

This fact sheet provides information to help you understand the provisions of the Survivor Benefit Plan (SBP), but is not a contract document. The basic statutory provisions of the SBP law are in [Chapter 73, Title 10, United States Code](#).

SBP Disenrollment Provision

Enrollment in the SBP through the years has continued to prove attractive to the majority of those retiring -- in 1998, overall participation for new Air Force retirees was 77 percent. Still, many members retiring did not have post-retirement jobs and, because their financial stability was uncertain, would decline enrollment in the SBP for fear of its irrevocability. They realized that once the decision to participate was made, barring the loss of a beneficiary, they were locked into SBP for life.

Congress felt that this lifetime lock-in might deter many new retirees from participating in SBP; therefore, on Nov. 18, 1997 the disenrollment provision of Public Law 105-85 was enacted. This law provides that retirees who elect SBP coverage at retirement have a one-year period, beginning on the second anniversary of the date of commencement of retired pay, during which they may choose to voluntarily discontinue participation in the SBP.

The law created this new option for retiring members. It also provided the same opportunity to all retirees already participating in the SBP over two years and authorized a one-year termination period which began May 17, 1998 for participants whose second anniversary of commencement of retired pay occurred before May 17, 1998. These members had until May 16, 1999 to submit a request to discontinue participation if they chose to leave the program.

Concurrence Required

To disenroll, covered spouses must concur with the member's decision because he/she will be giving up a valuable benefit. Additionally, he/she needs to know they will no longer be entitled to SBP payments in the event of the member's death.

Disenroll from Former-Spouse Coverage

Coverage for a former spouses can be terminated; however, if the original election was made pursuant to the requirements of a court order, the retired member must attach a certified copy of a modified court order which allows termination of the SBP. In this situation, former-spouse concurrence is not required. If a former-spouse SBP election was voluntary made based on a written agreement that was not ratified or incorporated in a court order, former-spouse concurrence must be provided to discontinue participation.

Withdrawal of Request to Disenroll

The law provides for a 30-day period during which members may withdraw their request to disenroll if they so choose.

Effect of Disenrollment

Once participation is discontinued under the disenrollment provision, no person (i.e., spouse, child, former spouse, etc.) may be paid an annuity in conjunction with any previous participation, no refund of any premiums properly collected will be made, and the member may not resume participation in SBP at any future time for any category of beneficiary.

Procedure to Disenroll

An SBP participant eligible to disenroll should submit a written request to the Defense Finance and Accounting Service using a DD Form 2656-2, Survivor Benefit Plan (SBP) Termination Request. Care should be taken to thoroughly read the section on the front page titled "Advantages and Disadvantages of Continued SBP Participation" prior to making a decision. A request for information, or a request for termination that is not on a DD Form 2656-2 and not signed, dated, and submitted to the address on the DD Form 2656-2 between the 25th and 36th month of receiving retired pay will not be considered a valid request to disenroll.

Effective Date

Participation in the SBP ceases the first day of the month following the month the properly completed form is received by the DFAS. Any premiums deducted for periods on or after such effective date will be refunded; however, there is no refund of any premiums properly collected before that date.

Examples:

-- DD Form 2656-2 received by DFAS on April 29, 2006; SBP costs terminate May 1, 2006; and the pay adjustment will be in the payment received on June 1, 2006.

-- DD Form 2656-2 received by DFAS on Nov. 4, 2006; SBP costs terminate Dec. 1, 2006; and the pay adjustment will be in the payment received on Jan. 1, 2007.

Frequently Asked Questions

Question: I participate in the plan for spouse and child coverage. Can I disenroll just my spouse coverage, and keep my children in the plan?

Answer: No, disenrollment cancels your complete SBP election.

Question: Can I use the disenrollment provision to reduce my previously elected level of coverage (reduce my base amount)?

Answer: No, disenrollment cancels your complete SBP election.

Question: I have child-only SBP coverage, which I want to discontinue. Do I need my child's concurrence to do this?

Answer: No, but if you are married, your spouse must concur.

Question: I've heard that when I disenroll, I will not receive a refund of monies I've paid, even though the government didn't have to pay my survivor an annuity. Why not?

Answer: SBP premiums are paid as protection is received. The fact that your death did not occur which would have resulted in payment of an annuity, is not a basis for a refund, since protection was in force. It's the same as car, fire or home insurance -- no refund is due.

