

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
MICHIGAN ARMY AND AIR NATIONAL GUARD
HANDBOOK FOR RETIREES
(INFORMATION AND BENEFITS UPON RETIREMENT)
February 1, 2011

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CHAPTER 1: INTRODUCTION

1-1. Handbook for Retirees

- a.** This handbook outlines military status, benefits, and privileges and provides other information, which may be useful to you upon your retirement. The information provided was gathered from web sites/references outlined in Chapter 3 of this handbook. It is not at all inclusive, but provides an abundance of information pertaining to retirement.
- b.** This handbook should be made available to family members, because it contains information concerning benefits and privileges to which they may be entitled.
- c.** Suggested changes or improvements to this Handbook, should be directed to: Department of Military and Veterans Affairs, Attn: MITAG-RET, 3423 North Martin Luther King Jr. Boulevard, Lansing, MI 48906-2934 (Phone 517-481-7647).

1-2. Military Publications

- a.** The Wolverine Guard is published and mailed to active and retired Michigan National Guard soldiers/airmen (others upon request). It keeps recipients informed on what the Michigan National Guard is doing and provides information on a variety of topics.
- b.** The Army Echoes is a HQDA bulletin published and mailed to retired soldiers keeping them informed of significant changes to laws and directives that affect them. It also provides a variety of information on retirement benefits and privileges.
- c.** The Afterburner is a HQDAF publication and mailed to retired airmen (in receipt of retired pay only) keeping them informed of significant changes to laws and directives that affect them. It also provides a variety of information on retirement benefits and privileges. "Gray Area" retirees may access this publication on the Internet at www.retirees.af.mil/ or at the Retiree Activities Office at each base.

1-3. Community Relations

- a.** Retirees are a valuable link between the military and the general public. Their knowledge makes them an effective spokesperson for the military in the civilian community.
- b.** There are many ways a retiree can serve as a military representative within their community. Speaking with civic, professional, business and veterans organizations and writing articles on subjects of current interest for local newspapers are just a few.
- c.** Retirees can also be of assistance to local military recruiters, encouraging capable and intelligent young men and women to join the military. These people will pay particular attention to those that have experienced and found satisfaction in serving.

CHAPTER 2: INFORMATION FOR YOU AND YOUR SURVIVOR

It is highly recommended that you keep all personnel records pertaining to your military career in one location. You should also keep your spouse or primary beneficiary apprised of their location. The following is a checklist that may prove to be beneficial to you and your spouse while in a retired status or upon death:

1. I retired in (day/month/year) _____ from (Unit, Battery, Detachment, Squadron etc) _____
(Location/Address) _____
2. My Social Security Number is: _____
3. I served on Regular Active Duty in:
Army ___ Navy ___ Air Force ___ Marine Corps ___ Coast Guard ___ None ___
4. When I retired from the Army/Air National Guard I:

Did ___ Did not ___ elect transfer to the Retired Reserve.

Did ___ Did not ___ choose concurrent separation from the Army/Air National Guard and as a Reserve of the Army/Air Force.

Did ___ Did not ___ make a previous election for the Survivor Benefit Plan when I reached 20 qualifying years of service for retirement.

Did ___ Did not ___ convert Servicemen's Group Life Insurance to Veterans Group Life Insurance.
5. I retired in the Rank/Pay Grade (COL/O6, SMSGT/E8, SSG/E6 etc.) of _____
6. In the event of my death, call: (517) 481-7647 (Department of Military and Veterans Affairs, Military Retirement Administrator, Lansing, MI).
7. I was age _____, when I retired and my date of birth is: (day/month/year) _____
8. List all your insurance policies, stocks, bonds etc., plus any organization you are due retired pay from or companies you are indebted to and include account, address and phone number's if available. (List on reverse side of this form)
9. I have placed all personnel records in the following location: _____

NOTE: It may be beneficial for you to give a copy of this document to your spouse or beneficiary, so they may have it for their records.

CHAPTER 3: MILITARY RELATED WEB SITES

The following web sites contain a wide variety of topics, information, forms, points of contacts and more! For those of you that do not have access to computers, you may be able to utilize your local library, church, friends or family member's personal computers to access these sites. You will find answers and on line services to assist you and your family prior to and after retirement. **Enjoy your journey through the web!**

- Defense Technical Information Center (DTIC): <http://www.dtic.mil>
- U.S. Department of Defense: <http://www.defenselink.mil/>
- Military.com: <http://www.military.com>
- U.S. Air Force (USAF): <http://www.af.mil/>
- Air Force Retiree Services: <http://www.retirees.af.mil>
- U.S. Army: <http://www.army.mil/>
- U.S. Army Human Resources Command: <https://www.hrc.army.mil>
- The National Archives (Veterans Records): <https://vetrecs.archives.gov>
- National Guard Association of Michigan (NGAM): <http://ngam.org/>
- Defense Finance and Accounting Service (DFAS): <http://www.dfas.mil/>
- TRICARE: <http://www.tricare.mil/>
- Military Officers Association of America (MOAA): <http://www.moaa.org/>
- The Retired Enlisted Association (TREA): <http://www.trea.org/>
- Department of Military & Veterans Affairs (DMVA): www.michigan.gov/dmva
- U.S. Office of Personnel Management (OPM): <http://www.opm.gov/>
- U.S. Department of Veterans Affairs (VA): <http://www.va.gov/>
- U.S. Social Security Administration: <http://www.ssa.gov/>

CHAPTER 4: GRAY AREA RETIREE BENEFITS

4-1. Definition of a “Gray Area” Retiree

Active Reserve Component (RC), Individual Ready Reserve (IRR) or Retired Reserve service member who has received a 20-year letter but has not received any retirement pay (prior to Age 60) are defined as “Gray Area” retirees.

4-2. Benefits

a. Military Installations, Facilities and Activities (Local post policies and directives govern the use of facilities)

- Exchanges
- Commissary
- Shoppettes
- Service Stations
- Physical Fitness Center
- Lodging

(Military lodging is available on a limited basis. Space A is “first come first served” based on daily availability.)

(Armed Forces Recreations Centers lodging is available to all ID card holders. Guest Houses are normally available on a limited basis. Toll-Free number: 1-800-462-7691)

- Theater
- Recreation Center
- Officer/NCO/Enlisted Clubs
- Laundry/dry cleaning
- Bowling Alleys
- Golf Courses
- Beverage Stores
- Libraries
- Four Seasons
- Flower Shops
- Optical Shop
- Beauty/barber shop
- Check cashing/currency exchange

NOTE: You may want to check prior to traveling to a specific installation, all or some facilities/activities may or may not be offered. The majority of your larger installations offer all of these services, where some of the smaller ones are limited.

- b. Medical Facilities**
 - Member – No, except on Active Duty for Training (ADT) or Active Duty (AD)
 - Spouse/Dependents – No
- c. Health Care (TRICARE see Chapter 10, Page 40 for details - Premiums apply)**
 - Member – Yes
 - Spouse/Dependents – Yes
- d. Space-A Travel**
 - Member – Yes, limited to Continental United States (CONUS)
 - Spouse/Dependents – No
- e. SATO/Carlson Wagonlit Travel**
- f. Legal Assistance (Limited)**
- g. Survivor Assistance**
- h. Casualty Assistance**
- i. Family Services**
- j. VA Benefits (Yes, if eligible)**
- k. Veterans Group Life Insurance (Yes, if eligible and requested)**
- l. State Benefits (See your State Representative)**

NOTE: To be eligible for benefits, it is very important that you and your dependents obtain a Uniformed Services Identification and Privilege Card (ID). See Chapter 9 for details. In addition, “Gray Area” retirees must keep their correspondence addresses updated by writing or calling to:

Army

Commander
 U.S. Army Human Resources Command
 Attn: AHRC-PDR-RCR
 1600 Spearhead Division Avenue
 Department 420
 Ft. Knox, KY 40122-5402
 1-800-318-5298

Air

HQ ARPC/DPPR
 6760 E. Irvington Place
 Denver, CO 80280-1900
 1-800-525-0102

CHAPTER 5: RETIREE BENEFITS

5-1. Definition of a Retiree

A Retired Reserve service member who is Age 60 +; receiving retired pay.

a. Medical Facilities

- Member – Yes
- Spouse/Dependents – Yes

b. Health Care (TRICARE see Chapter 10 for details)

- Member – Yes
- Spouse/Dependents – Yes

NOTE: Guardsman/Reservists who qualify for retired pay prior to age 60 (reduced retirement age), must still wait until age 60 to receive health care benefits. However, they are eligible for premium based health care benefits as outlined in Chapter 10, page 40 “Gray Area Retiree”.

c. Space-A Travel

- Member – Yes
- Spouse/Dependents – Yes, Outside Continental United States (OCONUS)

d. Legal Assistance

e. VA Benefits

NOTE: Upon reaching Age 60, you and your Spouse/Dependents need to have you're Uniformed Services Identification and Privilege Card (ID) updated (See Chapter 9 for details). In addition, if you have not applied for your Military Retired Pay, you must do so immediately (See Chapter 6 for details).

CHAPTER 6: MILITARY RETIRED PAY (FEDERAL/STATE)

6-1. Federal Retired Pay - Overview

- a. Military retired pay is not a pension or annuity, nor is it awarded as a vested interest or contractual right. It is “reduced compensation for reduced services.” Retired pay for length of service ranges from 40 percent to 100 + percent of basic pay.
- b. Reserve retirees are eligible for Retired pay after 20 years or 15 years (if medically discharged) of creditable service and upon reaching 60 years of age. In addition, a retiree may also qualify for a reduced retirement age (prior to age 60, but not before age 50) if they meet the following qualifications:
 - Involuntary mobilization and voluntary active status in support of a contingency qualify, but there is no requirement to be involuntarily mobilized, to support a contingency to serve on active duty outside the continental United States to receive credit under the law. Most active duty time qualifies, including training, operational support duties and school tours. It does not matter whether active duty time is paid for under military or reserve personnel appropriation accounts, provided such active duty is performed under the authority of **10 U.S. Code 12301 (d)**.
 - Full-Time National Guard duty served under a call to active service by a governor and authorized by the president or the secretary of defense under **32 U.S.C. 502(f)** for purposes of responding to either a national emergency declared by the president or a national emergency supported by federal funds.
 - Qualifying active duty service must have been performed **after January 28, 2008**. Credit for time served on or before that date is not creditable.

Retirees who meet the qualifications are eligible to receive retirement pay by three months for each cumulative period of 90 days served on active duty in any fiscal year (October 1 thru September 30). The following is an example of how these guidelines work:

A guardsman/reservist performed a total of 127 days of creditable active duty service under authority, 10 U.S. Code 12301 (d) or 32 U.S.C. 502(f) in FY-2009 and 61 days in FY-2010.

Under this scenario, all of the active duty time the guardsman/reservist performed could be credited toward reduced retirement age eligibility, because it was active duty time performed under circumstances permitted under law. However, because time credited must total 90 days or must be in multiples of 90 days in the aggregate during a fiscal year in order to correspondingly reduce his/her retirement age by three months, or multiples of three months, the guardsman/reservist will be able to reduce the retirement age by three months for fiscal 2009 only. If the soldier/reservist would have performed an additional 53 days during fiscal year 2009, they would have been able to reduce their retirement by six months. Similarly, because the guardsman/reservist only served on active duty for 61 days during fiscal year 2010, they must perform an additional 29 days of creditable active duty service some time in FY-2010 in order to reduce retirement age an additional three months.

