

# Help Your Survivors — Now

*A Guide to  
Planning Ahead*



## **Help Your Survivors — Now A Guide to Planning Ahead**

If you have a family, one of the most important things you can do is lay out your plans to take care of them after you die. Certain payments and benefits will be available to your survivors, and it's up to you to ensure they know how to apply for these programs and where to find answers to their questions. This guide will help you plan and can help your survivors navigate benefits. Call MOAA at (800) 234-MOAA (6622) or email [beninfo@moaa.org](mailto:beninfo@moaa.org) if you have questions or need clarification.

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# Introduction

MOAA can't tell you how to provide for your survivors. We can and will, however, tell you the many things you can do during your lifetime to help them after your death.

We also will outline what your survivors, upon your death, can expect to receive from the federal government. We'll discuss the limitations on various payments and answer such questions as:

- What survivor benefits exist for your family?
- What happens to your personal property and realty when you die?
- Will your survivors receive prorated retired pay for the month in which you die?

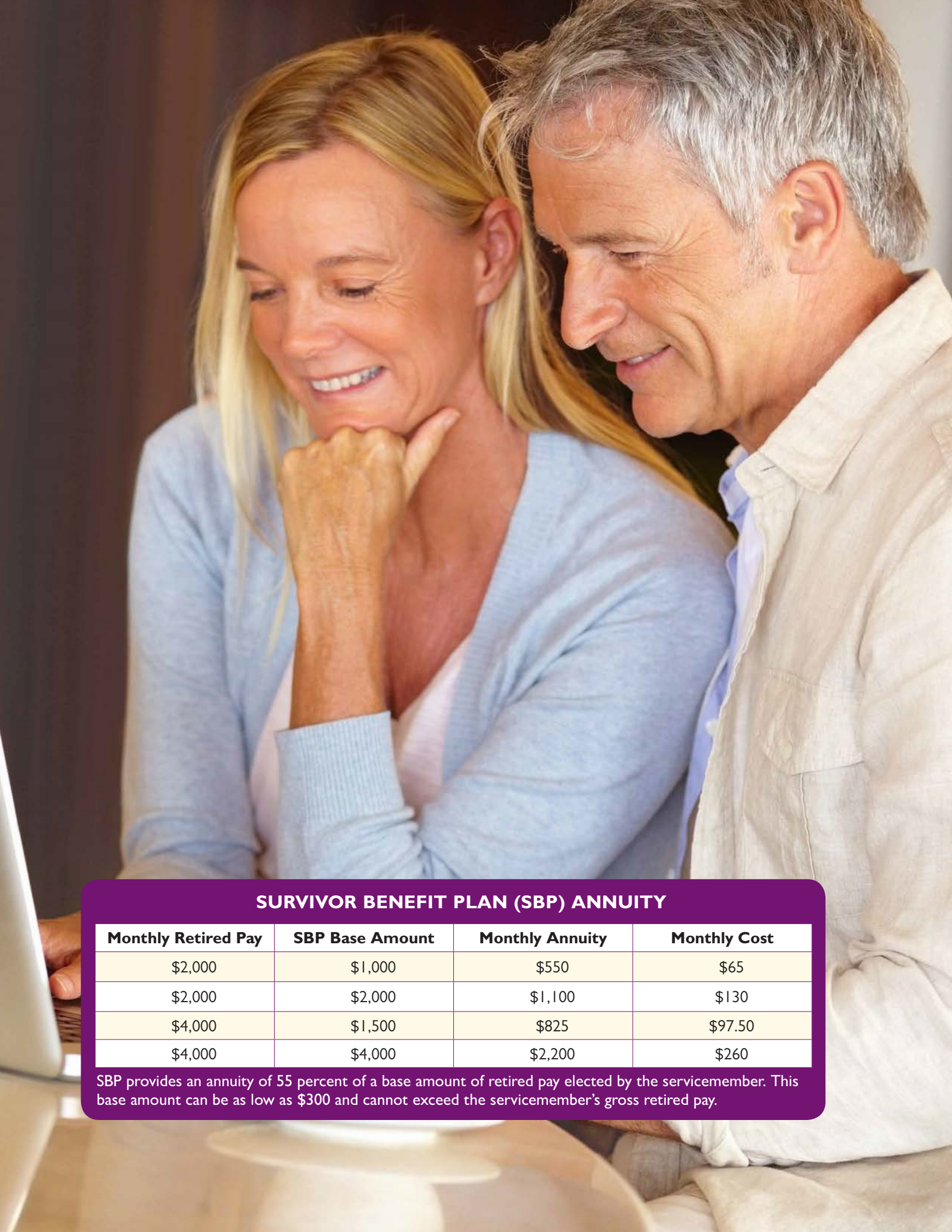
Unless you have taken appropriate action, you might not have the answers to all of these questions.

Other matters sometimes are overlooked. For example, have you assured your spouse both of you are eligible for burial in a national cemetery? Do you know Arlington National Cemetery in Virginia has different eligibility requirements than other national cemeteries?

It is a good idea to set up a separate account for your spouse (or executor) to meet living expenses for the first 60 to 90 days following your death. The amount of time needed to prepare and submit life insurance and government benefits claims — and for the payments to start — could leave survivors without adequate funds for living expenses. Such an account could be in a commercial bank, a savings bank, or a credit union. Remember, joint bank accounts are not always the answer, because funds might not be immediately available to the survivor. Check with your banking institution for details.

This is not an official publication of any government agency. However, we are confident our interpretation of the various statutes and implementing regulations is accurate and correct as of the date of publication.





### SURVIVOR BENEFIT PLAN (SBP) ANNUITY

Monthly Retired Pay	SBP Base Amount	Monthly Annuity	Monthly Cost
\$2,000	\$1,000	\$550	\$65
\$2,000	\$2,000	\$1,100	\$130
\$4,000	\$1,500	\$825	\$97.50
\$4,000	\$4,000	\$2,200	\$260

SBP provides an annuity of 55 percent of a base amount of retired pay elected by the servicemember. This base amount can be as low as \$300 and cannot exceed the servicemember's gross retired pay.

# Part I: Potential Financial Benefits

Many financial benefits can accrue at the death of a servicemember. For instance, a survivor might be eligible for a Survivor Benefit Plan annuity. Dependency and Indemnity Compensation, Social Security, life insurance, and certain burial allowances also can add to the benefits a surviving spouse receives. In Part I, MOAA's benefits staff provides guidelines on the criteria that must be met before eligibility for these benefits can be determined.

## WHEN RETIRED PAY STOPS

Entitlement to military retired pay stops at midnight on the date of your death. Your surviving spouse suddenly has no authority to cash any check made payable to you. Neither does your bank. Should your survivor receive either a military retired paycheck or an electronic fund transfer payable to you, it must be returned to the retired pay section of the Defense Finance and Accounting Service (DFAS) or your service's finance center stating the reason for return.

Your beneficiary is entitled to any military retired pay due you at the time of your death. To check your beneficiary designation, look at your Retiree Account Statement or myPay account or write to DFAS or your service finance center and ask for the necessary forms. If your designation is properly made, there should be no problem settling your final military retired pay.

**NOTE:** It is important your surviving spouse or executor reports your death to the retired pay department of DFAS or other service finance center as soon as practical. The address and telephone numbers for DFAS and other service finance centers, found in the checklist on page 27, should be made a part of your valuables and placed in safekeeping for ready retrieval.

## THE SURVIVOR BENEFIT PLAN (SBP)

Be sure your spouse knows whether you have SBP coverage. Keep a copy of your latest Retiree Account Statement, detailing your SBP deduction, with your important papers.

SBP provides an annuity of 55 percent of a "base amount" of retired pay elected by the servicemember. The base amount is the amount of retired pay covered by the SBP insurance program. The maxi-



mum base amount is the gross monthly retired pay. But the base amount can be as low as \$300. The retiree, with the spouse's consent, can choose what the base amount will be. The chart on the facing page has a few simple examples of gross retired pay, annuity base amounts elected, and monthly SBP annuities payable with monthly costs.

**NOTE:** The Social Security offset to SBP was eliminated April 1, 2008. Surviving spouses now are entitled to receive SBP and Social Security benefits without an offset.

