

**UNITED STATES AIR FORCE
BOARD FOR CORRECTION OF MILITARY RECORDS**

RECORD OF PROCEEDINGS

IN THE MATTER OF:

DOCKET NUMBER: BC-2024-01286

COUNSEL:

HEARING REQUESTED:

APPLICANT'S REQUEST

1. Defense Finance and Accounting Service (DFAS) discontinue her Survivor Benefit Plan (SBP) coverage.
2. DFAS reimburse her for the premiums collected since September 2023, when she disenrolled in SBP.

APPLICANT'S CONTENTIONS

Since dropping SBP coverage in September 2023, she continues to be charged an SBP fee on her Retiree Account Statement (RAS). She has questioned this multiple times via written DFAS inquiries and has been told it is the Reserve Component Survivor Benefit Plan (RCSBP) debt collection effective until her death. On 22 March 2024, she made a third inquiry for proof and was told via phone call that DFAS must deduct it because it is stated on her retirement orders they received from the Air Force. She was advised to submit a request for military records correction.

She found no evidence of counsel in her 20-year letter package the RCSBP fee is "for life." In 2006, the Reduced Age was not a factor. Her Public Law 105-85 right for one-time discontinuation window began the summer of 2023 as she neared age 60 and crossed the 2-year mark. Paying back her gray area debt is fair, paying for life does not seem legal. Her spouse no longer has survivor benefits. From May 2021 to December 2023, she has paid ~\$2257. For 2024 alone, she will pay another \$1K. This is a lot of money to lose as she begins to live on a fixed income. The deducted amount will keep rising with no visibility of her debt payment.

The applicant's complete submission is at Exhibit A.

STATEMENT OF FACTS

The applicant is a retired Air Force Reserve colonel (O-6).

On 24 October 2006, ARPC/DPPR sent the applicant the standard Notification of Eligibility (NOE) for retired pay (20-year letter) informing her that she has completed the required years under the provisions of Title 10 United States Code, Section 12731 (10 U.S.C. § 12731), and entitled to retired pay upon application prior to age 60. In addition, she was eligible to participate in the RCSBP.

[REDACTED]

On 17 January 2007, according to ARPC Form 123, *Reserve Component Survivor Benefit Plan Election Certificate*, the applicant elected Option C, *Immediate Annuity for spouse and children*, based on full retired pay.

On 6 April 2021, according to DD Form 2656, *Data for Payment of Retired Personnel*, the applicant elected Option C, *Previously elected or defaulted to immediate RCSBP Coverage*.

On 25 May 2021, according to Reserve Order [REDACTED], dated 18 August 2021, the applicant was authorized retired pay and placed on the United States Air Force Retired List.

For more information, see the excerpt of the applicant's record at Exhibit B and the advisory at Exhibit C.

AIR FORCE EVALUATION

ARPC/DPTT (Transitions Division) recommends denying the application. All Reserve Component Service members who are eligible to participate in RCSBP, but who fail to make an election in the prescribed time will, by law, automatically have full, immediate RCSBP coverage for their dependent spouse and/or children, based upon dependents in the member's record in the Military Personnel Data System (MilPDS). The prescribed time limit for RCSBP election is before the end of the 90th day after the Service member receives notification of having completed the years of service to be eligible for non-regular retirement in accordance with 10 U.S.C. § 12731.

On 13 September 2023, the applicant submitted case # [REDACTED], via myFSS, seeking clarification on what to do, and where to submit, the Open Season Discontinuance Participation Forms that she had attached. On 13 December 2023, the Benefits & Entitlements office sent a response to the applicant stating the Open Season Discontinuance Participation Forms, submitted by the applicant had been received. Furthermore, in the response, the applicant was informed of the following, "as you are already in retired pay status you are ineligible to discontinue RCSBP." She was further informed that if she wanted to discontinue from SBP, that she would need to select SBP at the top of page 4 and submit directly to DFAS, not ARPC.

On 25 September 2023, the applicant was sent a memorandum from DFAS, informing her they had received her request to discontinue from SBP on 20 September 2023. The memorandum further stated that she would be discontinued from SBP effective the first day of the month after the date her request was received. Furthermore, she was informed that retirees remain responsible for any debt accrued due to unpaid premiums during the time in which the retiree had SBP or RCSBP coverage.