6-2. Computation of Retired Pay

a. The following factors apply in determining your retired pay:

- Retired Grade
- Date First Joined the Military Service
- Qualifying Years of Service for Retired Pay
- Total Creditable Points for Retired Pay

b. The formula for computing retired pay is fairly simple. You divide the number of creditable retirement points by 360. This gives you the equivalent years of service earned and what is reported to the Defense Finance and Accounting Service (DFAS). They treat those years in the same fashion that they treat “years of satisfactory service” for retiring active component members. At that point certain rules come in to play based on when the member first joined the military service. The following rules apply:

- **First joined any military branch before 8 September 1980.** Years of satisfactory (equivalent) service will be multiplied by 2.5 percent up to a maximum of 75%. The resulting percentage will be applied to the basic pay in effect for the member (based on retired pay grade and years of service) on the date retired pay starts to determine monthly retired pay. Guard and Reserve members who separate or are discharged (did not elect transfer to the Retired Reserve) before age 60 will have their total years of service for pay determined as of time of separation/discharge. Guard and Reserve soldiers who transfer to the Retired Reserve until age 60 will have their total years of service for pay determined at age 60. Monthly retired pay will be increased annually by a cost of living allowance (COLA) when applicable.
- **First joined any military branch on or after 8 September 1980.** Years of satisfactory (equivalent) service will be multiplied by 2.5 percent up to a maximum of 75%. The resulting percentage will be applied to the average of the highest 36 months of basic pay in effect for the member to determine monthly-retired pay. Guard and Reserve members who separate or are discharged (did not elect transfer to the Retired Reserve) before age 60 will have their highest 36 months of basic pay determined at time of separation/discharge. Guard and Reserve soldiers/airman who transfer to the Retired Reserve until age 60 will have their highest 36 months of basic pay determined at age 60 – generally, the pay scales in effect when they were ages 57, 58 and 59. Monthly retired pay will be increased annually by a cost of living allowance (COLA).

6-3. Application for Retired Pay

a. Retired pay begins on your 60th birthday; however, you must apply for it. You can be paid retroactively but it cannot start until you apply for it. There is however, a six year statute of limitations which specifies that if the Retired Application is filed more than six years after age 60, one day’s Retired Pay will be lost for each day’s delay over six years. Your eligibility to receive retirement pay would have been determined well in advance of actual retirement at age 60 (Twenty/Fifteen Year Letter).

- b. If you elected to transfer to the Retired Reserve, your application will be mailed to you during the month of your 58th birthday for Army National Guard and approximately 4 months prior to your 60th birthday for Air National Guard. If you elected separation/discharge in lieu of transfer to the Retired Reserve or you retire close to or at age 60, you must request application either through the U.S. Army Human Resources Command (HRC) by calling toll free at 1-800-318-5298 or HQ Air Reserve Personnel Center (HQ ARPC) by calling toll free at 1-800-525-0102. You may also call the Department of Military and Veterans Affairs (DMVA), State Military Retirement Administrator at (517) 481-7647 for assistance.
- c. Application Packets include instruction sheets and all the forms necessary to process your retirement pay. Packets are mailed to your address listed in the reserve database. It is highly recommended that you maintain a valid address with U.S. Army HRC or HQ ARPC so you may promptly receive your benefits and entitlements.
- d. The following documents are required to process your retired pay (Application Packet):
 - DD Form 108 (Application for Retired Pay Benefits)
 - DD Form 2656 (Data for Payment of Retired Personnel)
 - SF Form 1199A or DD Form 2762 (Direct Deposit Authorization)

In addition, you need to provide copies of the following forms, as appropriate:

- Final NGB Form 23B – (Army National Guard Retirement Points History Statement)
- NGB Fm 23D/20 Year Letter – (Notification of Eligibility for Retired Pay at Age 60)
- Final AF Form 526 – Air Guard (ANG/USAFR Point Credit Summary)
- Any documents substantiating additional retirement points
- DD Form 2656-5 or DD Form 1883 – Survivor Benefit Plan Election Certificate

NOTE: For guardsman/reservists who qualify for the reduced retirement age, the following additional steps must be taken when completing the application process:

- In block 3 of the DD Fm 108 and DD Fm 2656 you would state the date you request to be placed on the retired list. That date would be your 60th birthday minus the number of 90 day “drop(s)” for which you qualify.
 - Attach all of your DD Form 214’s (Report of Transfer or Discharge) that you are claiming for your 90 day drop(s), along with the mobilization and separation orders.
 - On the top of the DD Fm 108 and DD Fm 2656 write in large red letters “90 Day Drop Application”.
- e. Mail the Application Packet to the address(s) listed below (keep copies for your records):
 - Army National Guard – Commander
 U.S. Army Human Resources Command
 Attn: AHRC-PDR-RCR
 1600 Spearhead Division Avenue, Department 420
 Ft. Knox, KY 40122-5402

- Air National Guard – HQ ARPC/DPPR
6760 E. Irvington Place
Denver, CO 80280-1900

NOTE: Do not mail by certified or register mail.

6-4. Processing of Application

U.S. Army HRC or HQ ARPC processes your application (returned to member if not properly completed, signed or dated) and enters all service related data, direct deposit information, survivor benefit data and tax information into a system that updates the Defense Finance and Accounting Service – Cleveland Center (DFAS-CL) retiree database. This system does all financial calculations and establishes your pay account.

6-5. Procedure for Payment

- a. Retired pay is administered by Retired Pay Operations, DFAS-CL.
- b. Retired Pay Operations will mail a Retiree Account Statement (RAS) when an account is established. This will include your monthly pay, how your pay was calculated, tax information, survivor benefit cost data and procedures for contacting DFAS-CL for changes to your pay account. Revised RAS's are sent only when a change occurs in retired pay, usually this is annually when COLA increases take effect. As a reminder, monthly Leave and Earning Statements (LES's) are not furnished to retirees.
- c. Retirees will have their retired pay electronically transferred to their financial institution on the first business day of each month.
- d. To make changes in retired pay, Retired Pay Operations should be notified before the 10th day of the month proceeding the month of payment. Changes after the 10th may not be made until the following month. All changes must include the retirees signature and Social Security Number (SSN).
- e. Retired members who waive all retired pay in favor of VA compensation will be paid by VA. Retired members who waive a part of their retired pay to receive an equal amount of VA compensation will receive monthly payments from VA and DFAS.

6-6. Method of Payment

- a. The Debt Collection Improvement Act of 1996, requires mandatory Electronic Fund Transfer (EFT) for all retirees and annuitants in the United States unless the recipient elects a waiver from using EFT (direct deposit).
- b. Checks of retired members residing in certain overseas areas are mailed directly to the individual. For those that do not use EFT and it becomes apparent that the check has been lost, destroyed, stolen or is not received with 10 days after the normal delivery date, the retiree should request in writing for stop payment. Send request to:

DFAS; U.S. Military Retirement Pay
P.O. Box 7130
London, KY 40742-7130

NOTE: A delay in issuance of a substitute check should be anticipated

6-7. Retired Pay Mailing Address

It is the retirees and annuitant's responsibility to notify the appropriate servicing center whenever their address changes. Even though retired pay is sent to your financial institution via direct deposit it is important to keep your address updated. Your address is used to mail correspondence such as: Army Echoes, Retired Pay Account statements, annuities, IRAs, insurance contracts, Form 1099R, distributions from pensions, retirement or profit-sharing plans and other correspondence from the servicing center.

Retirees should notify DFAS-CL when they have a change of address.

DFAS; U.S. Military Retirement Pay
P.O. Box 7130
London, KY 40742-7130
Toll Free: 1-800-321-1080
Fax: 1-800-469-6559

Annuitant's should notify DFAS-CL when they have a change of address.

DFAS; U.S. Military Annuitant Pay
P.O. Box 7131
London, KY 40742-7131
Toll Free: 1-800-321-1080
Fax: 1-800-982-8459

6-8. Inquiries Regarding Pay Accounts

- a.** Retirees should address questions regarding their pay to DFAS-CL.

DFAS; U.S. Military Retirement Pay
P.O. Box 7130
London, KY 40742-7130
Toll Free: 1-800-321-1080
Fax: 1-800-469-6559

- b.** Annuitants should address questions regarding their Survivor Benefit Plan or Retired Serviceman's Family Protection Plan to the DFAS-CL:

DFAS; U.S. Military Annuitant Pay
P.O. Box 7131
London, KY 40742-7131
Toll Free: 1-800-321-1080

Fax: 1-800-982-8459

- c. Survivors should report retiree deaths to the DFAS Cleveland Center's Casualty Office at 1-800-321-1080. Faxes can be sent to the office at 1-800-469-6559.

6-9. Allotments from Retired Pay

- a. Retirees are authorized a maximum of six (6) discretionary allotments. Examples of discretionary allotments are:

- Health Insurance Premiums
- Auto/Life Insurance
- Mutual Fund/Investment Firm
- Auto/Personal Loans
- Mortgage/Rent
- Consumer Debts

- b. Retirees are authorized an unlimited number of non-discretionary allotments. Examples of non-discretionary allotments are:

- U.S. Government Savings Bonds
- Payment of Delinquent Federal, State or Local Taxes
- Any Court Ordered Garnishment
- Charitable Contributions

6-10. Deductions from Retired Pay for Survivor Benefit Plan (SBP)

Deductions for SBP or RC-SBP (if applicable) begin on the first day you are eligible for retired pay. The amount is adjusted by the COLA to retired pay at the same time and same percentage. The same COLA also applies to the SBP/RC-SBP benefit payable.

Deductions will continue throughout the life of the retiree, except when (as applicable):

- Insurable interest person predeceases the retired service member.
- No eligible beneficiary
- The retiree, with consent from the spouse elects to discontinue SBP participation within a one year period starting on the second anniversary of the establishment of the SBP account.
- The retiree is suffering from a service-connected disability and is rated totally disabled for a continuous period of ten years. If such rating occurred subsequent to the date of retirement or is rated totally disabled for fewer than ten years, but not fewer than five years from date of discharge or release from active duty and the retired soldier withdraws from SBP with the consent of the beneficiary.

6-11. Designation of Beneficiary

- a. At the time of retirement, retirees are given an opportunity to designate a beneficiary for unpaid retired pay and allowances at the time of death. This is retired pay due the retiree from the last pay date to date of death.

- b. Retirees may change a beneficiary at any time. Submit a written request to DFAS-CL, furnishing the name, SSN, address and relationship of the beneficiary to the retiree. The retiree must then sign, date, include their SSN and have witness sign and date request.

6-12. Garnishment of Pay

- a. Retired pay may be garnished for enforcement of a retiree's legal obligations to provide child support or make alimony payments. Upon receipt of a court order, DFAS-CL may use retired pay that may be available, including allotments to satisfy the writ. The amount can include all retroactive amounts for which a retiree is delinquent in child support or alimony. DFAS-CL will attempt to notify a retiree of any garnishment against them. Only the retiree's disposable retired pay is subject to garnishment.
- b. Disposable retired pay is gross retired pay less:
 - Amounts owed to U.S.
 - Federal Income Tax.
 - Additional withholding when the retiree submits evidence of the tax obligation.
 - State taxes under certain conditions.
 - SBP/RC-SBP deductions.
 - VA service-connected disability or death payments.
- c. The garnishment amount is limited to 50 percent of disposable pay if the retiree is supporting a second family and 60 percent if the retiree is not supporting a second family. When a retiree is over 12 weeks in arrears for support, the limitation is 55 percent when supporting a second family and 65 percent when not supporting a second family.
- d. When DFAS-CL has been served with more than one legal process, money is available on a first-come, first-serve basis.
- e. For division of retired pay as property in a divorce case, see Chapter 12.

6-13. State of Michigan Retired Pay

- a. Public Act 150 of 1967, as amended, State of Michigan, authorizes a retirement for all Michigan National Guard personnel who have completed 19 years, 6 months and 1 day of creditable service in the Michigan National Guard (time served in the Inactive National Guard is not creditable) and have been honorably separated/discharged. Compensation will be at the rate of \$50.00 per month beginning at age 55 or the effective date of application, whichever is the later date. It may not be drawn by active members! This benefit is not automatic and must be applied for (not earlier than 3 months prior to separation/discharge).
- b. This retirement is in addition to Federal Retired Pay. This benefit is subject to Federal Income Tax, but is not subject to State Income Tax.
- c. Upon the death of a person eligible (19yrs, 6mos and 1dy of creditable Michigan National Guard Service), the surviving spouse shall receive \$41.67 per month until death. Application by the surviving spouse must be made in order to collect this benefit.