### **Changes in coverage**

Most elections to participate in SBP cannot be changed or modified once an application becomes effective. SBP costs are deducted from retired pay so long as a retiree has an eligible beneficiary for the annuity or is not paid up (i.e., has made 360 monthly SBP payments and is at least 70 years old). If, through death or divorce, a retiree has no eligible beneficiary, SBP cost deductions and participation are suspended. The spouses of retirees who remarry will become eligible beneficiaries after one year of marriage. Paid-up status carries over to subsequent marriages and beneficiaries.

Enactment of the Former Spouses' Protection Act (Sec. 1003, P.L. 97-252), as amended, might

allow SBP coverage for former spouses as well as their children with a servicemember. The election of former spouse coverage is subject to several rigid requirements. These complex details are not included in this publication. You may request a copy of MOAA's *Former Spouse Benefits* publication for a detailed explanation of the former spouse provisions of the SBP law. For more information, contact your nearest military legal assistance office.

SBP terminates if a second-career federal employee waives military retired pay in favor of a combined military/federal retirement annuity and elects the federal survivor annuity. No refund of military SBP premiums can be made.

Legislation enacted in 1997 allows future retirees to disenroll between the second and third anniversaries of electing to participate in the SBP program. Disenrollment must include the consent of the covered spouse.

Reserve retirees first receiving retired pay at age 60 will be eligible to withdraw from SBP between the second and third anniversaries of receipt of retired pay at age 60 or later, with the consent of the spouse.

### **COLAs and annuities**

The SBP base amount and monthly cost are adjusted periodically on the same basis as COLAs in gross retired pay and Social Security. The annuity paid to your surviving spouse likewise will be increased. At right is an example, under the original law, of how the base amount, annuity payable, and cost are adjusted when retired pay is increased.

### **Reduction of the SBP annuity**

If your death is determined to be because of an injury or disease incurred while on active service (including some periods of active duty training and inactive duty for training), your surviving spouse will be entitled to Dependency and Indemnity Compensation (DIC) from the VA.

If your death is determined to be not service-related, VA compensation may be payable if, immediately before death, the following conditions are met: You hold a VA total service-connected disability rating continuously for at least 10 years prior to death or continuously for five years since your last release from active duty. This compensation also is payable if you have been rated by the VA as totally disabled for a continu-





ous period of not less than one year immediately preceding your death and you are a former prisoner of war who died after Sept. 30, 1999.

If DIC is payable, the amount will be deducted from your surviving spouse's SBP annuity. However, to compensate for this deduction, your surviving spouse will receive a cash refund if application to the VA for DIC is made within one year of your death. The refund will reflect the amount deducted from your retired pay for the SBP annuity that is not payable. In the event the DIC payment is greater than the SBP annuity, no annuity will be payable. In this case, your surviving spouse will receive a refund of all the money you paid into SBP. This refund is payable in the year of death and is fully taxable. To minimize any SBP overpayment, your surviving spouse should notify the Defense Finance and Accounting Service (DFAS) or the appropriate finance centers if and when DIC is authorized.

What happens to a surviving spouse who remarries after age 55? What effect does this have on SBP and DIC? A surviving spouse drawing an SBP annuity who remarries after age 55 will have the SBP annuity continued without interruption.

The Veterans Benefits Act of 2003 (P.L. 108-183) allows survivors of servicemembers who died of service-connected causes to retain DIC if they remarry after age 57.

If an annuitant receives DIC based on a servicemember other than the one providing SBP, DIC will not reduce the SBP annuity.

A surviving spouse loses entitlement to DIC upon remarriage prior to age 57. If the remarriage ends, DIC can be reinstated. Contact the nearest VA regional office at (800) 827-1000 for information. If this happens after the spouse reaches age 55, the SBP annuity can be readjusted to the amount that would have been in effect had the DIC not been awarded; however, the surviving spouse must repay any cost premiums refunded. The full SBP annuity is payable when DIC terminates but not until after the refund has been paid back. A surviving spouse can repay the refunded cost premiums in either a lump sum or in installments. If the surviving spouse elects to make repayments in installments, those payments will be deducted from the SBP annuity. **Remarriage at age 57 or older does not affect receipt of DIC.**

### Payment of SBP annuity

As soon as DFAS or the appropriate finance center receives notification of your death, your surviv-

## RETIRED PAY, SBP, and COLA

**The monthly cost of SBP and the annuity it will provide are related to the base amount selected.**

<b>\$2,000</b>	<b>x</b>	<b>55%</b>	<b>=</b>	<b>\$1,100</b>
Base Amount				Monthly Annuity

---

**\$130**  
Monthly Cost  
(6.5% of the base amount)

**A 5-percent COLA increases retired pay, the base amount, the monthly cost, and the annuity.**

<b>\$2,100</b>	<b>x</b>	<b>55%</b>	<b>=</b>	<b>\$1,155</b>
New Base Amount				Monthly Annuity

---

**\$136.50**  
Monthly Cost  
(\$130 + 5%)

**Your surviving spouse's annuity also will be affected by COLAs after your death. Assume a 5-percent COLA is authorized.**

<b>\$1,500</b>	<b>+</b>	<b>5%</b>	<b>=</b>	<b>\$1,575</b>
Old Annuity				New Annuity

ing spouse will be sent an easy-to-complete SBP annuity claim form. The annuity (including periodic increases whenever retired pay is raised) will be available as long as your surviving spouse lives. Remarriage before age 55, however, will suspend the annuity. (It would be payable again upon termination of that marriage.) The annuity continues if remarriage occurs after age 55.

For information about the payment of an SBP annuity to an incapacitated annuitant, contact DFAS or the appropriate finance center.

### **Income taxes**

Election of SBP coverage presents a tax advantage for the retiree, as monthly SBP premiums are not subject to federal income tax and reduce the taxability of your gross retired pay. However, a surviving spouse's SBP annuity is fully taxable. The amount will be reported by DFAS at the end of each year on Form 1099-R.

There is no tax credit from deposits if a retiree waives payment of retired pay in favor of another federal benefit and continues SBP participation via direct monthly remittances to a finance center. However, the annuity will be exempt from federal income tax until the total of direct payments is recovered. For more information, call MOAA's Transition Center at (800) 234-MOAA (6622) or go to [www.moaa.org/taxguide](http://www.moaa.org/taxguide).

### **Estate and inheritance taxes**

The federal estate tax treatment depends on a servicemember's specific SBP election and, in some cases, upon the date of the servicemember's military retirement. Refer to MOAA's online tax guide at [www.moaa.org/taxguide](http://www.moaa.org/taxguide).

## **DEPENDENCY AND INDEMNITY COMPENSATION (DIC)**

Service-connected disabilities can make a significant difference in benefits payable to your surviving spouse. When the VA determines a retiree's death is attributable to a disease or an injury incurred or aggravated during active service (including some periods of active duty training and inactive duty for training), the surviving spouse becomes eligible for DIC. This is the VA's highest payment to a surviving spouse, and the amount in no way is limited by the income from other sources. (Note the Survivor Benefit Plan/DIC relationship discussed on page 7.)

DIC also is payable if your death is not due to service-connected causes with the following provisions:

- You held the VA total service-connected disability rating continuously for 10 or more years immediately before death;
- you held the VA total service-connected disability rating continuously for at least five years since your last active duty release and you were married one or more years on your date of death;
- the VA rates you as totally disabled for a continuous period of no less than one year immediately prior to death and you are a for-

mer prisoner of war who died after Sept. 30, 1999; or

- your death was caused by VA medical treatment, vocational rehabilitation, or compensated work therapy. (Additional fault requirements may apply to deaths caused by VA medical treatment.)

A VA total service-connected disability requires a veteran be rated at 100 percent, by VA criteria, or be authorized to draw compensation at the 100-percent rate because of a lack of employability. No length-of-marriage requirement is appli-



When the VA determines a retiree's death is attributable to active service, the surviving spouse becomes eligible for Dependency and Indemnity Compensation.

cable if a child was born to the veteran and the surviving spouse.

Survivors of retirees who did not have a total service-connected disability must establish the death as service-connected to receive DIC.

For example, if your VA service-connected disability is a heart condition and your death is from an unrelated cause, your surviving spouse might not qualify for DIC.

