



DEPARTMENT OF THE NAVY
BOARD FOR CORRECTION OF NAVAL RECORDS
701 S. COURTHOUSE ROAD, SUITE 1001
ARLINGTON, VA 22204-2490

██████████
Docket No. 10378-24
Ref: Signature Date

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This is in reference to your application for correction of your naval record pursuant to Section 1552 of Title 10, United States Code. After careful and conscientious consideration of relevant portions of your naval record and your application, the Board for Correction of Naval Records (Board) found the evidence submitted insufficient to establish the existence of probable material error or injustice. Consequently, your application has been denied.

A three-member panel of the Board, sitting in executive session, considered your application on 1 May 2025. The names and votes of the members of the panel will be furnished upon request. Your allegations of error and injustice were reviewed in accordance with administrative regulations and procedures applicable to the proceedings of this Board. Documentary material considered by the Board consisted of your application, together with all material submitted in support thereof, relevant portions of your naval record and applicable statutes, regulations, and policies.

On 4 January 1987 you married ██████████ On 23 February 1990 your dependent child was born.

In accordance with DoD 7000.14-R FMR Volume 7B, Eligible beneficiaries under the Reserve Component Survivor Benefit Plan (RCSBP) include spouse, child, former spouse, and natural person with an insurable interest. Members eligible to participate in RCSBP may elect coverage in one of the following coverage categories: spouse; spouse and child; child only; former spouse; former spouse and child; natural person with an insurable interest; or Special Needs Trust.

Any member who is notified of his or her completion of the years of service required for retired pay eligibility for non-regular retirement may elect to participate in RCSBP before the end of the 90-day period. A member who is married or has a dependent child, and who receives notice of eligibility for retired pay, after January 1, 2001, is automatically an immediate participant in RCSBP unless the member elects (with spousal concurrence, if required) not to participate or to defer the decision or delay coverage before the end of the 90-day period. See subparagraph 5.2.7.

The Reserve Component Premiums are the deductions from the member's retired pay that are made for RCSBP coverage provided while the member waits to attain the requisite age necessary to become entitled to retired pay...The tables also do not reflect the Survivor's Annuity Premium Deduction which is a further premium applied to the survivor's annuity for the RCSBP coverage provided while the member awaited the requisite age of entitlement to retired pay.

On 5 November 2003, Commanding Officer, Naval Reserve Personnel Center notified you that "[y]ou have completed all requirements to receive retired pay at age 60 under the provision of references (a) [10 U.S.C. § 1223] and (b) [BUPERSINST 1001.39D]. Eligibility may not be denied or revoked unless it resulted directly from fraud or misrepresentation on your part. The number of years of creditable service and the amount of retired pay, however, may be adjusted for errors. Enclosure (1) [Statement of Service for Naval Reserve Retirement] is used to document your initial eligibility. An updated Record of Military Service for Naval Reserve Retirement will be provided on your retirement or discharge. Enclosure (2) [Veteran's Group Life Insurance Information] is provided for your information.

You are now also entitled to participate in the RCSBP. Enclosure (3) [NRPC 1772/2 (Rev. 9-96)] provides pertinent information and an election certificate. Your completed election certificate must be submitted to this command (N32), within 90 days of receipt of this letter. Your election is irrevocable except upon certain changes in dependent status.

If you are now, or become, entitled to retired pay from an Armed Force, or retainer pay as a member of the Fleet Reserve or Fleet Marine Corps Reserve, by any provision of Federal Law, you will not be entitled to retired pay under the provisions of reference (a) nor will you be eligible for RCSBP."

On 8 February 2021, you and witness (Spouse) signed a Data for Payment of Retired Personnel (DD Form 2656) Section X – Survivor Benefit Plan (SBP) Election block 33 (Reserves component only) listed "Option B – Previously elected coverage to begin at age 60." Furthermore, block 34 (SBP beneficiary categories) "I elect coverage for spouse only – I have dependent child/ren No." and block 35 (SBP level of coverage) "I elect coverage based on full gross pay."

On 12 March 2021, Commander, Navy Personnel Command (PERS-912) notified Defense Finance and Accounting Service, ██████████ (Attn: New Accounts) that "[p]er references (a) [10 U.S.C. Chapter 1223] through (b) [10 U.S.C. Chapter 73, subchapters II and III], on November 5, 2003, we sent the subject member a Notification of Eligibility (NOE) letter to receive Retired Pay at or beyond the age of 60 in addition to the Reserve Component-Survivor Benefit Plan (RC-SBP) election certificate. PERS- 912 did not receive an election certificate from the member as was requested in the correspondence on the aforementioned date.

