

National Veterans Legal Services Program

SURVIVOR BENEFIT PLAN: UNEXPECTED EXPENSES FROM RETROACTIVE RETIREMENT

If your military records are corrected and you receive backdated disability retirement benefits, you may be automatically charged for the monthly cost of the Survivor Benefit Plan dating back to your date of separation.

WHO IS AFFECTED?

Veterans seeking or who obtained retroactive retirement who have/had a spouse and/or dependent:

- currently
- at the time of separation from the military, or
- at any time in between

HOW DOES THIS HAPPEN?

The Survivor Benefit Plan (SBP) provides retirement benefits to dependents if a veteran passes away. SBP premiums can be automatically deducted from retirement pay and/or VA disability compensation. Veterans are automatically enrolled in SBP at retirement unless formally declined. When retroactive disability retirement benefits are awarded, a veteran may be charged for several back years of SBP premiums. Once enrolled, even if by mistake, cancelling participation in SBP (and liability for premiums) can be extremely difficult and may require a completely new application for correction of military records.

WHAT SHOULD I DO?

If you are awarded retroactive disability retirement benefits, you should seek advice as soon as possible about your options. If you do not want to be charged back premiums, elect to opt out of SBP.

If you were automatically enrolled in SBP because you did not understand and were not advised about the back premiums, you should seek advice about filing a new application for correction of military records.

You may contact the National Veterans Legal Services Program to see if you qualify for our free assistance with applications for corrections of military records.