As stated on page one of the SBP and RCSBP Open Season Election to Discontinue Participation package the applicant signed on 13 September 2023, discontinuing future participation does not release you from liability for those unpaid premiums. For RCSBP coverage already received, you will still be charged the premiums owed for that coverage at eligibility age. Note that RCSBP covers you from the time you qualify for a non-regular retirement until you begin receiving retired pay. Therefore, the applicant is obligated to continue paying the payments from the date of immediate coverage 17 January 2007, until the date the applicant started receiving retirement pay on 25 August 2021, and SBP premiums from 25 August 2021, until SBP open season cancellation.

RCSBP members pay the standard SBP cost, plus an additional Reserve Component (RC) cost, through deductions from retired pay. This RC cost is often referred to as the "RCSBP add-on

[REDACTED]

cost.” The premium increases with retired pay cost-of-living adjustments. If you voluntarily terminate coverage, you will pay the add-on premium for your lifetime. In accordance with Title 10, Chapter 73, *Annuities Based on Retired or Retainer Pay*, §1436a. Coverage paid up at 30 years and age 70, the RCSBP add-on costs will continue until the member reaches the age of 70 and/or has paid 360 months toward costs.

Based on the documentation provided by the applicant and the analysis of the facts, there is no evidence of an error or injustice on the part of ARPC. Documentation was provided to DFAS during Open Season resulting in the applicant being removed from SBP. The RCSBP add-on costs are established per law; therefore, they cannot be removed from the applicant’s deductions.

The complete advisory opinion is at Exhibit C.

APPLICANT’S REVIEW OF AIR FORCE EVALUATION

The Board sent a copy of the advisory opinion to the applicant on 6 February 2025, for comment (Exhibit D), and the applicant replied on 13 February 2025. In her response, the applicant contended she would like to point to lack of transparency as her overall rebuttal to the current advisory opinion for her case. In both situations with the Air Reserve Personnel Center (ARPC) and the Defense Finance & Accounting Service (DFAS), the US. Code and DoD FMR references used as justification she knew about the 360 months RCSBP add-on cost, are being cited after-the-fact.

Her guidance in electing survivor benefits came solely from the letters and instructions received from the ARPC package, dated 24 October 2006, provided in her original case artifacts. She was an Individual Mobilization Augmentee (IMA). She did not have the privilege of being part of a unit to assist with guidance. The MFR confirmed her 20 years of service and eligibility to participate in the RCSBP. The package focused on urgency, fear of leaving your family no benefits, and that an option would be chosen for you if not responding on time. She saw nowhere in that application guide or ARPC Form 123 that she signed made reference to 10 U.S. Code 1436a.

Within the instructions, the Reservist Portion Cost section gives no information of additional add-on costs or the timeframe to repay. This is a huge missing detail. As a female, she would have been hard-pressed to select Option C knowing how many years she would pay; statistically women outlive men.

The Discontinuation section reiterates she has a one-time option and again has no mention of paying add-on costs for life or age 70/360 months (2008 update).

As stated previously, she was on active duty after 2008 and received a reduced-age pension. As directed by ARPC, she was tracking the one-time discontinuation option of using DD Form 2656-2 between the 25th and 36th months if her spouse and her wanted to drop coverage. Coincidentally, the 2023 SBP Open Season fell across that same year.

The ARPC response letter is pointing to the myFSS reply dated 13 December 2023 as a pertinent fact, yet the outlined chronology of events is out-of-order. Her first myFSS inquiry was on 13 September 2023 and it states she was getting conflicting information. She had already called DFAS and ARPC. It was total confusion and during all this no one ever said nor was it in writing she would still incur the 360-month cost if she discontinued coverage. Via phone call direction from ARPC, she was told to submit through DFAS and use their 2023 Open Season form.

She did this on 20 September 2023 which is documented in the DFAS letter dated 25 September 2023. The actual written response from the myFSS inquiry came on 13 December 2023 and even apologizes for delays up to 8 weeks as they transitioned to their new system. Her election to discontinue had already been processed. Despite being after-the-fact, the myFSS statement "ineligible to discontinue from RCSBP" is not even explained.

Whereas the DFAS form her husband and her signed in front of a notary on 13 September 2023 (uploaded on 17 September 2024 per AFBCMR request) is titled *SBP and RCSBP Open Season Election to Discontinue Participation*. The Title of the form states it covers both. This is a big difference in what ARPC and DFAS are now trying to imply.

Nowhere in that DFAS Open Season form and guidance did it explicitly state she would pay the add-on cost for life, it does not even mention 10 U.S. Code 1436a. Nor does it cite DoD FMR Chapter 54 which was later given as reason in DFAS correspondence dated 9 April 2024. At that point, she had already sent in her Correction of Military Records application.