Question: I am unmarried, without children, so have never participated in SBP. In the event that I marry one day and enroll my spouse, will I too be able to disenroll two years later?

Answer: No, not unless your request for disenrollment is made between months 25 to 36 following commencement of receipt of retired pay.

Question: As a retired Reservist, I became entitled to receive retired pay at age 60. DFAS was late in starting my pay. Does that affect when I'm eligible to disenroll from SBP?

Answer: Your disenrollment period is after two full years of being entitled to receive retired pay (between ages 62 and 63). The point of contact for questions concerning Reserve personnel not yet eligible for retired pay should be addressed to Air Reserve Personnel Center headquarters at (800) 525-0102 Ext. 71227, DSN 926-6438 or commercial (303) 676-6438.

Question: I have former-spouse coverage which was court ordered. My former spouse agrees to let me stop her coverage. Can we simply both sign a statement to that effect?

Answer: No, if the former spouse election was made pursuant with a court order, an amended court order must be provided with the disenrollment request.

Question: My spouse concurred with my decision to disenroll, but has changed

her mind within the 30-day cooling off period ordered by law. If she contacts DFAS and withdraws her concurrence, will my request be valid or void?

Answer: It will be void, since disenrollment cannot be effective without spousal concurrence.

Question: I sent my disenrollment request in on May 29, but SBP costs continued to be withheld an extra month. Why?

Answer: By law, disenrollment is effective on the first day of the month following receipt of the application. Your application was received at DFAS (as shown by date stamp) on June 2; therefore, your effective date of disenrollment is July 1. You remained in the plan until the effective date.

Question: I had spouse coverage previously, but it was suspended when my spouse died. Should I take any action to disenroll even though I only participate with suspended coverage now?

Answer: No action appears necessary. Since 1986, the law has provided you the opportunity to not resume spouse coverage within the first year of remarriage. You may exercise that option in the event you remarry.

Question: I enrolled for spouse-only SBP coverage when I retired as I had no children. Can I disenroll from spouse-only coverage now and, if I have children in the future, elect child coverage for them?

Answer: No. When you disenroll, you cannot enroll later even for a different option.

Question: Currently, I have voluntary former-spouse coverage. I have not remarried since my divorce. My former spouse remarried last year and no longer needs SBP coverage. Can I disenroll now and, if I remarry at a later date, enroll my new spouse?

Answer: No. Once you disenroll, you cannot enroll later even for a different option.

Question: I have SBP coverage for my spouse and children. I am working Civil Service now and plan on working until I retire. If I disenroll from the SBP now, can I elect coverage under the Civil Service retirement system when I retire from Civil Service?

Answer: Yes.

Question: I retired and elected spouse SBP coverage. I have been rated 100 percent disabled by Veterans Affairs effective as of my retirement date. I have

been told that if I die and my death is ruled service connected, my spouse's SBP would be completely offset by her Dependency and Indemnity Compensation entitlement from the VA. They told me once a member is continually rated 100 percent VA-disabled for 10 years (or in my case, five years because my 100 percent disability rating was effective the date of my retirement), DIC is authorized, so I could terminate my SBP coverage. Can I disenroll now and not have to pay SBP premiums for three more years?

Answer: Yes, you could, but you may not want to. If you disenroll now, there will be no SBP premiums refunded to your spouse upon your death. If you wait until you are 100 percent VA disabled for five years (or 10 full years if your disability rating was not effective until after your date of retirement) to withdraw, your widow would receive a refund of premiums you have paid into the SBP as long as she files a DIC claim with the VA within a year of your death.

Question: I can understand the reasoning why I just can't jump into the SBP at anytime, but why can't I get out of it at any time?

Answer: Until enactment of Public Law 105-85, a retiree's SBP decision was irrevocable. This stringent provision of the SBP was intended to establish a stable pool of participants in order to maintain a steady stream of contributions to balance potential pay-outs to survivors.

Question: May I submit the disenrollment form to DFAS prior to the second anniversary of commencement of retired pay?

Answer: It will not be considered a valid form. When DFAS receives a disenrollment request prior to the 25th month following the effective date of retirement, or if the disenrollment request was signed and dated prior to the 25th month following the effective date of retirement, they will return the form to the member and advise the member to re-accomplish another form after the second anniversary of the commencement of retired pay. Remember: To be a valid request, the DD Form 2656-2 must be signed, dated, submitted and received by DFAS between the 25th and 36th month of receiving retired pay.