- d. For further information pertaining to this benefit, please contact Mr. Kenneth Baldwin, Administrator, State Military Retirement Program at (517) 481-7647 or email at: .

6-14. Taxation of Retired Pay

- a. Retired pay is subject to Federal Income Taxation. DFAS-CL computes the amount to be withheld from retired pay and withholds this amount. Every year, no later than the 25th of January, DFAS-CL will send you an Internal Revenue Service (IRS) Form 1099-R which will show you all the taxable retired pay paid and the amount of tax withheld during the calendar year.
- b. If a retiree is not a citizen of the United States and does not reside in the United States, IRS Form 1099-R will not be issued. Nonresident alien tax will be withheld from a retiree's pay instead. The retiree will be informed by TDF Form 10425 at the end of each calendar year as to the amount withheld.
- c. Taxable income from retired pay does not include the amount of SBP/RC-SBP deductions. Those retirees that elected to participate in SBP are taxed only on what retired pay they actually receive. The SBP payable to the designated beneficiary is subject to Federal Income Tax, but is not subject to Federal Estate Tax.
- d. If a retiree does not submit a withholding exemption certificate (TD Form W-4) or indicate marital status and the number of exemptions on DA Form 2656 (Data for Payment of Retired Personnel), withholding tax will be based on one exemption, as if single.
- e. If a retiree desires to increase/decrease number of dependents or requests additional withholding (must claim 0 dependents, be in even dollar amounts and a minimum of \$10.00) they may do so by completing a TD Form W-4 and submitting it to Retired Pay Operations, DFAS-CL. The IRS requires the filing of a new TD Form W-4 with RPO within 10 days of a decrease in the number of exemptions.
- f. VA disability pay is tax-exempt.
- g. State Income Tax, where applicable, is not withheld from retired pay unless a state has entered into an agreement with the Department of Defense to permit finance centers to withhold state income tax. All States that tax retired pay have signed withholding agreements with DFAS-CL.
- h. Some States exempt all or a portion of retired pay from income taxation. Some States exempt disability retired pay in the same manner as the Federal Government. All States exempt VA and Social Security Payments from taxation.
- i. Further Information, Determinations in each individual tax case are made by the Internal Revenue Service or the tax authorities of the State Government concerned. Answers to Federal tax questions may be obtained from the District Director of the IRS. Answers to State tax questions may be obtained from appropriate State officials.

CHAPTER 7: SURVIVOR BENEFITS

7-1. Reporting of Retiree Deaths

It is very important that you inform your beneficiary of the process required, upon your death. They must immediately contact the following office(s) that apply to their retirement status and branch of service at the time of death. Once notification is made, these office(s) will assist the survivor in processing survivor benefit claims:

- “Gray Area” Retiree (Prior to Age 60 and Not Receiving Retired Pay):

Survivors of Air National Guard retirees should contact the Entitlements Branch at HQ ARPC, toll-free 1-800-525-0102 Ext. 71228 or by e-mail arpc.dpssedl@denver.af.mil.

Survivors of Army National Guard retirees should contact the Transition and Separation Branch at U.S. Army Human Resources Command, toll-free 1-800-318-5298.

- “Retiree” (After age 60 and Receiving Retired Pay):

Survivors of Air/Army National Guard retirees should report deaths to the Defense Finance and Accounting Service (DFAS) at 1800-321-1080 or by fax 1-800-469-6559.

- Michigan National Guard Retirees:

Survivors should report deaths to the State Military Retirement Office at the Department of Military and Veterans Affairs, commercial (517) 481-7647, fax (517) 481-7644 or by e-mail at baldwink@michigan.gov or ken.baldwin1@us.army.mil.

7-2. Arrears in Pay

- a. Retired pay ceases immediately on the date of a retiree's death. Retired pay does not pass to the surviving spouse or other survivors unless the retiree elected the Survivor Benefit Plan (SBP). The person the retiree designated as beneficiary for any unpaid retired pay will be eligible for a one-time payment which includes the pay due from the first of the month up to and including the date of death. DFAS-CL will notify the financial institution where the retired check was going requesting the full amount of any retired pay deposited through EFT after the retiree's death. An application for arrears in retired pay (DD Form 1174) will be sent to the beneficiary on file by DFAS-CL. Proof of death must accompany the completed application.
- b. Retired paychecks which were sent by mail to a financial institution or the retiree which were not negotiated before the retiree's death, must be returned to DFAS-CL. Upon receipt of the completed application for arrears in pay, DFAS-CL will send the portion rightfully accruing to the deceased retiree's account to the beneficiary.

7-3. Reserve Component Survivor Benefit Plan (RC-SBP)

- a.** RC-SBP is designed to protect dependents of retirement eligible reserve personnel, should he or she die before their 60th birthday. This election must be made by the service member within 90 calendar days of receipt of their 20-year letter (Notification of Eligibility for Retired Pay at Age 60).
- b.** Reserve personnel who declined coverage or failed to return their Reserve Component Survivor Benefit Plan (RC-SBP) Election Certificate (DD Form 2656-5 or DD Form 1883) within the 90-day period prescribed by law; remain eligible for the standard SBP on retirement at age 60. However, they lose the major benefit of the RC-SBP protection of their survivors if they die before reaching age 60.
- c.** Rules that apply to SBP also apply to RC-SBP.

7-4. Survivor Benefit Plan (SBP)

- a.** SBP allows retirees to provide an annuity to certain designated survivors. Since SBP annuities may be the major source of income for survivors; careful consideration should be given to participation in the plan as an important aspect of estate planning.
- b.** When a retiree reaches the age of 60 and begins to draw retired pay, the RC-SBP Elected coverage (if elected per paragraph 7-2) converts to SBP. If the retiree declined or failed to make election as outlined in paragraph 7-2, they may do so at this time.
- c.** Some people think they can join SBP years after they retire, this is wrong. They believe that SBP has a so called “Open Season” which is offered periodically. In the 25 + year history of SBP, there has been only 5 times a retiree had a second chance to enroll in SBP. Each time was after major improvements and typically required a period of time (2 years) before the election went into effect. This prevents too much adverse elections (people joining with short life expectations).
- d.** SBP helps make up for the loss of your military retired pay should you die (Retired pay stops when you die). It pays your eligible survivors an inflation-adjusted monthly income.
- e.** SBP premiums and benefits depend on what you elect as the basis of your coverage “Base Amount”. The base amount can be your full monthly retired pay or a portion, but no less than \$300.00. When your retired pay gets a Cost of Living Adjustment (COLA), so does your base amount and as a result, so does your premiums and benefits.

7-5. Death Gratuity

A death gratuity is payable to certain survivors of retirees who die of service-related causes during the 120-day period following retirement as determined by VA.

7-6. Dependency and Indemnity Compensation (DIC)

- a.** DIC is payable to certain survivors (spouse and eligible children) of retirees whose death is determined by VA to be a service-connected disability. To be payable, the retiree's death must result from:
 - Disease or injury incurred or aggravated in the line of duty while on active duty, active duty for training or inactive duty training.
- b.** DIC payments are authorized for survivors of certain veterans who were totally service-connected disabled at time of death and whose death was not the result of a service-connected disability, if:
 - The veteran was continuously rated 100% disabled for a period of 10 or more years.
 - The veteran was so rated for a period of not less than 5 years from the date of last discharge from military service. The surviving spouse must have been married to the veteran at least 1 year immediately preceding the veteran's death to be eligible for payment.
- c.** DIC payments are exempt from taxation and are not subject to garnishment/seizure of either the retiree or the beneficiary's creditors. It will not disqualify eligible family member(s) from receiving Social Security benefits. However, the survivor's SBP annuity will be reduced by the amount of DIC payment.
- d.** VA will make monthly DIC payments to the eligible surviving spouse of a retiree whose death is the result of service-connected disability. Payments are made in addition to other income received by the surviving spouse, but are offset dollar-for-dollar by SBP entitlement.
- e.** DIC payments terminate if the surviving spouse remarries (at any age). They may be reinstated if the second marriage is dissolved.
- f.** To be eligible for DIC payments, a child must:
 - Be unmarried;
 - Be under the age of 18;
 - Became permanently incapable of self-support before reaching age 18; or
 - Be pursuing a course of instruction at an approved educational institution.
- g.** When there is no surviving spouse entitled to DIC, it may be paid to the children.
- h.** A legally adopted child or a stepchild also may qualify for the DIC payment.
- i.** The DIC award will be increased for each eligible child.

7-7. VA Home Loan Guarantee

The unmarried surviving spouse of a retiree who died due to a service-connected disability is eligible for a VA home loan guarantee, regardless if the retiree had obtained a loan guarantee prior to death.

7-8. Educational Assistance to Surviving Spouse and Children

Educational assistance is available to surviving spouses and children of retirees who were rated by VA as 100% disabled by reason of service-connected disability or died of an injury or disease that was incurred or aggravated during wartime or in the performance of military duties during peacetime (active duty, active duty for training and inactive duty training). Educational benefits are normally paid for 10 years following the retiree's death. Children are eligible to age 26, although benefits may be extended in some circumstances.

7-9. Social Security

Survivors may make application for Social Security benefits when they apply for VA Dependency and Indemnity Compensation (DIC). Substantiating evidence they submit to VA also may be used by the Social Security Administration. However, survivors still must make application to the Social Security Administration office for benefits. Separate applications with substantiating evidence to VA and the Social Security Administration will expedite the processing of claims for compensation or pension and Social Security benefits.

7-10. Civil Service Survivor Annuities

- a.** If a retiree should die while employed by the Federal Government after at least 18 months of creditable Federal civilian service, the surviving spouse will automatically get an annuity equal to 55 percent of the earned civil service annuity, provided that they were married for at least 1 year (or there is a child of the marriage). The annuity is payable immediately upon the death of the retiree/employee.
- b.** Dependent children of a retiree who dies while employed by the Federal Government after 18 months of creditable service are also entitled to a civil service annuity. The annuity will continue until they die, marry or reach 18 (age 22 if in school full time).
- c.** Inquiries pertaining to civil service preference and annuities may be made at the Bureau of Retirement, Insurance and Occupational Health, Office of Personnel Management, Washington, DC 20415.

7-11. State Benefits

Many States provide certain benefits to surviving spouses and children of deceased retirees. They may include bonuses, educational assistance, employment preference, tax exemptions and other benefits. Information about benefits offered within a particular State should be obtained from local Government officials.

CHAPTER 8: SERVICEMEMBERS GROUP LIFE INSURANCE (SGLI)/ VETERANS GROUP LIFE INSURANCE (VGLI)

8-1. Extension of SGLI Coverage upon Separation/Retirement

- a.** SGLI can only be extended if you are totally disabled at the time of Separation. You must write to the Office of Servicemembers' Group Life Insurance (OSGLI) to see if you qualify for an extension and provide medical evidence of your total disability. This should be done during the 120-day period following separation.
- b.** For those who qualify, their SGLI protection will continue, premium free, for two years from the date of separation or until total disability ends, whichever comes first. Application for VGLI can be made while totally disabled.
- c.** OSGLI's decision as to whether or not a person is totally disabled is independent of any findings by the Department of Veterans Affairs (VA) or other federal agency.

8-2. Retired Coverage

Once retired you are no longer eligible for SGLI coverage. You then become eligible for VGLI coverage. VGLI is a program that allows you to convert your SGLI to a five-year renewable term coverage. Some of the features of VGLI are as follows:

- Offers coverage in multiples of \$10,000 up to \$400,000. However, you may not exceed the amount of SGLI coverage you had in force at the time of your separation/retirement from service.
- Can be renewed throughout your lifetime or converted to an individual commercial life insurance policy at standard premium rates.
- Has no cash, loan, paid-up or extended insurance values.

8-3. VGLI Eligibility

Eligibility for the VGLI program depends if you were insured under SGLI and are:

- Separated from the National Guard.
- A member of the Individual Ready Reserve (IRR).
- Member of the Retired Reserves (eligible to draw pay at age 60).