If there is the slightest possibility the death was caused by or might have been caused by a service-connected disability, an autopsy should be performed. The evidence from an autopsy can materially assist in the determination of service connection for the purpose of establishment of a DIC claim and will be far more conclusive than a simple doctor's statement on a death certificate.

In addition to the service-connection requirement, you must have been married at least one year (or less if a child is born of your marriage or you married before or during your service or within 15 years after the period of service where you incurred the disability). If a surviving spouse remarries prior to age 57, DIC entitlement stops. It can be reinstated if the remarriage is terminated. Remarriage after age 57 will not interrupt DIC payments.



Application forms and help in preparing them are available at your nearest VA office or military installation personnel office.

The latest rates for DIC can be found at [www.benefits.va.gov/compensation/rates-index.asp](http://www.benefits.va.gov/compensation/rates-index.asp).

### **Establishing service connection**

If you retired because of a military physical disability, then you have a service-connected disability. If your death is attributable to this disability, your surviving spouse should establish eligibility for DIC.

It is not necessary, however, that you be disability retired before your surviving spouse can receive DIC. Regardless of your reason for retirement, if your death clearly is attributable to a disease or injury incurred or aggravated in the line of duty while on active duty, your surviving spouse could be DIC-eligible.

Establishing the right to DIC is not always easy. It is often a long and laborious process, and few surviving spouses know how to go about it.

If you think you should have been retired for a physical disability, you applied to a military records correction board but were turned down, or you never gave physical disability a thought until you developed some disease after retirement, discuss it with your doctor and find the source. Did you suffer from headaches, loss of breath, some sort of discharge, or some unusual pain of short duration while on active duty? Are these symptoms similar to those described by your doctor? If so, apply to the VA for disability compensation. The VA will examine your military records and will give you a complete physical examination. Should the VA find you eligible for disability compensation, you might have established a basis for your surviving spouse to claim DIC. There is no time limit for filing a VA disability compensation claim.

Even if the military found you did not have a disability, the VA is not bound by those findings. The VA merely determines whether you have a service-connected disability. The military department, on the other hand, must determine whether



you have a service-connected disability that makes you unfit for military service. There is a real difference between the two.

Many retirees apply to the VA for disability compensation. **It is never too late to file a claim with the VA.**

Even if you do not apply to the VA for disability compensation, prepare for your spouse a record of sicknesses and hospitalizations while on active duty. Include the location, approximate dates, reason for hospitalization, provider who treated you (if you can remember), and anything else of value. Record the names of friends or associates with some knowledge of your illness at the time — especially the person who took over your

duties. Such a list will give your spouse some clues to work with when trying to establish service-connection after your death.

Several diseases (such as certain cancers and diabetes mellitus) have been associated with service in Southeast Asia and adjacent waters due to Agent Orange exposure. If you served in Southeast Asia and have a disease possibly associated with Agent Orange, contact the nearest VA regional office or medical center for an evaluation.

**NOTE:** The fact that a surviving spouse qualifies for DIC through the VA does not result in any loss of other entitlements, such as privileges authorized on the family member military ID card.



For more information, as well as a list of national cemeteries that have burial space available, order MOAA's publication *Your Guide to Military Burials*.

A surviving spouse also can request the assistance of a veterans' service organization (VSO) in preparing a DIC claim. VSOs are located in VA regional offices and at some VA medical centers. A VSO offers advice on claims and assists in their processing, at hearings, etcetera. In Virginia, Maryland, or Washington, D.C., call (800) 234-MOAA (6622) or email [vso@moaa.org](mailto:vso@moaa.org) for a referral to the MOAA VSO; to find a VSO elsewhere email [msc@moaa.org](mailto:msc@moaa.org).

### PENSION FOR SURVIVING SPOUSES

If your surviving spouse is not eligible for DIC, it might be possible to qualify for a small pension from the VA. Known as a death pension, it is payable to survivors of deceased veterans, based on financial need and other income.

Through the years, Congress has enacted a number of pension laws to help needy surviving spouses of military personnel.

If a surviving spouse's annual income is less than VA-established rates, that spouse qualifies for a pension as indicated. For example, a surviving spouse without dependent children might be eligible for an annual payment of \$8,219, which is reduced by the amount of income of the surviving spouse. If the surviving spouse's income is \$2,000 a year, that surviving spouse would receive \$6,219 (\$518.25 a month) from the VA.

The VA will take into account the surviving spouse's income, including Social Security benefits, retirement benefits, and even potentially income-producing property. It's smart to plan now so you have a good idea of whether your spouse might qualify for the death pension.

Many families have found the VA's publication *Federal Benefits for Veterans, Dependents, and Survivors* helpful in navigating VA programs and their individual applications. Download or order this publication at [www.benefits.va.gov/benefits/media-publications.asp](http://www.benefits.va.gov/benefits/media-publications.asp) or call the VA at (800) 827-1000. You also can call MOAA for information.

### BURIAL PROCEDURES, ALLOWANCES, AND EXPENSES

Your surviving spouse should know the VA might pay allowances toward your burial expenses up to:

- a \$300 burial allowance when burial is in a private or national cemetery.
- a \$745 plot or interment allowance if burial is in a private cemetery.
- a \$2,000 allowance if cause of death is service-connected, payable if interred in a private or national cemetery. When the \$2,000 allowance is authorized, the \$300 burial and/or plot allowances are not payable.

Application for burial in a national cemetery will be honored only at the time of death of a veteran or an eligible dependent.

Veterans are entitled to be buried in any national cemetery that has available space. You are eligible for ground burial in Arlington National Cemetery in Virginia if you served on active duty (other than training) and are receiving military retired pay. Inurnment within the columbarium at Arlington National Cemetery is open to all veterans honorably discharged or retired (with or without pay).

Your spouse and minor children also are eligible for burial in the same grave or niche. You must agree at the time of the person's death to be buried in the same grave. This agreement rule applies only to Arlington National Cemetery burials.

For information on burial issues, order MOAA's *Your Guide to Military Burials*, check the VA website [www.cem.va.gov](http://www.cem.va.gov), or contact your county VA office. Find VA office contact information at [www.va.gov/statedva.htm](http://www.va.gov/statedva.htm).





## Part II: Continuing Entitlements

After the death of a retiree, questions always arise about a survivor's eligibility for benefits. Fortunately, most benefits, including access to military installations and medical care, still are available to survivors.

### USE OF MILITARY INSTALLATIONS

After your death, your surviving spouse and certain unremarried former spouses continue to remain eligible for all benefits (medical care, commissary, exchange, theater, etcetera) for which they previously were authorized. **One privilege no longer available to a survivor is Space-Available travel on military aircraft.**

To remain eligible for these benefits, a surviving spouse must maintain a current dependent ID card. Upon your death, your spouse's military ID card should be reissued as soon as possible (renewable at any military installation that can verify eligibility and issue ID cards as long as the survivor is enrolled in the Defense Enrollment Eligibility Reporting System [DEERS]). The survivor only will be required to submit a copy of your death certificate to have a new card issued. If not enrolled in DEERS, the surviving spouse also will need to present a marriage certificate. ID cards normally will be issued for four years or until the last day of the month preceding the month the survivor turns 65 years of age (and the survivor becomes eligible for Medicare Parts A and B). At age 65, the card must be renewed to reflect Medicare Part B enrollment.

**NOTE:** At age 75, family member ID cards can be made permanent and do not need to be renewed further.

Certain unremarried former spouses also are entitled to specific benefits if they were married to a servicemember for 20 or more years and 15 or more years of that marriage overlapped 20 or more years of military service. For more information on this subject, refer to MOAA's *Former Spouse Benefits* guide.



### YOUR MEDICAL CARE BENEFITS

When a servicemember retires from active service and begins drawing retired pay, eligibility for health care continues. If the servicemember has a family, their individual lives change as well, including their TRICARE cost shares.

When an active duty sponsor dies, the surviving spouse remains eligible for TRICARE benefits at the active duty dependent rates for a three-year period. At the end of the three-year period, TRICARE eligibility continues at the retiree dependent rates. Dependent children remain at the active duty rates until they age out or lose TRICARE eligibility for other reasons.

### TRICARE

Under the DoD health program, pools of military and civilian health care professionals and facilities provide service to eligible beneficiaries. The program's goal is to keep patients healthy while keeping costs down. As the name suggests, TRICARE offers three health care options for those under age 65.

