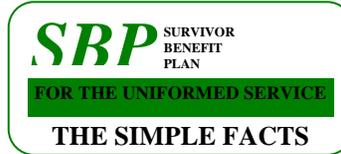


SBP FACT SHEET

FORMER SPOUSE COVERAGE

This fact sheet is designed to supplement the Department of Defense brochure:



You should become familiar with the general provisions outlined in the main brochure before reading this fact sheet. The main brochure also lists other fact sheets that are available. This fact sheet provides information to help you understand the provisions of SBP, but it is not a contract document. The basic statutory provisions of SBP law are in chapter 73, title 10, United States Code.

SBP allows selection of coverage for former spouses. Costs and benefits under this option are identical to those for spouse coverage. This fact sheet highlights key aspects of former spouse coverage.

Election of coverage for a former spouse **PRECLUDES** coverage of the current spouse and/or children of the current spouse.

When former spouse coverage is elected, the current spouse must be informed. Only one SBP election may be made. If there is more than one former spouse, the member must specify which one will be covered.

PROCEDURES -- When electing the former spouse option, a member must provide the finance center a DD Form 2656-1, Survivor Benefit Plan (SBP) Election Statement For Former Spouse Coverage, or a written statement signed by both the member and the former spouse. The written statement must state:

- a. Whether the election is made in order to comply with a court order; or,
- b. Whether the election is made to comply with a voluntary written agreement related to a divorce action, and if so, whether that voluntary agreement is part of a court order for divorce, dissolution, or annulment.

BENEFITS -- The benefit level is the same as for a spouse. For a retiree in receipt of retired pay or Reservist with an RCSBP election, the court may not dictate a level of coverage greater than that elected before the divorce. Benefits will be suspended if the surviving former spouse remarries before the age of 55. They will resume if that marriage ends as a result of death, divorce or annulment.

CHILDREN -- Former spouse and children coverage may also be elected. The children covered are the eligible children from the marriage of the member to the covered former spouse. The children will only receive SBP payments if the former spouse dies or remarries before age 55. Eligible children will divide 55 percent of the covered retired pay in equal shares.

CHANGES DUE TO DIVORCE AFTER RETIREMENT – You must change your spouse coverage to former spouse coverage within one year of the divorce decree. To convert your SBP election to former spouse coverage you must notify the finance center in writing within one year of the divorce either with a DD Form 2656-1 or a written statement requesting the conversion of spouse SBP coverage to former spouse SBP coverage. To convert spouse RCSBP to former spouse RCSBP coverage, Reservists not in receipt of retired pay must notify the Human Resources Command (HRC) Reserve Retirement Section within one year of the divorce either with a DD Form 2656-1 or a written statement requesting the conversion of spouse RCSBP coverage to former spouse RCSBP coverage. Attach a copy of your divorce decree and settlement agreement. SBP Premiums will be retroactive to the month following the date of the divorce decree, regardless of when the election is actually made. Many members erroneously assume coverage will continue for the former spouse if they simply continue paying the spouse SBP premiums.

The former spouse should submit a request for a deemed former spouse election on a DD Form 2656-10, Survivor Benefit Plan (SBP)/Reserve Component (RC) SBP Request for Deemed Election. Attach a copy of the divorce decree, any subsequent decrees, and settlement agreement. This must be done within one year of the date of the court order first awarding SBP or RCSBP. The election will be deemed if the member fails to make the required election.

Former spouse coverage may be changed after retirement to cover a new spouse, or a new spouse and/or children if:

- a. The former spouse election was required by a court order and the retiree provides an acceptable certified court order permitting the change, or
- b. The former spouse election was made to comply with an agreement that is not part of a court order and the former spouse agrees in writing to the requested change, or
- c. The former spouse election was made voluntarily (not part of a court order or written agreement).

This change may be made at any time, provided the above requirements are met. The former spouse must be informed of the change in beneficiary.