8-4. Information regarding VGLI

You may contact the Office of Service members' Group Life Insurance Toll-Free at 1-800-419-1473, between the hours of 8:00 a.m. to 5:00 p.m. ET, Monday through Friday or by their web-site at www.insurance.va.gov/index.htm.

8-5. Applying for VGLI

- a. Contact the Office of Service members' Group Life Insurance for an application per paragraph 8-4.
- b. Complete the application and enclose a check or money order payable to OSGLI for the amount of the first premium.
- c. Enclose the following documentation as applicable:
 - If you are in the IRR, enclose evidence of current membership.
 - If you are separated from Active Duty, enclose copy of you DD Form 214.
 - If you are a separated National Guardsman, enclose a copy of your NGB Form 22.
- d. Mail the application, premium payment and supporting documents to:

Office of Servicemembers' Group Life Insurance
290 W. Mt. Pleasant Avenue
Livingston, NJ 07039-2747

8-6. Amount of Time you have to Apply for VGLI

Your SGLI coverage ends 120 days following separation/retirement. The following time lines will show you the amount of time you have to apply and when your VGLI will become effective:

- **Within 120 days after separation/retirement:** You need to send your application, first premium payment and supporting document. VGLI will begin the day after your SGLI ends (120 days after separation/retirement).
- **121 days to 1 year & 120 days:** You need to send your application, first premium, supporting documents **and Medical Evidence of Good Health**. VGLI will begin the day an acceptable application and other required information is received by the OSGLI.
- **After 1 year & 120 days:** Application will not be accepted.

8-7. Approval of Application for VGLI

If your application is approved, the OSGLI will send you a VGLI certificate (proof of coverage) within 4 to 6 weeks. The certificate will explain your coverage, how to change your beneficiary and settlement options.

8-8. Renewal of VGLI Coverage

Approximately 60 days prior to the end of each 5 year term, OSGLI will send you a notice of renewal. If you wish to continue coverage, you don't need to do anything. Your coverage will be renewed automatically as long as you continue to pay your premiums.

8-9. Converting VGLI to a Commercial Policy

You may convert your VGLI to a commercial policy at any time. Call OSGLI (See paragraph 8-4) to request a conversion form and a list of participating conversion companies.

CHAPTER 9: UNIFORMED SERVICES IDENTIFICATION AND PRIVILEGE CARD (ID)/DEFENSE ENROLLMENT AND ELIGIBILITY REPORTING SYSTEM (DEERS)

9-1. Uniformed Services Identification and Privilege Card (ID)

- a.** ID cards are issued to retirees and eligible family members as a means of identification and authorization of various benefits and privileges. **All** military retirees and eligible dependents must have a **valid** ID card.
- b.** There are two types of ID cards issued to retirees. A DD Form 2A (Ret-Red) ID card is issued to “Gray Area” retirees (Prior to Age 60) and DD Form 2 (Ret-Blue) is issued to a Retiree (Age 60).

NOTE: You must have a new ID Card issued within 30 days after the effective date of retirement (“Gray Area” retiree) and again when reaching the Age of 60.

- c.** Eligible family members of living and deceased retired soldiers are also issued ID cards. A DD Form 1172-1 (Uniformed Services Identification and Privilege Card) is issued to eligible family members of “Gray Area” retirees. A DD Form 1173 (Uniformed Services Identification and Privilege Card) is issued to eligible family members of a Retiree.

NOTE: See Chapter’s 4 and 5 for Benefits/Privileges offered.

9-2. ID Card Eligibility

The following individuals are eligible for military ID Cards. However, the final decision is based on Department of the Army and Air Force regulations and policies. Always call the issuing ID Card office prior to going in for an ID Card.

- Retirees (to include those in receipt of VA compensation or a Civil Service retirement annuity).
- Spouse’s of retirees (sponsor) as stated above.
- Certain former spouse’s of retirees (See Chapter 12 for former spouse benefits).
- Children, step-children, adopted children, under age 21 or under 23 that are attending school full time or any age if incapacitated before the age of 21 (23 if in school at the onset of the incapacity) and dependent upon the retired sponsor.
- Parents, parents-in-law and adopted parents, if dependent on the retiree for more than one-half of their support.

NOTE: Paperwork for incapacitated children over 21 and dependent parents must be approved for medical benefits entitlements by DFAS-CL.

9-3. Defense Enrollment and Eligibility Reporting System (DEERS)

DEERS is a computerized data bank containing information on military sponsors and their beneficiaries who may be eligible for medical card and other military privileges. The data bank (database) is automatically updated when a new ID card is obtained. Retirees who acquire new family members after retirement or if a retiree dies, contact the nearest ID Card Issuing Facility for information on ID Card issue and DEERS enrollment.

9-4. Enrollment in DEERS

When retirees and eligible family members are issued ID cards, they must present supporting documents such as retirement orders, marriage certificates, birth certificates, death certificates etc. to become enrolled. Family members may apply for an ID card without the retired sponsor; however, the sponsor's signature must be notarized before the completed application is presented to the ID Card Issuing Facility.

9-5. Updating the DEERS Database

It is critical that your home address be accurate and changes to your family status, such as marriage, divorce, birth, adoption or death is updated with DEERS database. Update DEERS information by going to the nearest military personnel office, calling them at 1-800-538-9552, e-mailing changes to www.tricare.mil/DEERS; faxing changes to (831) 655-8317; or mailing changes to DEERS Support Office, Attn: COA, 400 Gigling Road, Seaside, CA 93955-6771.

The Uniformed Services Identification and Privilege Card is the property of the U.S. Government. It is not transferable and must be surrendered by the retiree or family member upon any change in status affecting eligibility, expiration of the card or upon request of the military authorities.

CHAPTER 10: MEDICAL BENEFITS

10-1. Eligibility

For the purposes of this chapter, retired military members are eligible for medical benefits and their eligible family members/survivors who are:

- A Spouse or Unremarried Widow(er)
- An unmarried legitimate child, including an adopted child or a stepchild, who either:
 - Has not passed his or her 21st birthday.
 - Is incapable of self-support because of a mental or physical incapacity that existed prior to their 21st birthday and is, or was at the time of the retirees death, dependent on the retiree for over one-half of his or her support.
 - Has not passed his or her 23rd birthday and is enrolled in a full-time course of study in an accredited institution of higher learning and is, or was at the time of the retirees death, dependent upon the retiree for over one-half the child's support.
- A parent or parent-in-law who is, or was at the time of the retirees death, dependent on the retiree for over one-half of his or her support and residing in the retirees household.
- A unremarried former spouse of a retiree who on the date of the final decree of divorce had been married to the retiree for a period of at least 20 years and during which period the retiree performed at least 20 years of service which is creditable in determining eligibility for retired pay and does not have medical coverage under an employer sponsored health plan.
- A unremarried former spouse of a retiree who performed at least 20 years of creditable service in determining eligibility for retired pay and on the date of the final decree of divorce or dissolution **before** 1 April 1985, had been married to the retiree for a period of at least 15 of which, but less than 20 of which were during the period the retiree performed service creditable in determining the retirees eligibility for retired pay and does not have medical coverage under an employer sponsored health plan.
- A unremarried former spouse of a retiree who performed at least 20 years of creditable service in determining eligibility for retired pay and on the date of the final decree of divorce or dissolution **is on or after** 1 April 1985, had been married to the retiree for a period of at least 15 of which, but less than 20 of which were during the period the retiree performed service creditable in determining the retirees eligibility for retired pay and does not have medical coverage under an employer sponsored health plan are **eligible for a one-year period only from the date of the final decree of divorce.**

10-2. Uniformed Services – Medical Treatment Facilities (MTF)

- a.** Subject to the availability of space, facilities and capabilities of the medical and dental staff, retirees and their eligible family members may receive medical and dental care at MTFs.
- b.** Priorities for MTF care is:
 - **Priority 1** – Active Duty Members
 - **Priority 2** – Active Duty Family Members who **are** enrolled in TRICARE Prime; Survivors of members who die on active duty who **are** enrolled in TRICARE Prime
 - **Priority 3** – Retirees, their Family Members and Survivors who **are** enrolled in TRICARE Prime
 - **Priority 4** – Family Members of Active Duty Member who **are not** enrolled in TRICARE Prime
 - **Priority 5** – All other eligible persons

10-3. Social Security Medicare

- a.** Medicare is a health insurance program for people 65 and older, certain disabled people under 65 and people of any age who have permanent kidney failure. It provides basic protection against the cost of health care, but it doesn't cover all medical expenses.
- b.** Medicare is composed of two parts which are:
 - Hospital Insurance (Medicare “Part A”) which is financed by part of the payroll (FICA) tax that also pays for Social Security.
 - Medical Insurance (Medicare “Part B”) which is financed by monthly premiums paid by beneficiaries who choose to enroll.
- c.** Hospital Insurance can help pay for inpatient care, inpatient care in skilled nursing facilities, home health care and hospice care. Hospital Insurance is automatic if receiving Social Security payments at age 65. Before age 65, a person is eligible for hospital insurance if they have been getting Social Security disability benefits for 24 months or have worked long enough to meet the requirements of the Social Security disability program. Under certain conditions, a spouse, former spouse, a widow(er) or a dependent parent may be eligible for hospital insurance when he or she turns 65, based on the retirees work record. Disabled widows(ers), disabled divorced widows(ers) and disabled children may also be able for Medicare.

- d.** Medical Insurance helps pay for doctor’s services, other medical services and supplies that are not covered by the hospital insurance part of Medicare, including outpatient surgery. Many of the services needed for people with permanent kidney failure are covered only by the medical insurance part of Medicare. Almost anyone who is 65 or older or who is under 65 but eligible for hospital insurance can enroll in Medicare medical insurance by paying a monthly premium (currently \$50 per month). A person does not need any Social Security or work credits to get this part of Medicare. Aliens age 65 and older who are not eligible for hospital insurance must be lawfully admitted permanent residents and must live in the U.S. for 5 years before they can enroll in Medicare medical insurance. In most cases, if a person does not sign up to medical insurance during the initial enrollment period, their monthly premium will increase 10 percent for each year they delayed their enrollment. Then, the person can only sign up during the annual open enrollment period (January 1st through March 31st), with coverage beginning the following July.
- e.** Medicare provides basic health care coverage, but does not pay for most long-term care. TRICARE For Life which was created and became law effective October 1, 2001 was designed to fill the void and provide the additional health care coverage to military retirees and their eligible family members that Medicare does not provide. Information pertaining to TRICARE For Life is covered further in this chapter. Many private insurance companies also sell insurance to fill gaps in Medicare coverage. This kind of insurance is often called “Medigap” for short. Only in very rare cases would there be a need to purchase this insurance if covered under both Medicare (“Part A” and “Part B”) as required and TRICARE For Life.
- f.** For more information on Social Security Medicare and “Medigap” insurance, contact Social Security, toll-free 1-800-772-1213, or visit your local Social Security Office.

10-4. Department of Veterans Affairs (VA) Medical Care

- a.** Retirees may have dual eligibility for VA medical benefits. One as a VA beneficiary and the other as a Department of Defense (DoD) beneficiary. A determination of eligibility is first made for care as a VA beneficiary when first applying for care at a VA medical facility. Eligibility is divided into two categories: “Mandatory” and “Discretionary” for both inpatient and outpatient medical care, nursing home care and outpatient dental care.
- b.** Within these two categories, eligibility assessment procedures based on income levels are used to determine whether non-service connected veterans are eligible for cost-free VA medical care, regardless of age. These income levels are adjusted on January 1st of each year.
- c.** Veterans in the “Mandatory” category are those who have an income level below the amount set by VA annually and those veterans that have service-connected disabilities and are not subject to eligibility assessments. Veterans who were exposed to herbicides while serving in Vietnam, former prisoners of war and veterans receiving VA pensions are also considered in the mandatory category.