## TRICARE PRIME

This plan is similar to a health maintenance organization (HMO) and is the only option requiring an annual enrollment fee. The Prime option also calls for copayments. Enrollees receive care through military treatment facilities (MTFs) or a supporting network of civilian providers supplying services at negotiated, discounted rates. DoD views TRICARE Prime as the most efficient way to deliver health care. From the beneficiary's perspective, it is the least costly option for those needing frequent care.

When you enroll in TRICARE Prime, you agree to coordinate all of your health care through a primary care manager (PCM). Your PCM will make sure you get the right kind of care in the most appropriate setting. When hospital or specialist care is needed, your PCM will make those arrangements for you. This not only maintains high-quality care, but it also helps control health care costs for patients.



TRICARE Prime offers the most cost-saving features of the TRICARE options. It allows you to avoid annual deductibles for care received from in-network providers.

TRICARE Prime is the right choice for you if you want the consistent care you get from dealing with the same civilian providers or group of providers at the MTF all the time. And, because of its low copayments and the absence of deductibles, it's your best choice for quality care that's easier on your budget.

To use TRICARE Prime and receive all of the benefits it offers you must do three things:

- Verify eligibility. You must be enrolled in the Defense Enrollment Eligibility Reporting System (DEERS) to be eligible for TRICARE. To ensure prompt enrollment processing, verify your DEERS information for accuracy.
- Enroll. You must enroll in TRICARE Prime. Retirees and their family members and survivors will pay a nonrefundable enrollment fee (enrollment period is 12 full months).
- Choose a PCM. Your PCM is the health care professional who coordinates all your care. Selection

and assignment of your PCM is governed by the availability of your choice and by the MTF commander's policy in your area.

### **The benefits of TRICARE Prime**

TRICARE Prime offers the most cost-saving features of the TRICARE options. It allows you to avoid annual deductibles for care received from an MTF or TRICARE network providers. Predetermined copayments keep out-of-pocket costs low. Knowing the copayments in advance eases health care budgeting. TRICARE Prime also offers you consistent professional care. Your PCM will become familiar with you and your medical history.

There's rarely a claim form to fill out. TRICARE network providers will file any TRICARE-related paperwork for you. If you are covered by health insurance other than TRICARE, you must file claims with your other insurance carrier first.

TRICARE Prime also offers a variety of clinical preventive service benefits. You receive a number of free preventive health services, such as health screenings, immunizations, educational programs, and other important health care information.

### **Point-of-service benefits**

For those times when you decide to seek non-emergency care outside of the TRICARE network without a referral from your PCM, TRICARE Prime also offers point-of-service benefits to help cover a portion of the cost. When using the point-of-service benefits, prior authorization for certain medical procedures is required. There is an annual deductible to meet, and you pay a percentage of the cost of care instead of a copayment for services. You might incur charges greater than what TRICARE will pay (resulting in a balance bill). A nonavailability statement is not required for inpatient or outpatient services when using point-of-service benefits.

**NOTE:** TRICARE-eligible beneficiaries are not permitted to enroll in the TRICARE Prime program once they become eligible for Medicare. As a result, Medicare-eligible retirees and their spouses will find treatment in MTFs restricted on a space-available basis or available through TRICARE Plus (discussed later in this section).

## TRICARE STANDARD

TRICARE Standard beneficiaries have a wide choice of providers, but they pay higher costs than





they would under Prime. This fee-for-service program requires annual deductibles and copayments (25 percent for retirees). TRICARE Standard has no enrollment fee, but it is the most costly option in terms of out-of-pocket expenses for beneficiaries who require regular care. Visit [www.tricare.mil/costs](http://www.tricare.mil/costs) for a comparison of costs for TRICARE Standard and TRICARE Prime.

### **TRICARE Standard Extra**

This lower-cost version of TRICARE Standard applies only when beneficiaries use civilian providers who are part of DoD's preferred-provider network and requires no enrollment fee. Deductibles are the same as TRICARE Standard, but copayments are 5-percent lower (20-percent lower for retirees). TRICARE Standard users also benefit from the lower TRICARE Extra copayment whenever they use preferred providers.

**NOTE:** If there is any doubt concerning TRICARE coverage for any medical service, contact your TRICARE service center.

### **Care under TRICARE Standard**

You cannot learn too much about TRICARE. Contact the beneficiary counseling and assistance coordinator (BCAC) or health benefits advisor (HBA) at the nearest uniformed services medical facility or your TRICARE service center for more detailed information. These advisors are trained in the TRICARE business and should be able to answer technical questions. They also provide advice on claims filing, if required.

### **Use of MTFs**

Retirees and their families who do not enroll in TRICARE Prime may continue to use MTFs if capacity exists. A priority system has been established for access to health care in an MTF. Briefly, the priorities are as follows:

- active duty servicemembers;
- active duty family members who are enrolled in TRICARE Prime;
- retirees and their family members and survivors enrolled in TRICARE Prime;
- family members of active duty servicemembers who are not enrolled in TRICARE;



- all other TRICARE Prime enrollees (survivors of military sponsors who died on active duty who are not enrolled in TRICARE Prime are in this priority group);
- all other eligible people, including retirees and their families, who are not enrolled in TRICARE Prime.

Depending on where a surviving spouse lives, he or she might be able to participate in the Uniformed Services Family Health Plan, operated under DoD contracts at six locations across the country. These former public health hospitals, an integral part of TRICARE, are located in Baltimore; Boston; Houston; Portland, Maine; Seattle; and Staten Island, N.Y.

### **Sharing the costs**

For retired personnel and their dependents, TRICARE Standard pays 75 percent of allowable charges for authorized care. The allowable charge is the maximum TRICARE Standard will pay for a specific medical procedure or service.

A diagnosis-related group payment system has been established for inpatient medical care. (All hospitals that accept Medicare payments must participate in the TRICARE Standard diagnosis-related group payment system.) For each admission to a hospital subject to this system, all ben-

eficiaries, other than active duty dependents, will pay either 25 percent of the billed charges or a fixed daily amount, whichever is lower. Inpatient services received in a hospital that does not participate in a diagnosis-related group payment system still will be billed at 25 percent of the allowable charges for nonnetwork care and 20 percent for in-network care. **Visit [www.tricare.mil](http://www.tricare.mil) or call MOAA for the current coverage rates.**

The allowable charge is based on what most providers nationwide have billed for a particular medical service (with an adjustment for particular locations). Your cost share is based on the allowable charge, no matter what the provider actually bills you.

Doctors and other services and supply providers participate in TRICARE on a voluntary basis. Participation means:

- The doctor or other provider of services agrees to furnish the authorized services to the beneficiary;
- the doctor or other provider of services will submit the claim to the TRICARE contractor for payment; and
- the doctor or other provider of services agrees to accept the allowable charge as determined by the government as full payment for his or her services, with the understanding that neither the

patient nor the sponsor will be responsible for further payment of any charges for authorized care except the statutory cost-sharing portion that must be paid by the beneficiary.

As you can see, it will be to your advantage to seek a provider who is a TRICARE participant. The nearest uniformed service hospital or clinic or your TRICARE service center can help you find one. **Find the nearest TRICARE service center at [www.tricare.mil](http://www.tricare.mil).** If the provider you choose is a TRICARE participant, you will not be required to pay more than the usual cost share under the program. If the provider you choose is not a TRICARE participant, you probably will have to pay more than you would pay a participating provider. Do your research and discuss your needs with your BCAC/HBA and one or more providers.

**NOTE:** All TRICARE claims must be submitted within one year of the date the service is provided or, for inpatient care, within one year of a patient's date of discharge from an inpatient facility.

### **Outpatient deductible**

The outpatient deductible is the amount an individual or family pays for outpatient medical services and supplies in a fiscal year (Oct. 1 to Sept. 30). To satisfy the deductible, simply accumulate itemized bills or receipts and send them to your TRICARE Managed Care Contractor Claims Processor. You then will receive an explanation of benefits form showing the deductible requirement has been met for that fiscal year.

No deductible is required for inpatient care.

