who are not currently enrolled in myPay, focused on the benefits of the myPay system which is designed to help customers better manage their retired pay accounts. Located online at <https://mypay.dfas.mil>, myPay is a web-based system that allows customers to make changes to their pay account via the internet. Retired members can view their account information from any computer with Internet access virtually 24 hours a day, seven days a week. More than a management tool, it's designed as a time saver as it eliminates the time spent on the phone waiting for the next available operator.

DFAS officials emphasize that myPay provides customers with secure technology that meets or exceeds security standards in private industry. myPay uses strong encryption to protect personal information, eliminating the risks associated with identity theft inherent with hard copy statements. Here are some of the things you can complete online:

- * Receive account and tax information without waiting for postal delivery. In fact, retirees can get their 1099R about a month earlier on myPay. Misplace your 1099R? No worries, it's always available on the myPay Web site.

- * Stop, change and start most allotments, including sav-

ings bond purchases. When you enter the information, you know it has been done right and is in the system.

- * Update your e-mail and mailing address so DFAS can keep you informed. When you give DFAS your e-mail address, you'll be the first to know important personal and general pay information.

myPay allows the customer to create a "restricted access" PIN. If the retired member is unable to retrieve pay or tax information due to travel or illness, a designated family member or representative can look at current data. This restricted access PIN prevents anyone else from adding, changing or deleting information in your pay account.

Officials further explained that DFAS has created a myPay account for each letter recipient and has issued a temporary myPay Personal Identification Number (PIN), given at the end of the letter. The temporary PIN is valid 45 days from the date of the letter. When using myPay for the first time, customers will be asked to change the temporary PIN to a customized PIN of their choice. The customer is encouraged to visit the myPay Web site <https://mypay.dfas.mil> and customize the PIN to guarantee continued access.

Anyone needing assistance using myPay, call toll free 1-800-390-2348; commercial (216) 522-5122 from 7:00 a.m. to 7:30 p.m. (eastern).

CRSC offers high approval

(Continued from page 1)

won the lottery and don't need the money," said Barry Craigen, CRSC program manager.

"But, even if you didn't just win big bucks," he added, "having more money than you had yesterday is not a bad thing. It's tax-free and could go a long way in funding the education of children, grandchildren, or any number of quality of life improvements."

According to Mr. Craigen, the CRSC Branch has already processed almost 17,000 applications since the program's inception in 2003. However, he noted, this is just a drop in the bucket compared to the number of retirees possibly eligible. Figures show there are more than 200,000 members receiving Air Force retired pay who also receive 10 percent or greater VA disability compensation today.

Even subtracting the 50,000 already under Concurrent Retirement and Disability Payments (often called "Concurrent Receipt"), there are still 150,000 retirees who have not applied for CRSC!

Although CRSC specifically addresses "combat-related" disabilities incurred from armed conflict, **retirees who developed disabilities from other than combat may also be eligible.** Disabilities due to exposure to Agent Orange, combat training, aircrew duties, simulated war exercises, parachuting, munitions demolition, potentially qualify

for compensation under this program.

Slipping and falling in an exercise or even during combat -- **if not caused** by something related to combat, combat training, or an instrumentality of war -- normally do not qualify for CRSC. "That said," Mr. Craigen explained, "let our experts make the call. That way if you do not qualify and something in the law or Department of Defense CRSC policy changes in the future that could affect the prior decision, we will already have an application and documentation and can reassess an application based on the new eligibility factors."

Eligible retirees may also receive Individual Unemployability (IU) payments and increased CRSC adjusted for dependents.

Write to HQ AFPC/DPPDC (CRSC), 550 C Street West, Suite 6, Randolph AFB, TX 78150-4708 or call the CRSC Branch at (210) 565-1600 (toll free to the AFPC Contact Center at (800) 616-3775) for more information and an application. Information and applications are available online at the Air Force CRSC website: www.afpc.randolph.af.mil/disability/CRSC/CRSCnew.htm.

The CRSC team needs a DD 214 or retirement order as well as VA rating decisions addressing the disabilities being claimed and any other available documentation. Retired members who don't have their rating decisions should let the team know with the application and they will work to get the rating decisions from the VA.

Records to stay at Air Force Personnel Records Center

Airmen who retire or separate don't have to wait several months to receive requested copies of certain records, thanks to a recent change in how the Air Force maintains personnel records.

The 49-year-old practice of sending nearly 5,500 personnel records each month to the National Personnel Records Center in St Louis, Mo. ended in February as part of an effort to save money and give Airmen better access to their records.

"People usually have a lengthy wait before receiving copies of their records from the NPRC and it costs the Air Force around \$8 million a year to maintain records there," said Mrs. Jo Hogue, chief of master personnel records at the Air Force Personnel Center at Randolph AFB, Texas. "That price tag would keep increasing if we sent more records to the NPRC and our customers wouldn't have the accessibility we'll be able to provide."

"Air Force Personnel Center is committed to providing state of the art, convenient, leading edge service and this is another step in the effort to make Air Force personnel records available online anytime," said Maj. Gen. Tony Przybyslawski, AFPC commander. "We hope to be able to offer that capability to our active duty customers sometime in the next few years."

In the meantime, former active duty Airmen who retired or separated on or after Oct. 1, 2004 can request copies of records such as DD Form 214, performance reports and other information by writing or faxing: AFPC/DPFFCMP, 550 C St. West, Suite 19, Randolph AFB, TX

78150-4721, Fax: Commercial (210) 565-4021, DSN: 665-4021.