Additionally, that DFAS letter dated 25 September 2023 confirming her coverage had been discontinued states in paragraph 2, "In addition retirees remain responsible for any debt accrued due to unpaid premiums during the time in which the retiree had SBP or RCSBP coverage."

The word premium was never defined in the discontinuation package for those in the RCSBP category, but it does state during the time she had coverage.

It goes on to say she can view changes on her next Retiree Account Statement. Her RASs for October 2023 to present no longer track how many months of the 360 she has met. And there is a deduction which states SBP Cost and then further down states she no longer has SBP. This is not even documented correctly.

She followed provided directions and forms which lacked pertinent information and transparency to make serious decisions in 2006 and 2023, yet she is now being told she knew all the facts. She served her country for 28 years and she has lost all-around in this situation.

She will have to reach age 87 before the 360 months are met and DFAS is no longer even tracking. She will be robbed of thousands of dollars possibly paying for 14 more years of coverage she was not allowed to discontinue. And, because 360 months and lifetime seem to be used interchangeably it appears no one is expected to live that long.

Despite knowing she has been seriously wronged, she respectfully asks the Board to hold her to the 16 years: opt-in (January 2007) to opt-out (September 2023) and require DFAS to restart the tracking of her RCSBP add-on cost via the monthly Retiree Account Statements.

The applicant's complete response is at Exhibit E.



FINDINGS AND CONCLUSION


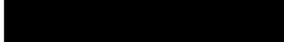
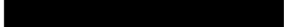
1. The application was timely filed.
2. The applicant exhausted all other available administrative remedies before applying to the Board.
3. After reviewing all Exhibits, the Board concludes the applicant is not the victim of an error or injustice. The Board concurs with the rationale and recommendation of ARPC/DPTT and finds a preponderance of the evidence does not substantiate the applicant’s contentions. The applicant requested cancellation of SBP during FY23 Open Season. A 25 September 2023 letter from DFAS notified her the SBP would be discontinued effective 1 October 2023. No SBP deductions occurred after 1 October 2023; however, the applicant is obligated to pay for the RCSBP coverage she elected and received as noted in the ARPC/DPPR 24 October 2006 letter. The ARPC letter served as notification of her eligibility to participate in the RCSBP. The plan permitted the applicant to provide a monthly annuity to her designated beneficiaries in the event of her death, even though she had not yet reached age 60. When Option C (Immediate Annuity) is elected, there is a Reservist Portion cost added to the basic cost to cover the additional benefit and assured protection should the Airman die before drawing retired pay. While the Board recognizes the applicant’s contention of being seriously wronged, as well as her years of service to the Air Force, the evidence clearly authenticates the applicant was properly made aware of the RCSBP Notification of Eligibility and made a timely election for immediate annuity spouse RCSBP coverage within the timeframe as prescribed by law. Additionally, the applicant provided documentation to DFAS during open season resulting in the requested discontinuance of SBP. The Board notes the applicant has not provided any evidence nor was there any evidence in her record that confirms an error or injustice exist. Therefore, the Board does not find it in the interest of justice to grant relief. As such, the Board recommends against correcting the applicant’s records.

RECOMMENDATION

The Board recommends informing the applicant the evidence did not demonstrate material error or injustice, and the Board will reconsider the application only upon receipt of relevant evidence not already presented.

CERTIFICATION

The following quorum of the Board, as defined in Department of the Air Force Instruction (DAFI) 36-2603, *Air Force Board for Correction of Military Records (AFBCMR)*, paragraph 2.1, considered Docket Number BC-2024-01286 in Executive Session on 29 May 2025:

- , Panel Chair
- , Panel Member
- , Panel Member

All members voted against correcting the record. The panel considered the following:

- Exhibit A: Application, DD Form 149, w/atchs, dated 16 April 2024.
- Exhibit B: Documentary Evidence, including relevant excerpts from official records.
- Exhibit C: Advisory, ARPC/DPTT, dated 29 January 2025.
- Exhibit D: Notification of Advisory, SAF/MRBC to Applicant, dated 6 February 2025.



Exhibit E: Applicant's Response, dated 13 February 2025.

Taken together with all Exhibits, this document constitutes the true and complete Record of Proceedings, as required by DAFI 36-2603, paragraph 4.12.9.

10/26/2025

X

Associate Director, AFBCMR
Signed by: USAF