### **Insurance and other technical requirements**

The law requires retired personnel and their eligible family members who are enrolled in other health insurance coverage (provided by law, through employment, or through private insurance) to use those health care benefits before TRICARE benefits are available. Thereafter, TRICARE will pay the remaining charges, provided such charges do not exceed 115 percent of the Civilian Health and Medical Program of the Uniformed Services maximum allowable charge amount. By law, you are not liable for any balanced billing above the 115 percent. Contact your local BCAC/HBA, TRICARE claims processor, or TRICARE service center for further details. Basically, TRICARE is a second payer if you have other health insurance (by law, through

employment, through private health insurance, or because you are under age 65 and covered by Medicare Parts A and B because of disability).

Payments under supplemental TRICARE plans or income protection plans have no effect on TRICARE payments.

Certain services and supplies require written preauthorization from TRICARE prior to receipt; otherwise TRICARE will not share the cost. It is required primarily in circumstances when program limitations on those services and supplies might preclude cost sharing under TRICARE. Preauthorization is, in fact, a financial safeguard for beneficiaries. Check with your local BCAC/HBA, TRICARE claims processor, or TRICARE service center for those medical services that require preauthorization.

### **Preventive care**

Preventive care is not an authorized benefit under TRICARE Standard or Extra. TRICARE does not share the cost of care such as routine annual or employment-requested physical exams. The program will share the cost of certain immunizations, Pap smears, or mammograms.



Retired personnel and their eligible family members enrolled in other health insurance must use those health care benefits before TRICARE benefits are available.

Flu shots and periodic chest X-rays (when there are no presenting symptoms and the test is not provided in connection with a diagnosed related illness) are examples of preventive care services not covered.

### **Unauthorized providers**

Beneficiaries should check with providers of medical services and suppliers to ensure they have been certified as "authorized providers" by TRICARE. Services and supplies furnished by providers who are not TRICARE-authorized are not reimbursable. Following is a partial list of such providers:

- institutions such as homes for the elderly or infirm, rest homes, nursing homes, intermedi-

ate care facilities, halfway houses, and institutions of similar purpose;

- naturopaths (practitioners of drugless therapies using physical forces such as air, light, water, heat, and massage);
- counselors, except marriage and family counselors who meet TRICARE standards;
- technicians, even when their services are medically related;
- audiologists and speech pathologists, unless their services are rendered as part of medical treatment addressed to a physical defect itself and not to any educational or occupational defect;
- occupational therapists, unless their services are part of medical treatment rendered during otherwise covered inpatient confinement;
- medical attendants, companions, or sitters;
- homemakers and housekeepers; and
- any class of provider not specifically listed as authorized in the TRICARE regulation.

### **Are you eligible?**

The only requirement for you and your family to qualify for TRICARE is your eligibility to receive military retired pay. Medical benefits begin when your retired pay becomes effective.

The following people are eligible for medical benefits under both Prime and Standard:

- retired servicemembers entitled to retired pay and their family members and
- family members of deceased active duty and deceased retired servicemembers.

Eligible family members include:

- spouses and unremarried surviving spouses;
- unmarried children, including adopted children and legitimate stepchildren, in one of the following three categories:
  - those younger than age 21, whether or not they are a dependent of the active duty or retired servicemember;
  - those 21 or older but incapable of self-support because of a mental or physical incapacity that existed before the age of 21 and who are (or were at the time of the servicemember's death) dependent on a servicemember for more than one-half of their support.
  - those younger than age 23, enrolled in a full-time course of study in an approved institution of higher learning, who are (or were at the time of the servicemember's death) dependent on the servicemember for more than one-half of their support; and
  - certain former spouses.



### **Identification**

All you need is a valid uniformed services ID card — DD Form 2 for retirees and DD Form 1173 for your eligible family members. Your military department with your retired pay orders automatically will send you application forms with instructions for obtaining these cards. Initial receipt of military retired pay automatically enrolls you in DEERS.

Upon issuance of ID cards, you and your eligible family members also will be enrolled in DEERS. This is to ensure only eligible people receive the benefits of TRICARE.

### **Supplemental health insurance**

As valuable as TRICARE might be, you probably will need some type of TRICARE supplemental insurance coverage to help cover the crushing expense of a catastrophic illness. MOAA gladly offers the MEDIPLUS supplemental program.

### **Cost cap**

A cost cap or upper limit has been placed on TRICARE Standard covered medical bills in any fiscal year. The maximum an active duty family will have to pay is \$1,000; the maximum for all other TRICARE beneficiaries is \$3,000. The cost cap does not apply under TRICARE Prime if the point-of-service option is used.

## PRESCRIPTION DRUGS AND MEDICINES

TRICARE will share the cost of prescription drugs and medicines, with a few qualifications. Only drugs and medicines approved by the U.S. Food and Drug Administration for general use by humans are covered, and this includes only drugs and medicines that, under federal law, require a doctor's prescription.

A person related to or living in the same household as the beneficiary or sponsor cannot prescribe drugs and medicines. Prescription drugs and medicines used primarily to maintain an existing or potential drug abuse or addiction are not covered.

Prescription drug coverage is available to those covered by Medicare Parts A and B.

### **TRICARE Pharmacy Home Delivery**

The TRICARE Pharmacy Home Delivery program is available to you if you are:

- an active duty servicemember;
- a TRICARE-eligible beneficiary under age 65;
- age 65 and older (before April 1, 2000); or
- age 65 or older on April 1, 2000, and enrolled in Medicare, Part B.

A mandatory pilot program starting in 2013 requires beneficiaries age 65 and older to order maintenance medications by mail.

TRICARE Pharmacy Home Delivery program features are listed in the chart on the following page.

## TRICARE SENIOR PHARMACY PROGRAM

This DoD "triple option" pharmacy benefit extended benefits to approximately 1.4 million Medicare-eligible military beneficiaries when it became effective April 1, 2001. **Find TRICARE pharmacy copayments and other fees at [www.tricare.mil/coveredservices/pharmacy.aspx](http://www.tricare.mil/coveredservices/pharmacy.aspx).**

### **Eligibility**

All uniformed services beneficiaries age 65 and older are eligible to use the TRICARE pharmacy benefit.

**NOTE:** Beneficiaries who reach age 65 must be enrolled in Medicare Part B to be eligible for TRICARE pharmacy benefits.

### **Triple option benefit**

Eligible beneficiaries have three ways to receive pharmaceuticals:

- military pharmacies (if in the vicinity of a military facility);
- the DoD TRICARE Pharmacy Home Delivery program; or
- the DoD Retail Pharmacy Program (network or nonnetwork).



## TRICARE PHARMACY HOME DELIVERY

TRICARE offers prescription delivery via mail. This service is best used for maintenance medications.

To use the mail-order pharmacy, you must obtain a prescription from your physician. It can be mailed by you or faxed directly from the physician.

Within the U.S.: (877) 363-1303  
Outside of the U.S.: (866) 275-4732,  
24 hours a day, seven days a week.

To refill online, visit  
[www.express-scripts.com](http://www.express-scripts.com).

View the formulary at [www.tricare.mil/coveredservices/pharmacy/drugs.aspx](http://www.tricare.mil/coveredservices/pharmacy/drugs.aspx).

To obtain an EasyRx form, call  
(877) 363-1303.

### **Retirees residing in foreign countries can use:**

- **military pharmacies;**
- **home delivery**, only under current restrictions due to FDA/manufacture shipping requirements and state and international shipping laws (i.e., drugs are mailed to an APO, an FPO, or a U.S. embassy address; are for FDA-approved drugs/indications; and the prescription is written by a licensed U.S. provider); and
- **local economy pharmacies** (as nonnetwork pharmacies), paying the full cost and filing a claim for reimbursement from TRICARE to be reimbursed the cost minus a copayment (20 percent or \$17, whichever is greater) and annual \$150 deductible (if not previously met).

### **For best value, use:**

- military pharmacies, where available;
- home delivery for maintenance medications (taken daily);
- retail network pharmacies for acute episodes of care; and
- generic drugs, rather than brand name, when possible.

## MEDICARE AND TRICARE FOR LIFE

For the details on this program, order MOAA's *Aging Into Medicare and TRICARE For Life* guide or call MOAA at (800) 234-MOAA (6622).

TRICARE For Life (TFL) covers all retirees, spouses, and survivors ages 65 and older. TFL is the partnership of Medicare and TRICARE. The program requires enrollment in Medicare Parts A and B and a current military ID card.