Per references (a) through (c) [DoD Financial Management Regulation, Volume 7B, Chapter 42], in the NOE, the member was informed of the 90 days from the date of receipt response to PERS-912 requirement. If no response is received from the member as requested the member is then automatically enrolled in the RC-SBP plan. Therefore, as of February

3,2004, the member was enrolled in an immediate RC-SBP annuity for his/her spouse and child. Covered spouse, [REDACTED]; SSN, ...; date of birth, October [REDACTED], [REDACTED]; date of marriage, [REDACTED] [REDACTED]; child name, [REDACTED] er, SSN, ...; date of birth, [REDACTED] [REDACTED].”

On 11 June 2021, Commander, Navy Personnel Command (PERS-9) notified you that “[p]er references (a) [10 U.S.C. § 10154] and (b) [10 U.S.C. § 12774(a)], the Secretary of the Navy approved your request for transfer to the Retired Reserve and application for retired pay for non-regular service under reference (c) [10 U.S.C. § 12731]. Your authorization date for transfer to Retired Reserve status and your initial date of eligibility for retired pay for non-regular service is [REDACTED]. Per your request, your authorization to retired pay is effective [REDACTED].

Per references (d) [10 U.S.C. § 12732] and (e) [10 U.S.C. § 12733], computation of your retired pay under reference (f) [10 U.S.C. § 12739] will be based on 37 years 1 month 11 days of qualifying service, 07261 retirement points and a pay entry base date of 29 January 1981.”

On [REDACTED] [REDACTED] you turned 60 years old.

On 23 September 2024, DFAS notified you that “...We have received your recent correspondence but cannot take action at this time because additional information is needed...Other: DFAS has not received the RC election form and therefore entered into RCSBP coverage. You can reach out to your Board of Corrections for assistance. What you need to do...Other: RC Election Form.”

You notified DFAS Retirement team that “I am trying to get clarification on why I am and have been paying for the RC-SBC and Spouse Only cost (combined) when I was never a gray area reservist. I retired at 60 years old and started to receive retirement pay at that time. If this is correct, I am requesting a response from your team. As well, if this has been in error from June 2021 will this cost be refunded to me? Thank you.

Your RCSBP election covers you from the time you qualify for a non-regular retirement until you begin receiving retired pay at non-regular retirement. Once in receipt of retired pay, your RCSBP election (Option B or C) automatically becomes your SBP election. If you elected to decline RCSBP (Option A), you will have no RCSBP coverage and must decide about SBP coverage at the time of your non-regular retirement. Active duty retirement for length of service or medical retirement invalidates an RCSBP election and you will be required to make an SBP election without regard to a previous RCSBP election. If retired with an active duty retirement or medical retirement, you will not be charged any premiums for RCSBP coverage received.”

On 14 April 2025, DFAS HUNT system shows that you are enrolled in SBP spouse coverage effective 11 June 2021 in the amount of \$413.70, RCSBP \$131.11, and Current cost \$544.81.

You requested to discontinue paying RCSBP premiums and receive reimbursement for RCSBP premiums paid. The Board, in its review of your entire record and application, carefully weighed all potentially mitigating factors, to include your assertions. However, the Board concluded that

Department of Defense Financial Management Regulation 7000.14-R specifies that members notified of completion of the years of service required for retired pay eligibility for non-regular retirement must make an election to decline or elect reduced coverage with spousal concurrence within 90 days of receiving notification. The election to participate in or decline RCSBP is irrevocable. After 1 January 2001, a member who is married or has a dependent child is automatically enrolled in immediate RCSBP coverage if an election is not received within 90 days of receiving notification. Additionally, the policy indicates RCSBP coverage for the member's survivors commences but premiums are not paid until the member first becomes actually entitled to retired pay. RCSBP premium deductions are for the coverage provided while the member awaited the requisite age of entitlement to retired pay. RCSBP premiums are distinct from the SBP premiums.

On 5 November 2003, you were issued your NOE to Receive Retired Pay at Age 60 and Participate in the RCSBP. The aforementioned notification provided you with information on the RCSBP, an Election Certificate, and direction on making an election within 90 days of receiving the letter. Navy Personnel Command (PERS-912) did not receive an RCSBP Election Certificate from you within 90 days of you receiving the NOE, resulting in your automatic enrollment in Option C (Immediate Annuity) RCSBP Spouse and Child coverage. On 11 June 2021, you transferred to the Retired Reserve with pay and your coverage changed from RCSBP Spouse and Child coverage to SBP Spouse coverage, and premium deductions began for both coverages in accordance with the abovementioned policy. The Board noted that you received RCSBP coverage from the time of automatic enrollment through 10 June 2021 and your beneficiaries would have received an annuity if something happened to you during that time. Therefore, the Board determined that a change to your record is not warranted.

You are entitled to have the Board reconsider its decision upon submission of new matters, which will require you to complete and submit a new DD Form 149. New matters are those not previously presented to or considered by the Board. In this regard, it is important to keep in mind that a presumption of regularity attaches to all official records. Consequently, when applying for a correction of an official naval record, the burden is on the applicant to demonstrate the existence of probable material error or injustice.

Sincerely,

5/8/2025