- d.** Veterans in the “Discretionary” category are those who are non-service connected and their income is above the limit set annually by VA. The patient agrees to pay an amount for care equal to what would have been paid under Medicare.
- e.** Eligibility is assessed based on the patient’s total income which includes: Social Security , U.S. Civil Service retirement, U.S. Railroad Retirement, Military retirement, unemployment insurance, any other retirement income, total wages from all employers, interest, dividends, workers compensation, black lung benefits and any other gross income for the calendar year prior to application for care. Income of a spouse, dependents, market value of stocks, bonds, notes, individual retirement accounts, bank deposits, savings accounts and cash is also used in determining eligibility. Debts are subtracted from the patient’s assets to determine net worth. The patient’s personal property and primary residence are also excluded. VA has the authority to compare information provided with information obtained from the Department of Human Services and the Internal Revenue Service.
- f.** Veterans applying for medical care at a VA facility will be asked if they have medical insurance. VA is authorized by law to bill insurance companies for the cost of medical care furnished to veterans, including service-connected veterans for non-service connected conditions covered by health insurance policies. VA is required to determine if the cost of the medical care can be recovered from companies providing group or individual health insurance. A veteran may be covered by such a policy or be covered as an eligible dependent on a spouse’s policy. VA is no different than other health-care providers who need insurance information. To collect benefits covered by health insurance, VA must obtain the information that appears on the health insurance identification card. Veterans are not responsible and will not be charged by VA for any charge required by their health insurance policies.
- g.** If in the discretionary eligibility category, retirees are eligible for VA medical care as a VA beneficiary only after they agree to make a co-payment. VA health care may be offered as a beneficiary of DoD at DoD expense on a space-available and resource-available basis as determined by the VA facility director, if the retiree does not agree to make co-payments. However, beneficiaries of DoD, with the exception of those requiring emergency medical services, require DoD authorization prior to receiving VA medical care.
- h.** VA must provide hospital care and may provide nursing care to veterans in the mandatory category. They may provide hospital and nursing home care to veterans in the discretionary category if space and resources are available in VA facilities.
- i.** The law requires VA to provide hospital care at the nearest VA facility capable of furnishing care in a timely fashion for veterans in the mandatory category. If no VA facility is available, care must be furnished in a DoD facility or another facility that VA has a sharing or contractual relationship. VA may furnish care to discretionary category veterans if space and resources are available and they agree to pay for their VA care, after caring for mandatory category veterans.

- j.** VA **shall** furnish outpatient care without limitation to:
- Veterans for service-connected disabilities.
 - For any disability of a 50% or more service-connected disabled veteran.
 - For any condition to prevent the need for hospitalization, to prepare for hospitalization or to complete an episode of treatment after hospitalization or nursing home care to:
 - A 30% or 40% service-connected disabled veteran.
 - A veteran whose annual income is not greater than the maximum annual pension rate of a veteran in need of regular aid and attendance.
- k.** VA **may** furnish outpatient care without limitation to:
- Veterans in a VA approved vocational rehabilitation program.
 - Former prisoners of War.
 - Aid and attendance to house-bound pension recipients (Veterans who receive increased pension or compensation based on the need of regular aid and attendance of another person or who are permanently housebound).
- l.** VA **may** furnish outpatient care to prevent the need for hospitalization, to prepare for hospitalization or to complete an episode of treatment after hospitalization or nursing home care to:
- Veterans rate 0% to 20% service-connected for a non-service connected condition.
 - Veterans exposed to a toxic substance or ionizing radiation while in Vietnam.
- m.** Veterans receiving medications on an outpatient basis from VA facilities, for the treatment of a non-service connected disability or condition are required to make a co-payment of \$2.00 for each 30 day or less supply of medication. Veterans exempt from the co-pay requirement for medications that are due to a service-connected condition and for veterans that are rated 50 percent or more service-connected.
- n.** Outpatient dental care will be provided by the VA under the following conditions:
- Dental conditions or disabilities that are service-connected and compensable will be treated.
 - Service-connected dental conditions or disabilities that are not compensable in degree may receive one-time treatment if it can be shown that the condition(s) existed at time of discharge or within 180 days from active service. Veterans have 90 days from date of separation to apply for VA care for a service-connected dental condition. If their separation document indicates that necessary dental treatment was completed by military dentists 90 days prior to retirement/separation they will be considered ineligible.
- o.** Veterans also may receive completed dental care if they are receiving 100 percent disability compensation for service-connected conditions or by reason of individual unemployability.

- p. Non-service connected dental conditions that are determined by the VA to be associated with service-connected medical conditions may be treated.
- q. Veterans scheduled for admission to inpatient services or who are receiving medical services may be provided outpatient dental care if the dental condition is professionally determined to be complicating a medical condition currently under treatment by VA.
- r. **What is your Priority Group?** Eight priority groups have been established to help ensure the VA resources are allocated to veterans with the highest priority for VA care. The following is a breakdown by priority groups:
- **Priority 1 – Veterans** with service-connected disabilities rated 50% or more disabling.
Veterans determined by VA to be unemployable due to service-connected conditions.
 - **Priority 2 – Veterans** with service-connected disabilities rated 30% to 40% disabling.
 - **Priority 3 – Veterans** who are former POWs.
Veterans with service-connected disabilities rated 10% to 20% disabling.
Veterans whose discharge was for a disability that was incurred or aggravated in the line of duty.
Veterans awarded a Purple Heart medal.
Veterans awarded special eligibility classification under Title 38, U.S.C., Section 1511, “benefits for individuals disabled by treatment or vocational rehabilitation.
 - **Priority 4 – Veterans** who are receiving aid and attendance or housebound benefits from VA.
Veterans who have been determined by VA to be catastrophically disabled.
 - **Priority 5 – Nonservice-connected Veterans and Noncompensable service-connected Veterans** rated 0% disabled, whose annual income and net worth are below the VA established thresholds.
Veterans receiving VA pension benefits.
Veterans eligible for Medicaid programs.
 - **Priority 6 – Veterans** World War 1.
Veterans Mexican Border War.
Veterans compensable 0% service-connected.
Veterans solely seeking care for disorders associated with:
 1. Exposure to herbicides while serving in Vietnam.
 2. Exposure to ionizing radiation during atmospheric testing or during the occupation of Hiroshima and Nagasaki.
 3. Service in the Gulf War.
 4. Illness possibly related to participation in Project 112/SHAD.

5. Service in combat in a war after the Gulf War or during a period of hostility after November 11, 1998 are eligible for VA health care for two years following discharge from military service for combat related conditions.

- **Priority 7 – Veterans** with income and net worth above the VA income threshold and income below the geographic income threshold who agree to pay copays.
 - Subpriority a:** Noncompensable 0% service-connected veterans who were enrolled in the VA health care system on a specific date and who have remained enrolled since that date.
 - Subpriority c:** Nonservice-connected veterans who were enrolled in the VA health care system on a specified date and who have remained enrolled since that date.
 - Subpriority e:** Noncompensable 0% service-connected veterans not included in Subpriority a above.
 - Subpriority g:** Nonservice-connected veterans not included in subpriority c above.

- **Priority 8 – Veterans** with income and/or net worth above the VA income threshold and the geographic income threshold who agree to pay copays.
 - Subpriority a:** Noncompensable 0% service-connected veterans enrolled as of January 16, 2003 and who remained enrolled since that date.
 - Subpriority c:** Nonservice-connected veterans enrolled as of January 16, 2003 and who have remained enrolled since that date.
 - Subpriority e**:** Noncompensable 0% service-connected veterans applying for enrollment after January 16, 2003.
 - Subpriority g**:** Nonservice-connected veterans applying for Enrollment after January 16, 2003.

****NOTE: Veterans assigned to Priority Groups 8e or 8g are not eligible for enrollment as a result of the enrollment restriction which suspended enrolling new high-income veterans who apply for care after January 16, 2003. Veterans enrolled in Priority Groups 8a or 8c will remain enrolled and eligible for the full-range of VA health care benefits.**

- s. Additional information on VA benefits and health care can be obtained by calling, Toll-Free at 1-877-222-8387 or by the Internet at <http://www.va.gov/>.

10-5. TRICARE Medical (Prime, Standard and Extra)

- a. TRICARE is a regionally-managed health care program, which brings together the health care resources of the Army, Air Force and Navy and supplements them with networks of civilian health care professionals to provide better access and high quality service.
- b. TRICARE is managed by a senior military health care officer (Lead Agent), in each of the 3 geographical regions in the United States. The lead agent is responsible for obtaining quality medical care for the beneficiary that is affordable and easily accessible. The lead agent for the North Region, is located at Wright Patterson Air Force Base in Dayton, Ohio.
- c. Eligibility for TRICARE Medical benefits are as follows:
 - Active Duty Members and their Dependents
 - Retirees and their Dependents (Age 60 Drawing Retired Pay and Under Age 65)

NOTE: Retirees and their Eligible Family Members who are Age 65 and Older, qualify for TRICARE For Life and the TRICARE Pharmacy Program, which will be discussed in detail later in this Chapter.

- d. Retirees who reach the age of 60 and their eligible family members must choose one of the following health care options through TRICARE:
 - TRICARE Prime
 - TRICARE Standard
 - TRICARE Extra (Option to TRICARE Standard)
- e. When deciding on which option to choose, you want to consider which option is best for you. Everyone in your family need not be in the same program. One member might prefer TRICARE Prime, while another may prefer TRICARE Standard or TRICARE Extra. It's your choice. Please keep in mind that regardless of which option you choose, you should always seek help at the nearest military/civilian emergency room, if you believe you or your family require emergency medical treatment.
- f. You may also contact your TRICARE Service Center (North Region – Toll Free: 1-877-874-2273), to answer questions and help you decide which health care option is best for you.
- g. **TRICARE Prime** is like a Health Maintenance Organization (HMO) in the civilian world. Beneficiaries agree to get all their care (to include routine, preventive health care and prescriptions) from a primary source. Each beneficiary selects a Primary Care Manager (PCM), who will provide and/or coordinate all health care needs. When specialized care is needed, they are referred to a specialist by their PCM.
- h. TRICARE Prime is best for retirees and their families who want guaranteed access to most health care benefits and are close to military hospitals or a civilian TRICARE Prime network. Another benefit is there is usually no claim to file.

- i. Those individuals who elect to enroll in TRICARE Prime pay an annual enrollment fee of \$230 per person or \$460 per family. Beneficiaries pay a small co-payment each time care is received at a civilian medical facility or office. If the PCM is located at a military medical facility, there are no charges for outpatient care. Based on an extensive survey conducted by the Department of Defense, it was found that the average retiree was paying \$900 per year for health care. The net effect is guaranteed access for care and a savings opportunity for retirees not living close to a military hospital.
- j. Beneficiaries who elect to enroll in TRICARE Prime, must enroll for a one year at a time. If the beneficiaries moves they may change their PCM only once annually. However, a second change is authorized only if the beneficiary moves back to the original location.
- k. There is a \$3,000 annual cap on catastrophic out-of-pocket expenses with TRICARE Prime and those who elect this option are not eligible for TRICARE Standard while enrolled.
- l. **TRICARE Standard** is automatic with no enrollment required. You may still seek treatment in a military hospital or clinic, but only on a space-available basis. This option offers the greatest flexibility in choosing health care professionals. Unlike TRICARE Prime, you may or may not be required to file the claim.
- m. TRICARE Standard is chosen most often by individuals and families who travel frequently or have summer and winter homes away from their primary residence. It is also used by beneficiaries who have other health insurance and use TRICARE Standard as a supplemental (second payer) to that insurance.
- n. Outpatient deductibles must be satisfied each fiscal year (October 1st) before TRICARE Standard pays anything. The deductible is \$150 for individual and \$300 for family. After deductibles are satisfied, TRICARE Standard pays 75 percent of the allowable charges and you pay 25 percent. An “allowable” charge is the maximum amount TRICARE Standard will pay for outpatient care given by physicians and other providers.
- o. Providers who participate in TRICARE accept the “allowable” charge as payment in full. However, providers who don’t participate in TRICARE require the patient to pay any charges over and above the allowable charge. In most cases, however, they can’t charge more than 15 percent over the TRICARE Standard allowable charge.
- p. There is a \$3,000 annual cap on catastrophic out-of-pocket expenses with this option.
- q. **TRICARE Extra** is a third option and similar to TRICARE Standard. However, you can lower your health care costs by using a doctor or medical specialist from a “network” of civilian health care professionals who participate in the TRICARE Extra program.
- r. Health care providers that participate in the Extra network agree to charge government approved rates, therefore, there will be no additional charges over the TRICARE allowable rate.