If you have questions about Medicare, call (800) 633-4227 or visit [www.medicare.gov](http://www.medicare.gov). A revised Medicare handbook can be obtained at any Social Security Administration office.

## TRICARE PLUS

TRICARE Plus is a military treatment facility (MTF) primary care enrollment program offered at selected local MTFs. All beneficiaries eligible for care in MTFs (except those enrolled in TRICARE Prime, a civilian health management organization [HMO], or a Medicare HMO) can seek enrollment for primary care at MTFs where capacity exists. Nonenrollment in TRICARE Plus does not affect TRICARE For Life benefits or other existing programs.

### **TRICARE Plus benefits**

- Enrollees will use their designated primary care provider at the MTF as their principal source of health care.
- People enrolled in TRICARE Plus can continue to obtain care from civilian and/or Medicare providers; TRICARE Standard/Extra or Medicare rules apply. TRICARE will be second payer to Medicare for TRICARE-covered services.
- Enrollees are not locked into an HMO-like program with mandatory specialist referrals.
- There are no enrollment fees.
- TRICARE Plus enrollees will receive primary care appointments with the same access standards as TRICARE Prime enrollees.
- TRICARE Plus enrollment is noted on beneficiary records in the Defense Enrollment Eligibility Reporting System.
- Eligible beneficiaries with existing relationships with primary care providers at MTFs will have the first opportunity to enroll, pending space in the facility and resources. Remaining enrollment capacity will be made available to other beneficiaries through a fair process.

### **TRICARE Plus limitations**

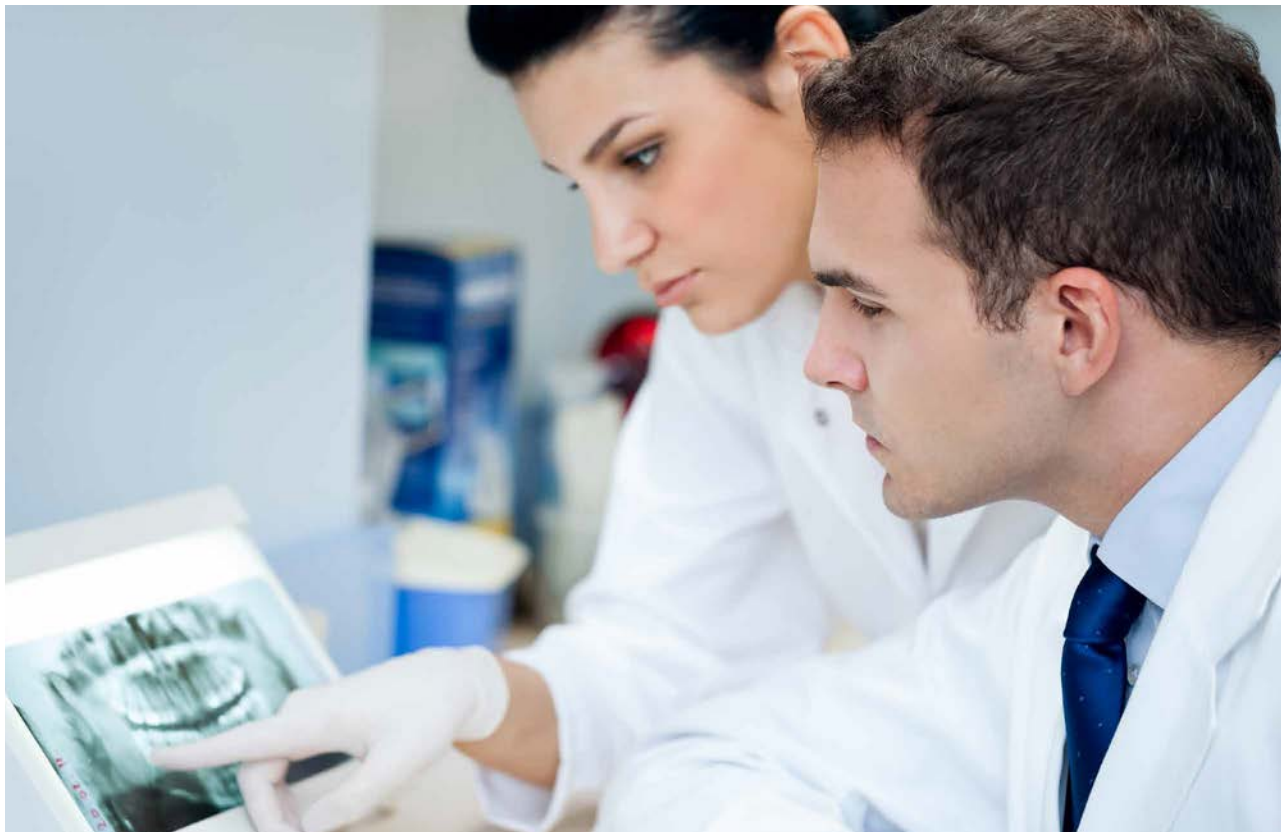
- TRICARE Plus is not available at all MTFs. Local commanders will retain discretion to continue or discontinue TRICARE Plus at individual MTFs depending on their capacities, capabilities, and missions.
- TRICARE Plus is an MTF primary care access program, not a health care plan. TRICARE Plus is not applicable with civilian providers, so TRICARE Standard/Extra rules will apply for most enrollees. For services payable by Medicare, Medicare rules will apply, with TRICARE as second payer for TRICARE-covered services and supplies.
- TRICARE Plus does not guarantee access to specialty care at the MTF.
- Prospective enrollees will apply for enrollment in TRICARE Plus. Enrollment might be determined, in part, by the specific missions and needs of each MTF (for example, graduate medical education, existing TRICARE Plus participants, etcetera.)
- TRICARE Plus is not a portable benefit. Enrollment at one facility will not guarantee access at another facility.

- TRICARE Plus enrollees are discouraged from obtaining nonemergency primary care from sources outside the MTF in which they are enrolled.
- Beneficiaries enrolled in an HMO or a similar program of another sponsor (TRICARE Prime, employer-sponsored HMO, Medicare Choice) are not eligible for TRICARE Plus because they have an established primary care relationship.
- Continued enrollment in TRICARE Plus is reviewed annually by the local MTF; beneficiaries might be disenrolled if capacity is no longer available.

For more information about TRICARE Plus, visit [www.tricare.mil/plus](http://www.tricare.mil/plus).

### **THE TRICARE RETIREE DENTAL PROGRAM (TRDP)**

The TRDP offers dental coverage throughout the 50 states, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and Canada. Find more information at [www.tricare.mil/plans/dentalplans.aspx](http://www.tricare.mil/plans/dentalplans.aspx).





With more than 185,000 TRICARE Retiree Dental Program network dentists nationwide, in-network care is clearly the best option for a beneficiary.

### **Eligibility**

To be eligible to enroll in the enhanced TRDP, an individual must be one of the following:

- a member of the uniformed services who is entitled to retired pay, including those age 65 and older;
- a member of the Guard/Retired Reserve who is entitled to retired pay but is under age 60;
- a current spouse of a retired servicemember as described above who is enrolled in the program;
- an eligible child of a retired servicemember as described above who is under age 21, or under age 23 and a full-time student, or who became disabled prior to age 21 (or age 23 if a full-time student);
- an unremarried surviving spouse or eligible child of a deceased retired servicemember, or of a servicemember who died while on active duty for a period of more than 30 days and whose eligible family members are not eligible or are no longer eligible for dental benefits under the family member dental plan;
- a spouse and/or eligible child of certain non-enrolled members with documented proof the nonenrolled member is:
  - eligible to receive ongoing, comprehensive dental care from the VA;
  - enrolled in a dental plan through other employment that is not available to family members; or
  - unable to obtain benefits from the TRDP because of a current and enduring medical or dental condition. Former spouses and remarried surviving spouses are not eligible at this time; or
- a Medal of Honor recipient and eligible spouse and/or child or an eligible spouse or child of a deceased recipient.

To find out whether you qualify under these special rules, call Delta Dental at (888) 838-8737. Documentation of these qualifying circumstances is required upon application for enrollment. Also see [www.trdp.org](http://www.trdp.org).