People requesting their own records need to send a signed note that includes their name, Social Security number, contact information and specific record requested. Those requesting a relative's record need to check with DPFFCMP for guidance.

Former Guard and Reserve Airmen, who retired or separated on or after Oct. 1, 2004, can write or fax: HQ ARPC/PSDC, 6760 E. Irvington Place, Suite 4000, Denver, CO 80280, Commercial (303) 676-6298, DSN 926-6298.

Those who retired or separated before Oct. 1, 2004 can visit the NPRC Web site for record request instructions: http://www.archives.gov/facilities/mo/st_louis.html.

This change doesn't affect the disposition of medical and dental records, according to Mrs. Hogue. They will still be stored permanently at the NPRC.

"From now on, all Air Force personnel records will be scanned for permanent electronic storage here in the Automated Records Management System and the records that are already at the NPRC will stay there," Mrs. Hogue said. "Converting the records from paper to electronic also provides an additional backup version of each record."

Those who served or are currently serving as active duty members may call the Air Force Personnel Contact Center more information at (800) 616-3775, commercial (210)565-5000 or DSN: 665-5000. Those who served or are serving in the Air National Guard or Reserve may call the Air Reserve Personnel Center at (800)525-0102.

4 Air Force Retiree Council positions to become vacant

Four retired Air Force members will be named later this year to fill vacancies on the Air Force Retiree Council. Although those selected will not become members until July 1, 2006, the new area representatives normally attend the next Council meeting as observers.

Following is a list of the Council areas where vacancies will occur and the name of the current representative:

Area V (Iowa, Minnesota, Nebraska, North Dakota, Wisconsin) – Lieutenant Colonel Lawrence M. Phillips;

Area VII (Arkansas, Kansas, Missouri, Oklahoma) – Colonel Thomas P. Williams;

Area VIII (Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia) – Colonel Paul B. Moore, Jr.;

Area XIV (Pacific Region including Alaska and Hawaii) – Chief Master Sergeant Vincent D. Mee, Jr.

Retirees who reside in an area where there will be a Council vacancy are encouraged to visit the Retiree

Activities Office at the nearest Air Force base to review the application procedures and Council member responsibilities in the governing directive, Air Force Instruction 36-3106, Retiree Activities Program. That information is also available on the Internet. An easy link to AFI 36-3106 is via the Air Force Retiree Services Branch site at <http://www.afpc.randolph.af.mil/afretire>. Scroll down to Retiree Activities Program and click on the link.

Interested Air Force retirees may apply only for the vacancy in the area of their residency. Candidates, officer or enlisted, must apply to the commander of the nearest installation.

Since commanders must screen all applications, but may forward only one nomination to the Council co-chairmen by Nov. 7, interested retirees should apply not later than Oct. 14. The Council co-chairmen will accept nominations only from installation commanders.

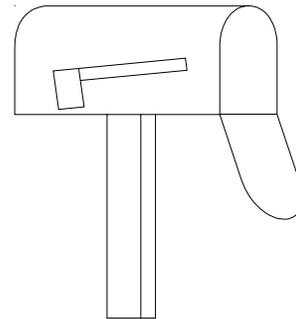
While all Air Force retirees will be considered, those who have shown previous involvement in retiree programs may bring valuable experience to the Retiree Council.

How to change your correspondence address

The **Afterburner, News for USAF Retired Personnel**, is mailed to Air Force retirees and Survivor Benefit Plan annuitants using correspondence addresses supplied by the Defense Finance and Accounting Service's Cleveland Center.

Addresses of non-annuitant surviving spouses of Air Force retirees are maintained in a separate data base explained below.

It's important to send the change of address to the correct location to ensure the change is made in a timely manner. Please note that the London, Ken., address below is a contractor that films the written request as a computer image and transmits it to the Cleveland pay center.



The next Afterburner should be delivered to your mail box in December.

Retirees – Members in receipt of or entitled to retired pay, including retirees whose pay (part or all), comes from the VA or from Civil Service (because of combined federal service), should send their change of correspondence address to:

DFAS
U. S. Military Retirement Pay
P.O. Box 7130
London, KY 40742-7130
Phone: 1 (800)321-1080 or
FAX: 1(800)469-6559

Include your Social Security number and sign your request when mailing or FAXing.

SBP/RSFPP annuitants – Surviving spouses who are in receipt of or entitled to a Survivor Benefit Plan/Retired Serviceman's Family Protection Plan annuity (this includes surviving spouses of retirees who were enrolled in SBP but who are receiving DIC in lieu of the SBP) must send changes of address to:

DFAS
U.S. Military Annuitant Pay
P.O. Box 7131
London, KY 40742-7131
Phone: 1(800)321-1080 or
FAX: 1(800)982-8459

If mailing or FAXing, include your and the deceased sponsor's Social Security numbers and sign the request.

Non-SBP/RSFPP annuitants -- Surviving spouses of retirees who were not enrolled in either the Survivor Benefit Plan/Retired Serviceman's Family Protection Plan (but who may or may not be receiving a DIC pension from the VA), and who are currently receiving the **Afterburner** in their own name, should mail the new address and include the sponsor's retired grade and SSN to:

HQ AFPC/DPPRT
550 C Street West Ste 3
Randolph AFB TX 78150-4713

Surviving spouses in this category who are not receiving the **Afterburner** in their own name may request to be placed on the list by sending a letter of request to the same address.

DO NOT use this portion as a Change of Address form. See information in the appropriate block above for the correct change of address procedures. Anything else will only delay matters.

HQ AFPC/DPPRT
550 C STREET WEST STE 3
RANDOLPH AFB TX 78150-4713

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