- s. This option may be used by those participating in TRICARE Standard (case-by-case basis) but once you elect this option you must stay with it. The same deductibles that apply to TRICARE Standard is the same. However, the government pays 80 percent of your costs for care (5% more than Standard) and you pay 20 percent.
- t. Another advantage to this option is that participating doctors will always file claims for you. The participating physician is paid directly by the government, requiring the patient to pay only the cost share amount at time of treatment.
- u. The following is a Health Care Cost Comparison for each TRICARE option:

	<u>TRICARE Prime</u>	<u>TRICARE Standard</u>	<u>TRICARE Extra</u>
Military Hospital/ Clinic	Outpatient – \$0 Inpatient – small daily fee	Space available; same cost as Prime	Same as Standard
Annual Deductible	None	\$150 individual/\$300 family	Same as Standard
Annual Enrollment Fee	\$230 individual/\$460 family	None	None
Civilian/Outpatient Visit/Emergency Care	\$12 \$30	25% of allowable charge	20% of negotiated fee
Civilian/Inpatient Admission	\$11 day (\$25 minimum)	\$512 day or 25% of hospital charges; plus 25% of professional fees	\$250 day or 25% of hospital charges; plus 20% of professional fees
Prescriptions:			
MTF	\$0	\$0	\$0
Mail Order	\$8/90 day	Same as Prime	Same as Prime
Civilian Network	\$9/30 day	25%/30 day	20%/30 day

- v. **TRICARE Standard Supplemental Insurance** is offered by many military organizations, which pays the patient’s share of the TRICARE Standard “allowable” charges. Some policies will pay for charges over and above the “allowable”.
- w. There are various types of supplemental insurance policies available and the costs vary depending on what type of supplemental coverage is chosen. There are policies for inpatient and outpatient care, policies for inpatient care only, outpatient only and policies for emergency care only.

- x. Check supplemental policies for pre-existing condition clauses. Some policies will not cover a patient from 6 months to a year for any condition the patient has been treated for in the past 6 months to a year (times vary).
- y. TRICARE Service Centers keeps listings of organizations that offer supplemental policies. The Army Times also prints an annual comparison of companies that offer supplemental insurance (usually March of each year).
- z. In some but not all cases, you may be required to file a claim for services rendered to you for services provided by a physician, clinic or hospital. You may obtain claim forms from the TRICARE Service Center, Internet or a Military Medical Treatment Facility. The following are some helpful hints in submitting a Bill/Claim to TRICARE for payment:
 - Fill claim form out correctly.
 - All receipts should be on (or attached to) 8 ½” x 11” paper.
 - Sponsors Social Security Number is on all pieces of correspondence and attachments.
 - Do not highlight information, circle instead.
 - Submit fully itemized bill.
 - Bills must be on providers stationary.
 - Bills must provide diagnosis, name of patient, each item of supply or service, place of service, number/frequency of each service, date of care and charge for each item of service or supply.

10-6. TRICARE Retiree Dental Program (TRDP)

- a. TRDP is administered by Delta Dental of California for military retirees and their eligible family members. All military retirees to include “Gray Area” and those over age 65 and their eligible family members are eligible to enroll.
- b. Eligible dependants can enroll as long as the retiree is enrolled or independently if the following criteria is met:
 - Eligible to receive dental care through the VA.
 - Enrolled in a dental plan through employment and is not available for family members.
 - Prevented by a medical or dental condition from being able to use TRDP benefits. This must be confirmed in writing by authoritative sources and must be a long-term condition.
- c. Those who choose to enroll in TRDP commit to remaining in the program for a period of 12 months. There is a grace period of 30 days from the coverage effective date during which termination of enrollment may be allowed without any further obligation, providing no benefits have been used. If the 30-day option is not exercised, government rules dictate that no voluntary termination of enrollment is allowed within the initial 12 month period. After the initial 12-months, enrollment is met; the enrollee can stay in the program on a month by month basis. They can des-enroll any time and re-enroll at any time.

- d.** Monthly premiums are regionally determined according to the first 3 digits of the ZIP code in which the enrollee resides. You may call Delta toll-free at 1-888-838-8737 to find out the exact monthly premium rate for your region or visit the TDRP web site at www.trdp.org. Monthly premiums (as of May 1st, 2008) are as follows with slight increases in the premiums every May 1st of the existing contract, with a 2 month pre-pay requirement at time of enrollment:
- Single Person: \$32.33
 - Two Persons: \$63.07
 - Family (three or more persons): \$105.48
- e.** Monthly premiums will be deducted by the Defense Finance and Accounting Service (DFAS), through mandatory retired pay allotments. Gray Area Retirees and Un-Remarried Surviving Spouses who do not receive retired/annuity pay will be billed directly by Delta Dental. All enrollments must be accompanied by a pre-payment of 2 months premiums.
- f.** You have numerous options available to enroll in the TRDP. You may enroll online at www.trdp.org, by toll-free telephone at (888) 838-8737 or by mail to: Delta Dental Plan of California, Federal Services, P.O. Box 537008, Sacramento, CA 95853-7008. Premium pre-payment can be made by Visa or Mastercard, or by personal check, cashier's check or money order made payable to the TRICARE Retiree Dental Program.
- g.** There is an annual deductible of \$50 for each person or \$150 for families each year. Delta will pay up to \$1,200 of allowable charges per enrollee per year. Diagnostic and some preventive procedures are not subject to the annual deductible and maximum. Dental accident coverage and Orthodontic services are not subject to the annual deductible and each has separate maximum benefit amounts.
- h.** Enrollees can go to any dentist they wish. However, by utilizing a Delta Network dentist, the fees are pre-negotiated and there will be no additional charge. When a non-network dentist provides the care, there can be an additional payment required over and above the allowable charge. A dentist will also submit the claim and be paid directly by the contractor.
- i.** To find out about eligibility requirements or for additional information about the TRICARE Retiree Dental Program, contact Delta toll-free at 1-888-838-8737 or visit their web site at www.trdp.org.
- j.** You may also request a Benefit Booklet by calling Delta or you can obtain one online at their web site. This booklet provides a complete list of covered services, detailed information on limitations, exclusions, benefits levels and program policies.

k. The following is a list of “Covered Services” under the TRDP:

<u>Covered Service</u>	<u>TRDP Pays</u>	<u>Applied to Annual Deductible</u>	<u>Applied to Annual Deductible</u>
Available during first 12 months of enrollment, upon coverage effective date:			
• Diagnostic	100%	No	No
• Preventive (Includes 2 cleanings in 12 months)	100%	No	No
• Basic Restorative (fillings, including tooth-colored fillings on back teeth)	80%	Yes	Yes
• Endodontics, Periodontics & Oral Surgery (root canals, gum treatment and extractions)	60%	Yes	Yes
• Dental Accident Coverage	100%	No	No
Additional services available after 12 months of continuous enrollment or if enrolled within four months after retirement:			
• Cast, Crowns, Onlays	50%	Yes	Yes
• Bridges and Partial/Full Dentures	50%	Yes	Yes
• Implants	50%	Yes	Yes
• Orthodontics	50%	No	No

Deductibles & Maximums:

- Annual Deductible: \$50 per person, limit \$150 per family, per benefit year
- Annual Maximum: \$1,200 per person, per benefit year
- Orthodontic Maximum: \$1,500 per person, per lifetime
- Dental Accident Maximum: \$1,000 per person, per benefit year
- Benefit Year: October 1st through September 30th

NOTE: New retirees who enroll within four months after retirement from the Uniformed Services or transfer to Retired Reserve status are eligible to waive the 12-month waiting period for major services (supporting documentation is required).

10-7. TRICARE For Life (TFL)

- a. TRICARE For Life covers retirees, spouses and survivors who are 65 and older and who are eligible for Medicare. Beneficiaries must be eligible for Medicare Part A and be enrolled in Medicare Part B (monthly premium in 2009 is \$96.00 per month or \$1,152.00 per year). In addition, TFL will also apply to beneficiaries under 65 who are eligible for Medicare due to disability. TFL is premium-free for all military beneficiaries, regardless of the date of service entry.
- b. Retired Reserve and **National Guard retirees and their spouses will have the same TFL coverage** as any other retired uniformed services beneficiaries. For information or questions, contact TRICARE For Life Toll Free at 1-866-773-0404.
- c. A disability retiree under 65 is eligible for TRICARE just like any other service member drawing retired pay. However, when disability retirees or their spouses turn 65, they must enroll in Medicare Part B, to become eligible for TRICARE For Life.
- d. TRICARE For Life does not apply to retired beneficiaries who are not eligible for Medicare (retired prior to contributing to Medicare through payroll deductions). These retirees are already eligible for TRICARE and are able to enroll in TRICARE Prime (where offered) or use TRICARE Standard (formerly CHAMPUS). Pharmacy benefits are already provided.
- e. Individuals enrolled in the ongoing TRICARE Senior Prime or Federal Employees Health Benefits Programs may disenroll and participate in TFL.
- f. TRICARE For Life does not require any annual enrollment fees, premiums or deductibles.
- g. TRICARE For Life provides secondary coverage to Medicare. It will pay all Medicare copayments when a Medicare provider treats a beneficiary. Copayments will only be required for TRICARE covered services that are not covered by Medicare, such as prescriptions.
- h. TFL will pay 115 percent of the Medicare Maximum Allowable Charge, but does not apply in the case of a provider who does not participate in the Medicare program.
- i. Medicare will be the first payer for Medicare-covered services. **If you have other health insurance coverage (double coverage) they must pay first.** Other insurance plans are the “Primary” payer and TFL is the “Secondary” payer (last payer). The reason for this is that Congress did not want private insurance carriers reaping “windfall profits” by collecting premiums for services they would not have to pay for.
- j. Most health care providers bill Medicare directly. Medicare will process the primary claim, send its payment to the provider and share the claim and payment information to TRICARE. TRICARE will then pay its portion (after Medicare and other health insurance if applicable has paid) of the claim directly to the provider. You will get an “Explanation of Benefits” form from both Medicare and TRICARE showing that both programs have paid the bill and (in most cases) you owe nothing.

- k. Specialists that do not participate in Medicare and only sees patients on private contract may require the patient to pay at their own expense.
- l. Medicare eligible retired beneficiaries will continue to be eligible to use Military Treatment Facilities, provided that space-available care can be provided based on current funding, staffing and equipment.
- m. TRICARE For Life should have no effect on retired beneficiaries currently enrolled in the Uniformed Services Family Health Plan (USFHP).

NOTE: Because TRICARE For Life is a second payer to Medicare and pay all copayments and deductibles, there should be no need for additional Medigap insurance. The Medicare law does not require an individual to cancel Medigap coverage, but stipulates that an insurer may not sell a Medigap supplemental insurance plan that duplicates coverage a beneficiary already has. However, the Health Care Financing Administration (HCFA), which oversees Medicare, has informed the Department of Defense (DoD) that TRICARE For Life is not a supplemental policy and therefore, the law does not apply.

- n. The following two prerequisites for participating in TRICARE For Life are:
 - You need to insure that your Defense Enrollment Eligibility Reporting System (DEERS) data is updated.

It is critical that your home address be accurate and changes to your family status, such as marriage, divorce, birth, adoption or death is updated within the DEERS database.