### **Enrollment**

Delta Dental handles enrollment in the TRDP. Those electing to enroll commit to remaining in the program for a minimum of 12 months. The 12-month commitment is determined by each enrollee's coverage effective date. There is a grace period of 30 days from the coverage effective date during which termination of enrollment may be allowed without further enrollment obligation, providing no benefits have been used. Under government rules, only limited voluntary termination of enrollment is allowed during the initial 12-month commitment if the 30-day option is not exercised. After the initial 12 months, enrollment renewal is automatic and on a month-to-month basis.

An exception to the first 12-month waiting period for coverage of additional benefits such as cast crowns, onlays, and bridges; full and partial dentures; and orthodontics will be made for those who enroll in the enhanced TRDP within 120 days of their retirement from active duty, as well as for those who are Medal of Honor recipients.

### **Monthly premiums**

Monthly premiums are regionally determined according to the first three digits of the ZIP code in which the retiree resides and the applicable enrollment option.

Please call Delta Dental at (888) 838-8737 to find out the exact monthly premium rate for your region or visit the TRDP website at [www.trdp.org](http://www.trdp.org). You also can call MOAA for more information.

### **Annual deductible and maximum**

See [www.trdp.org](http://www.trdp.org) for cost details.

### **Providers**

Enrollees are encouraged to choose a TRDP network dentist for treatment. With more than 185,000 dentist locations nationwide, it is clearly the best option for you. However, the TRDP does allow enrollees to seek care from any licensed dentist.

If enrollees go to an out-of-network dentist, Delta Dental pays the same percentage of covered services but cannot guarantee the dentist's fees. Out-of-network dentists will bill you for their normal fees, which might be higher than the program-allowed amount for the service. You will be responsible for paying your copayment plus any difference between the program allowed amount and the dentist's billed charge.



# Part III: Personal Affairs

A complete record of personal affairs will prove to be a valuable asset to survivors. Part III provides information and assistance that will ensure your personal affairs are in order. In addition, you will learn about subjects such as the burden of proof, income taxes, living wills, bank accounts, and stocks and bonds. The checklist on page 27 is particularly helpful. However, it is important both you and your spouse make a joint effort to thoroughly complete MOAA's *Personal Affairs Action Guide*.

## YOUR ESTATE

This section identifies some of the items considered important. Fill in as much information as possible.

### **Where is everything you own?**

Each year, owners and heirs lose millions of unclaimed dollars, as banks and fund custodians cannot identify and locate the proper payees. Unless your spouse or some responsible family member knows about all your investments, bank accounts, property, and money due to you from loans and debts or from the estate of your parents, these funds or property might never be discovered.

What will you do if you become disabled to the extent you are unable to manage your affairs? If you have not executed a general or durable power of attorney giving your spouse or other responsible person authority to act on your behalf, now might be the time to do so.

In addition to the simple task of making a list of your assets, why not go over it with your spouse? Discuss a probable situation should he or she be left alone. Too many people avoid this, possibly because they consider it a morbid discussion. On the contrary, it is morbid to avoid this discussion. Neglecting to inform your surviving spouse only results in unnecessary problems added to grief.

Totaling your assets and liabilities, summarizing possible benefits, and listing the funds available to meet immediate expenses upon your death, as well as those your spouse can expect to receive by applying for them, will help immeasurably.

This also should enable your spouse to plan:

- how much to spend on your funeral;
- whether to employ an attorney to assist with your estate;
- where to live;
- when and whether moving is necessary;

- if the children can continue to attend college;
- whether to seek financial assistance; and
- how to pace activities in filing claims.

### **Online accounts**

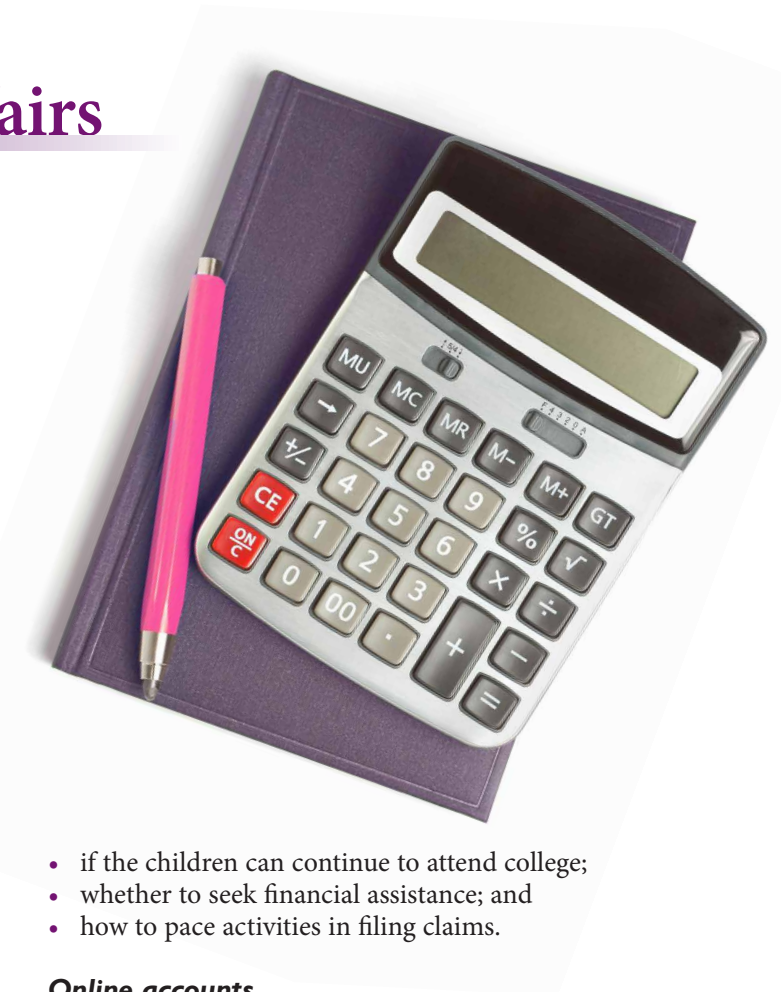
Make sure you know the username and password to every account you access online, including:

- financial accounts,
- shopping sites,
- photo sites,
- social media accounts,
- employee or retiree benefit programs,
- health care sites, and
- media outlets.

### **A friend can help**

Among the papers you leave for your surviving spouse should be the names of friends or business associates who can provide assistance. This is especially important if you expect your estate matters to be complicated. Here are suggestions:

- the local MOAA chapter personal affairs representative;
- your lawyer or the lawyer you would select if one is needed;
- your broker, if stocks or bonds are involved;
- your insurance agent;
- an officer of your bank; and
- your income tax consultant.



### **The military can help**

Most military installations have a Casualty Assistance Control Office. If an installation is within reasonable distance and assistance is requested, this office will help with funeral arrangements, death notifications, and filing claims for benefits.

Each of the military departments publishes a retirement guide or handbook that contains valuable information. You also should receive periodic retirement bulletins from your military branch (some are available only as electronic publications). These are excellent and usually update the retirement guides.

Service retiree periodicals are

- Army: *Army Echoes*
- Marine Corps: *Semper Fidelis*
- Navy: *Shift Colors*
- Air Force: *Afterburner*
- Coast Guard/NOAA: *Retiree Newsletter*

If you are a Survivor Benefit Plan (SBP) annuitant, you automatically should receive these periodicals. If you are not an SBP annuitant, contact your service Retired Affairs Office to have your name added to the mailing list.

### **MOAA survivor service**

When MOAA is notified of a member's death, the association provides assistance and information to the families of deceased members to educate them about how to initiate survivor benefits claims from the deceased servicemember's service and VA claims (if applicable). MOAA can answer questions and provide suggestions, but the association does not have the authority to act on your behalf for DoD or service-related issues. MOAA's Veteran Service Office does provide support to help you file your VA claims.

There is no charge for this service. However, timely notification of death is critical. Call MOAA at (800) 234-MOAA (6622) to initiate the process. Read through the chart on page 25 and the checklist on page 27 to get familiar with the process and some of the documentation you will need.

### **THE BURDEN OF PROOF**

The burden is on the surviving spouse to prove his or her right to various benefits. This includes insurance, holdings, and the monetary benefits described in the preceding chapters.

The surviving spouse will need copies of many records. Obtain now what will be needed later.