Update DEERS information by going to the nearest military personnel office, e-mailing changes to www.tricare.mil/DEERS; faxing changes to (831) 655-8317; or mailing changes to DEERS Support Office, Attn: COA, 400 Gigling Road, Seaside, CA 93955-6771. Contact DEERS Toll Free at 1-800-538-9552.

See Chapter 9 for further information and details.

- You must enroll in Medicare Part B.

You may enroll in Medicare Part B only during the General Enrollment Period (GEP), which takes place annually from Jan 1 through March 31. **Example:** If you enroll in the 2002 GEP, your Part B benefit will begin on July 1, 2002. You will then become eligible for TRICARE For Life at that time. If you are currently enrolled in Medicare Part B, you are already approved for TFL, providing your DEERS information is up to date.

To enroll in Part B or for more information about Part B, call your local Social Security office or call Social Security toll-free at 1-800-772-1213.

See Paragraph 10-3 of this Chapter for further information and details.

10-8. TRICARE Pharmacy Program (TRRx)

- a. All retirees, eligible family members and survivors (same as TRICARE For Life) 65 and older are eligible for the TRICARE Pharmacy Program benefit. However, if you are age 65 and older prior to April 1, 2001 you are not required to be enrolled in Medicare Part B to be eligible for TRRx. Contact TRRx Toll Free at 1-866-363-8667.
- b. There are three different options that may be utilized to receive pharmaceuticals:
 - Military Pharmacies
 - DoD National Mail-Order Pharmacy (NMOP)
 - DoD Retail Pharmacy Program (network or non-network)
- c. The following is a breakdown of coverage, co-payments and deductibles for each TRRx option:

	<u>NMOP</u>	<u>Retail Pharmacy (Network)</u>	<u>Retail Pharmacy (Non-Network)</u>	<u>Military Pharmacy</u>
Rx Amount:	90-day supply of most non-narcotic Drugs or a 30-day supply of a narcotic prescription.	30 day supply of medication.	30-day supply of medication.	Varies by facility (often 30-day supply).
Co-Pay:	\$3 for Generic. \$9 for Brand-name.	\$3 for Generic. \$9 for Brand-name.	20 percent of the cost of the drugs, or \$9, whichever is greater.	No cost.
Deductible:	None	None	\$150 per year.	None

- d. To enroll in the NMOP, you will need to submit a completed Health, Allergy and Medication Registration Form (confidential patient history of medications used). To obtain this form, you may call Express Scripts (administrator) at 1-866-363-8667. You can submit this prior to, or with the first prescription that you submit. This form is utilized to fill your prescriptions more quickly and with greater safety for you.
- e. If you are covered by other health insurance with a pharmacy benefit, you will not be able to use the NMOP until you have exhausted pharmacy coverage offered by that plan. However, if the medication is not covered under your other plan you may be able to use the NMOP. When using a retail pharmacy, your other policy must be used first to cover any costs. For further information you may call Express Scripts direct.

10-9. TRICARE Retired Reserve (TRR)

- a.** Retired Guard/Reserve who are not yet age 60 (Gray Area Retirees), can purchase TRICARE health insurance for themselves and their eligible family members.
- b.** To qualify, they cannot be enrolled in the Federal Employees Health Benefits (FEHP) program. They must also be members of the Retired Reserves of a Reserve component and qualified for non-regular retirement.
- c.** The comprehensive health care coverage provided by the premium-base TRR is similar to TRICARE Standard.
- d.** For information, visit www.tricare.mil/trr or call 1-800-555-2605 (North Region – Health Net Federal Services, LLC).

10-10. TRICARE Assistance

- a.** TRICARE provides numerous resources to assist retirees, families and survivors that can help them find the best solutions to their unique health care needs.
- b.** TRICARE now has a Dept Collection Assistance Officer (DCAO) assigned to assist with TRICARE bill payment problems. For those who reside in Michigan, you may contact the DCAO in Fort Knox, Kentucky at 1-502-624-9187 or 9188. For those who reside outside of the North Region, contact your TRICARE Service Center for assistance. Anyone that has trouble getting bills paid, they should contact them.
- c.** Beneficiaries may call DoD's toll-free Help Line at 1-877-874-2273 (North Region – Health Net Federal Services, Inc.) for TRICARE assistance. You can also visit the TRICARE web site at www.tricare.mil/ for information.
- d.** TRICARE Help is also available by e-mail. You can email questions, issues or concerns to the TRICARE EMail Service (THEMS). This service allows beneficiaries to get fast, accurate and complete answers to their questions and assistance in resolving their TRICARE problems. Everyone who sends a message receives an individual answer from a real person, not a form letter or computer generated response. The email is: TRICARE_help@amedd.army.mil.
- e. Michigan** also has 4 TRICARE Service Centers which you can write or visit for assistance. The locations are:
 - Selfridge ANGB, Base Realignment and Closure (BRAC) Site, 43401 N. Jefferson Ave, Bldg 825, Selfridge ANGB, MI 48045
 - Traverse City USCG Station, 1175 Airport Access Rd, Traverse City, MI 49686
 - Wurtsmith AFB BRAC Site, 5671 Skeel Ave, Suite 16, Oscoda, MI 48750
 - KI Sawyer AFB BRAC Site, 301 Explorer St, Gwinn, MI 49841

It may be worthwhile to visit one of these locations and meet with one of their representatives. They can explain your health care benefits and answer any questions you may have pertaining to TRICARE.

NOTE: It is critical that your Defense Enrollment and Eligibility Reporting System (DEERS) information is up to date. If it is not current, you may run into problems when you attempt to utilize health care services. See Chapter 9 for details pertaining to DEERS.

CHAPTER 11: VETERAN AFFAIRS (VA) BENEFITS

11-1. Overview

Many benefits will come from the U.S. Department of Veterans Affairs (VA). Federal, State and County VA offices provide a variety of benefits to those eligible. However, many VA benefits have time limitations on how long a veteran is eligible to take advantage of these benefits.

11-2. Eligibility

You may be eligible for VA benefits if you are:

- A Veteran
- A Veteran's Dependent
- A Surviving Spouse or Child of a Deceased Veteran
- An Active Duty Service Member
- A Member of the Reserves
- A Member of the National Guard

11-3. U.S. Department of Veterans Affairs (VA) Benefits (Federal)

a. Some of the numerous benefits offered by the VA (Federal) are:

- Appeals
- Burial and Headstone Benefits
- Surviving Spouse and Dependent Benefits
- Education and Training
- Home Loan Guaranty
- Hospitalization and Medical Treatment
- Insurance
- TRICARE/CHAMPVA
- Discharge Review/Corrections
- Military Records and Medals
- Disability Benefits (non-service connected and service connected)
- Employment Services

b. For further information pertaining to federal benefits, eligibility and time limitations you may contact your local VA office or you may contact the U.S. Department of Veterans Affairs at:

U.S. Department of Veterans Affairs
810 Vermont Avenue NW
Washington, DC 20420

Nationwide Toll Free Number: 1-800-827-1000 or 1-877-222-8387
Internet Access: <http://www.va.gov/>

11-4. VA State and County Benefits

a. The following is a list of some of the benefits offered by the VA (State and County):

- Soldiers and Sailors Relief
- Employment Assistance
- Readjustment Counseling
- Transportation to VA Medical Centers
- Veterans Facilities
- Requests for Military Records

b. You may find your State VA offices in your phone directory under Government. You may contact the Michigan Veterans Affairs Directorate at:

Michigan Department of Military and Veterans Affairs
Veterans Affairs Directorate
3423 N. Martin Luther King Boulevard
Lansing, MI 48906
Phone: (517) 335-6523
Fax: (517) 241-0674
www.michigan.gov/dmva - click on Veterans Affairs

c. You may also contact Michigan's (Federal) Regional VA Office for assistance at:

VA Regional Office
McNamara Federal Building
477 Michigan Avenue
Detroit, MI 48226
Toll Free Number: 1-800-827-1000

d. County Veterans Counselors will help you file for Federal, State and County Benefits. These offices can also assist you with questions to eligibility, benefits offered and time limitations. You can find your County VA offices in your phone directory under Government or for your nearest County Veterans Counselor in Michigan at:

www.macvc.net

NOTE: State and County Benefits vary from State to State and County to County. In addition, if you are receiving benefits from the VA you should notify them when you have a change of address at 1-800-827-1000.

CHAPTER 12: UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT

12-1. Overview

- a. The legal ramifications associated with the dissolution of a marriage should not be taken lightly. You should always seek competent legal advice to protect your rights under federal and state laws. The Uniformed Services Former Spouses' Protection Act (the Act), 10 U.S.C. 1408, is a public document and available to all lawyers.
- b. The Act recognizes the right of state courts to distribute military retired pay to a spouse or former spouse (hereafter, the former spouse) and provides methods for enforcing these orders through the Department of Defense (DoD). However, the Act does not provide an automatic entitlement to a portion of the member's retired pay to a former spouse. A former spouse must have been awarded a portion of the member's military retired pay as property in their final decree of divorce, dissolution, annulment or legal separation order. The Act also provides a method of enforcing child support, arrears and alimony awarded in the court order.

12-2. Enforcement of the Act

- a. Court orders enforceable under the Act are final decrees of divorce, dissolution, annulment, legal separation and court-ordered property settlements incident to such decrees. The court order must provide for the payment of child support, alimony or retired pay as property to the spouse/former spouse. Retired pay as property awards must provide for the payment in dollars or as a percentage of disposable retired pay. A Qualified Domestic Relations Order (QDRO) is not required as long as the former spouses' award is set forth in the court order.
- b. For orders dividing retired pay as property to be enforced under the Act, a member and former spouse must have been married to each other for at least 10 years during which the member performed at least 10 years of creditable military service (the 10/10 rule). In addition, to enforce orders dividing retired pay as property, the state court must have had jurisdiction over the member by reason of:
 - Member's residence in the territorial jurisdiction of the court (other than because of military assignment).
 - Member's domicile in the territorial jurisdiction of the court.
 - The member's consent to the jurisdiction of the court, as indicated by the member's taking some affirmative action in the legal proceeding.

NOTE: The 10/10 rule and the jurisdictional requirement does not apply to enforcement of child support or alimony awards under the Act.

- c. The maximum that can be paid to a former spouse under the Act is 50% of member's disposable retired pay. In cases where there are payments both under the Act and pursuant to a garnishment for child support or alimony, the total amount payable cannot exceed 65% of the members disposable retired pay. The right to payments terminate upon the death of the member or former spouse, unless the court order terminates payments earlier.

12-3. Application and Payment Procedures under the Act

- a. To apply for payments under the Act, a completed “Application for Former Spouse Payments from Retired Pay” (DD Form 2293) signed by the former spouse together with a certified copy of the applicable court order and certified by the clerk, must be submitted to DFAS-CL within 90 days preceding the courts service. The application can be submitted personally, by mail or by fax to:

Defense Finance and Accounting Service - Cleveland
Attn: DFAS-CL/GAG
P.O. Box 998002
Cleveland, OH 44199-8002
Customer Service: (216) 522-5301
Fax Number: (216) 522-6960

NOTE: To ensure your document is processed in a timely and efficient manner you must include the following information on the fax document and follow the additional guidance provided:

- Member/Retirees Social Security Number (SSN – Court Orders/Documents will not be processed if the SSN is not on the document.
 - Return Phone Number.
 - Return Fax Number.
 - Ensure original documents are clear and legible.
 - In each fax transmission, include only correspondence for one member/retiree (multiple documents may be sent on one fax transmission).
- b. The application should state which awards the former spouse is seeking to enforce under the Act (i.e., alimony, child support and/or division of retired pay as property. If the application does not contain this information, then only awards of retired pay as property will be enforced under the Act. The former spouse should also indicate the priority of the awards to be enforced in case there is not sufficient disposable retired pay to cover multiple awards.
- c. The court order should contain sufficient information to determine whether the Act’s jurisdictional and 10/10 requirements (if applicable) have been met. If the date of marriage from the court order cannot be determined, then the former spouse must submit a photocopy of their marriage license. If the former spouse is requesting child support and the children’s dates of birth are not contained in the court order, the former spouse must provide photocopies of their birth certificates.
- d. If the requirements of the Act have been met, payments to a former spouse must begin no later than 90 days after the date of effective service of a complete application. If the member has not yet retired or is not yet drawing retired pay at the time the former spouse submits his or her application, payments must begin no later than 90 days after the date on which the member first becomes entitled to receive retired pay.

12-4. General Information and Facts pertaining to the Act

- a.** Depending on the court order, disposable retired pay is defined as retired pay to which a member is entitled less amounts:
 - Owed to the United States for previous overpayments of retired pay and for forfeiture required by law resulting from entitlement to retired pay.
 - Deducted from the retired pay as a result of forfeitures of retired pay ordered by a court martial or as a result of a waiver of retired pay required by law in order to receive compensation under Title 5 or Title 38.
 - The member's retired pay as computed using the percentage of the member's disability on the date when the member was temporarily or permanently retired, if the court order is dated on or after November 14, 1986.
 - Deducted because of an SBP election.
- b.** Does not allow a state court to order a member/retiree to apply for or to specify a date of retirement.
- c.** Unless court ordered, remarriage of a former spouse will not stop the direct payment of retired pay as property.
- d.** For court orders finalized on or after February 3, 1991, payment of retired pay as property to a former spouse is taxable. IRS Form 1099R will be sent to the former spouse by DFAS-CL.
- e.** For divorces finalized on or after November 14, 1986, the state court may order SBP coverage to a former spouse prior to the service member's retirement.
- f.** If the member elected SBP coverage for a former spouse and that agreement was ratified or approved by a court order or if the member has been ordered to elect SBP coverage for a former spouse, the retired member must make that election within one year of the date of divorce. A former spouse, within one year of the date of divorce may request that a "deemed" SBP election be established. If neither the retiree or the former spouse requests former spouse SBP coverage within one year of date of divorce, former spouse coverage will not be established.
- g.** A retired member can not voluntarily elect nor can a court order former spouse SBP coverage, if the retired member had not elected SBP spouse coverage at the time of retirement.
- h.** A former spouse who remarries prior to age 55 loses SBP eligibility. However, if the marriage ends in death or annulment, eligibility is reinstated. A former spouse who remarries after age 55 does not lose eligibility.

- i. Military ID cards cannot be ordered or decreed by a divorce court. Contact the nearest military ID card issuing facility for eligibility requirements. Generally former spouses are eligible if:
- The marriage lasted 20 years or more, and
 - The member served 20 years or more of service creditable for retired pay, and
 - The marriage and the creditable service overlap 20 or more years (the “20/20/20” rule).
 - In some cases, restricted benefits are authorized if the overlap is less than 20 but greater than 15 (the “20/20/15” rule).
- j. The Defense Finance and Accounting Service (DFAS) is the designated agent for all uniformed military services. The DD Form 2293, instructions and additional information can be viewed or downloaded from the DFAS website at www.dfas.mil. Click on Money Matters, then Garnishments.

NOTE: This is not a legal brief. It cannot be used as evidence of intent, interpretation or precedent in any legal action. This is not a legal or judicial interpretation of enacted laws and does not deal with case law. Because of the complexity of “the Act”, state divorce laws and personal situations, individuals involved in a divorce process are encouraged to obtain legal counsel.

CHAPTER 13: SOCIAL SECURITY

13-1. Overview

Social Security benefits are administered by the Department of Health and Human Services. This agency is the only one that can make a determination as to whether or not Social Security benefits are payable. A copy of “Your Social Security” (SSA Publication No. 05-10035) published by the Department of Health and Human Services and other informative publications pertaining to Social Security benefits may be obtained at any of the Social Security offices located throughout the United States, by calling their toll-free number, 1-800-772-1213 - business days from 7 a.m. to 7 p.m. or at their web site www.ssa.gov.

13-2. Eligibility Requirements for Social Security Benefits

- a. Service members have Social Security tax withheld from their military pay. However, Social Security tax is not deducted from retired pay.
- b. A retired member becomes insured for Social Security benefits through the quarters of coverage earned in employment covered by the Social Security law. Generally, a quarter of coverage is a 3 month period beginning 1 January, 1 April, 1 July or 1 October in which the member (in most occupations) had the minimum required earnings.
- c. A member earns one quarter of coverage for every calendar quarter or part of a calendar quarter during a period in which he or she was eligible for Social Security wage credits. The number of quarters of coverage a member has earned before reaching retirement age determines eligibility for Social Security benefits.
- d. To be eligible for retirement benefits, the member must be fully insured. Once a member has earned 40 quarters of coverage, he or she is fully insured for life.
- e. While the number of quarters of coverage earned determines whether benefits are payable, a retiree will increase the future Social Security benefit amount by continuing to work in Social Security covered employment after retirement.
- f. Full Retired pay and Full Social Security benefits may be drawn concurrently without offset.

13-3. Types of Social Security payments

a. Disability Payments:

An eligible worker can become entitled to disability payments at any time before the age of 65. A surviving spouse/divorced spouse who becomes disabled before the age of 65 may receive Social Security disability payments as early as age 50. The disability benefit is paid in addition to retired pay or VA service-connected disability compensation. The eligibility criteria for Social Security disability is much stricter than for Military disability retirement or VA service-connected disability compensation.

b. Retirement Payments:

- **Worker Benefit** – Workers who are fully insured may receive a full monthly Social Security benefit at age 65. Workers who retire at age 62 receive 80 percent of the full benefit they would have received had they waited until age 65 to begin drawing it. The closer the worker is to age 65 when the benefit is first applied for, the larger the benefit. Once a worker elects to take the Social Security benefit at the reduced rate will continue after the worker's 65th birthday. However, it will increase with cost of living adjustments or if additional wages are earned.
- **Spouse/Divorced Spouse Benefit** – If a worker is receiving a Social Security retirement benefit, the spouse and/or divorced spouse may receive a benefit based on the worker's record. The benefit is approximately 37 ½ percent of the worker's benefit if the spouse or divorced spouse begins drawing it at age 62. For every month the spouse or divorced spouse delays the benefit, it increases. If the spouse or divorced spouse begins drawing the benefit at age 65 the full spousal benefit of 50 percent of the worker's benefit is payable. However, once a reduced benefit is drawn, the reduced rate is not increased when the spouse or divorced spouse turns 65. A spouse may receive a benefit at any age if caring for a dependent child, under 16 years of age or disabled and who is entitled to a child's benefit based on the worker's record.
- **Child's Benefit** – Each unmarried dependent child under age 18 (up to age 19 if still in secondary school) or of any age if disabled before age 22 of a worker who is receiving a Social Security retirement benefit is eligible for a child's benefit based on the earnings of the worker parent.

c. Survivor Payments:

- **Surviving Spouse/Divorced Spouse** – A surviving spouse who had been married at least one year or a divorced spouse who was married at least 10 or more years to a worker may be entitled to receive 100 percent of the worker's benefit at age 65. A reduced benefit may be drawn by the spouse/divorced spouse as early as their 60th birthday's. A surviving spouse who remarries after age 60 continues to receive the surviving spouse benefit.
- **Caring for a Child** – If the surviving spouse/divorced spouse is under 62 and caring for a worker's dependent child (under age 16 or disabled) who is entitled to a child's benefit, the surviving spouse/divorced spouse benefit is three-fourths of the worker's benefit subject to a maximum family benefit limit. This benefit terminates when the child reaches age 16, unless the child is disabled.
- **Dependent Children** – Each unmarried dependent child under the age of 18 may be entitled to a child's benefit based on the Social Security account of a deceased worker. An unmarried child 18 or older may be entitled to benefits if the child was disabled prior to age 22 or is a full-time student under age 19. Each child will receive a monthly benefit of three-fourths of the worker's benefit subject to a maximum family benefit limit.

CHAPTER 14: BURIAL AND MILITARY HONORS

14-1. Overview

Military service could qualify a retiree for burial in a Government cemetery, a grave marker and burial honors. However, mortuary benefits at Government expense is not authorized by virtue of their retired status.

14-2. Mortuary Benefits

- a.** Retirees are not eligible for mortuary benefits at Government expense unless, they were on active duty for a period of more than 30 days, became hospitalized in a U.S. Government hospital, retired while an inpatient and died before being discharged from the hospital.
- b.** Retirees and their eligible family members who die outside the United States may be eligible for preparation of remains for a nominal fee and on a reimbursable basis in an Armed Services mortuary if such services are available at the place of death and requested by the U.S. Department of State. Family members or their representative should make requests to the American Consular office in the country of death. Transportation of remains to the preparing mortuary, casket, permits, fees and further transportation of the remains must be paid from private funds.

14-3. Transportation of Retirees Remains

- a.** Retirees who die while admitted to a military medical facility in the United States are authorized transportation of remains from the place of death to their place of burial, providing the place of burial is no further than the retirees last residence.
- b.** If the place of death and place of burial are in the same locality as the residence, transportation of the remains is authorized from the place of death to a local funeral home and from the funeral home to the cemetery.
- c.** Transportation of the remains in a and b above may not be to a place outside of the United States.
- d.** Eligible family members of retired soldiers who die in a military medical facility in the United States are also authorized transportation of their remains. Consult the installation mortuary officer at the place of death on the status of implementation of this benefit.
- e.** The remains of retirees are authorized transportation from overseas to the United States on U.S. military aircraft on a space available or reimbursable basis.
- f.** Retirees who die in Department of Veterans Affairs (VA) hospitals or nursing homes may be eligible for transportation of remains by the VA. Contact the local VA office for eligibility rules.

14-4. VA Burial Benefits

- a.** VA will provide markers or headstones to mark the graves of veteran's buried in National, State or Private Cemeteries or to memorialize veteran's. This includes those donated to science, cremated and whose cremated remains were scattered without burying any portion of them. VA will also provide markers for eligible family members interred in a National or State Veteran's Cemetery. When interment is in a Private Cemetery, the cemetery may require and charge for a foundation for the marker and installation of the marker. These costs must be paid through private funds.
- b.** VA may provide \$300 toward the burial expenses of retirees who are eligible for VA compensation, pension or for those who die in VA medical facilities. If a retiree served during a war period and is not buried in a National Cemetery or other Government Cemetery an additional \$150 gravesite or interment allowance may be paid.
- c.** If a retiree's death is service-connected, VA will pay an amount not to exceed \$2,000 in lieu of the usual burial and gravesite allowance.
- d.** The VA will also provide upon request an American Flag for covering the casket and a Memorial Certificate, bearing the President's signature, expressing our Nation's grateful recognition of the deceased veteran's service.
- e.** In addition to VA burial benefits, the surviving spouse or eligible child of a retiree may be eligible for a \$255 lump-sum death benefit from Social Security. Local Social Security offices have more details.

14-5. Burial in Arlington National and in Other National Cemeteries

- a.** Information concerning burial at Arlington National Cemetery, may be obtained from the Superintendent, Arlington National Cemetery, Arlington, VA 22211. You may also contact The Office at Arlington National Cemetery from 7:30 a.m. to 4:00 p.m. EST, Monday through Friday or from 8:30 a.m. to 4:30 p.m. on Saturday's at (202) 695-3250, 3253 and 3255.
- b.** VA has the responsibility for National Cemeteries, except Arlington and the Armed Forces Retirement Home. You may contact VA at 1-800-827-1000 for burial information.

14-6. Military Honors

- a.** Recently enacted federal legislation provides the minimum of a two person team to perform the ceremonial folding and presentation of the interment flag and playing of taps through military service agencies such as the active components (U.S. Army, U.S. Navy, U.S. Air Force and U.S. Marine Corps), Reserves and National Guard. Request for Military Funeral Honors (MFH) support must be requested by the veteran's funeral home through the Department of Defense by calling 1-877-645-4667.
- b.** MFH support can be provided by Veterans Service Organizations (VSO's), such as the Veterans of Foreign Wars and the American Legion. Contact your local VSO for details.