When you request records, obtain enough copies for all the various benefits and claims for which your surviving spouse can apply. Frequently, these records become a part of the permanent files of the VA, insur-

ance companies, or other agencies. Few, if any, will be returned. Because your children might be required to furnish evidence of their parents' births, marriage, or divorce, it would be helpful if they have a copy of each of these documents. Be sure your spouse and children know exactly where copies of these records and all other important documents are kept.

Where a certified copy of a record is required, appropriate military, city, county, or state authority must execute the certificate. Usually, when funeral directors obtain copies of death certificates for their use, they will get enough copies to meet the requirements of surviving spouses.

If you want copies of official service or medical records, a form is available online at [www.archives.gov/veterans](http://www.archives.gov/veterans).

### **ESTATE-PLANNING SUGGESTIONS**

Retiree guides and handbooks published by the military departments emphasize the importance of retired servicemembers having a will if they have any appreciable assets. They also suggest each servicemember consult a legal assistance officer or a private attorney regarding their needs. Bear in mind, state laws vary in their provisions governing the execution of wills and the administration of estates.

#### **Your will**

If you do not leave a will, your property will be distributed in accordance with the laws of descent and distribution of your state, which might not correspond with your wishes. If you have a large estate, you should have a well-planned will and you should at least consult a legal assistance officer or a private attorney about your own needs and circumstances.

The use of a "do-it-yourself" form for preparation of your will is risky. Circumstances vary too greatly for one form to fit everyone. Consult a qualified advisor. If a legal assistance officer is not available, consult a private attorney.



## DOCUMENTATION REQUIREMENTS

DOCUMENT	REQUIRED FOR
<b>Birth Certificate</b>	
Servicemember's	Social Security
Surviving spouse's	Social Security; Survivor Benefit Plan (SBP) annuities
Dependent children's (including those of any former marriage)	VA benefits; SBP and Retired Serviceman's Family Protection Plan annuities; Social Security; ID cards
<b>Marriage Certificate</b>	
Current and former marriages	VA benefits; Social Security; insurance; ID cards
<b>Divorce Decree</b>	
Servicemember's, surviving spouse's, and former spouse's	VA benefits; Social Security; ID cards
<b>Change in Name</b>	
Judgment of court changing servicemember's name, surviving spouse's name, or children's names	VA benefits; Social Security; insurance
<b>Separation Certificate</b>	
DD Form 214 (Report of Separation) or similar certification covering the last period of your active service	VA benefits; Social Security
<b>Retirement Orders</b>	
Servicemember's	Social Security (Reserves retiring at age 60); ID cards — issue/renewal (in some unique cases only)
<b>Death Certificate</b>	
Servicemember's	VA benefits; Social Security; each insurance policy; Paying Finance Office; registration of auto; transfer of joint accounts; ID cards; and many others

### **Revocable living trust**

A trust is a legal relationship under which a person (the grantor or settlor) transfers assets to a named trust. As long as the grantor remains alive, assets transferred into the trust remain the property of the grantor. Income generated by trust assets is included as part of the grantor's annual income tax return. At the death of the grantor, asset management and asset distribution become the responsibilities of the standby trustee named in the trust document. The trustee is responsible for ensuring all terms of the trust are fulfilled.

The grantor can decide at any time the standby trustee should begin managing the trust's assets. This

allows a professional, such as a bank's trust officer, or a family member to assume management of the assets should the grantor decide this is necessary.

The revocable living trust — so-called because it operates during the lifetime of the grantor — became popular about 30 years ago, mainly because assets placed in such a trust avoid the probate process. A trust minimizes estate-administration costs and reduces delays in distribution of assets to beneficiaries. A grantor still needs a will, however, in addition to the trust to fulfill the limited function of disposing of the grantor's personal belongings and any other assets not transferred to the trust during the grantor's lifetime.

### **Living wills and durable powers of attorney**

A living will provides instructions about what should be done when someone is terminally ill and unable to make or communicate a decision concerning medical treatment. In contrast, a durable power of attorney — which is simply a power of attorney that does not terminate upon incapacity — allows a spouse, trusted relative, or friend to conduct the affairs of an ill or incapacitated person, whether or not the illness is terminal. State law will determine whether such documents are recognized within that state. In addition to legal questions, there are moral and religious concerns for some people.

Differences between the two types of documents:

- A living will applies only in case of terminal illness, while a durable power of attorney permits a patient's designated agent to make decisions — including, but not limited to, health care decisions — if a physician determines the patient is incapable of making an informed decision. If a court considers a patient in a persistent vegetative state not to be terminal, that patient's living will has no effect.
- Advances in medical technology might make it difficult for a physician to determine whether a living will truly constitutes the patient's "informed consent." New procedures might not have been developed or considered at signing.
- While a living will addresses only medical issue decisions regarding life-sustaining measures in terminal cases, a durable power of attorney also enables the patient's agent to decide:
  - whether to make gifts to certain permissible donees, thus reducing the patient's estate and the estate taxes on it;
  - whether to sell the patient's property in the event the expenses of the illness become so great additional funds are needed; and
  - whether to seek admission to a nursing home or retain a private nurse.
- In making any decision pursuant to a durable power of attorney, the agent may consider any preferences or desires expressed by the patient at any time (before or after signing the power of attorney), the decision the agent believes the patient would make if he or she were able, and any information — such as diagnosis, prognosis, and pain and risk associated with the treatment — given by the physician to the agent.

The alternative method of handling the patient's business affairs would be through a guardianship proceeding in probate court. Cumbersome and costly, guardianship often can be avoided by having a durable power of attorney. Discuss your needs with an attorney or a legal assistance officer.

### **Bank accounts**

Many surviving spouses are shocked to find upon the death of their spouses they cannot issue a check on the decedent's bank account, withdraw funds from a savings account, or gain access to the decedent's safe deposit box. Often this leaves them without ready cash to meet current expenses or costs resulting from their spouse's death.

The same problem can arise if you are incapacitated by a stroke or other problem for a period of time. When checking and savings accounts are in one spouse's name only, the other is unable to draw on the funds until he or she is appointed guardian or conservator. In the case of a disabling illness or the spouse's death, the funds are not available until the estate has been administered and distributed.

A simple solution to these problems is to have joint accounts (both checking and savings) and joint access to a safe deposit box. Otherwise a court will have to appoint an executor or administrator of the estate before access to the funds is granted. Even with a joint account, some states require a right-of-survivorship clause be provided in the bank document relating to the account and safe deposit box before the survivor can use them. Check with your bank to be sure your surviving spouse would have no difficulty in using the funds in your account or in gaining access to your safe deposit box.

### **Stocks, funds, and bonds**

If you own as little as one share of stock solely in your name, your estate might have to be probated by a proper court, and the appropriate agencies must be furnished with certified copies of court orders and other documents before your survivor can take title to it. This can be an expensive procedure, and the court and other costs could be more than the value of the stock. The same applies generally to all securities. If you want your surviving spouse to have your securities upon your death, register them jointly.

### **NOTIFICATION OF DEATH**

It is important the Defense Finance and Accounting Service or other finance center receives prompt notification of your death. See the checklist, opposite, for contact information. This will expedite final settlement of retired pay. Prompt notification and submission of a copy of your death certificate also will set in motion an annuity that may be payable under the Survivor Benefit Plan. If a military base is nearby and a survivor assistance officer is appointed, that person probably will take care of the notification. However, if such an officer is not available, the instructions on the next page will be helpful.

## WHEN A SERVICEMEMBER DIES CHECKLIST

When MOAA is notified of a member's death, the association provides assistance and information and can refer you to MOAA publications other members have found useful. MOAA representatives can answer questions and provide suggestions, but the association does not have the authority to act on your behalf. Call (800) 234-MOAA (6622) or email [beninfo@moaa.org](mailto:beninfo@moaa.org).

- Call the deceased's doctor.

Name of doctor \_\_\_\_\_

Telephone \_\_\_\_\_

- Call a relative or friend who immediately can assist you in handling some of the items on this list.

Name \_\_\_\_\_

Telephone \_\_\_\_\_

- Call a clergyperson (if desired).

Name \_\_\_\_\_

Telephone \_\_\_\_\_

- Call a funeral director. He or she will make arrangements for military honors.

Name \_\_\_\_\_

Telephone \_\_\_\_\_

- Call the nearest military installation with a survivor assistance office.

Name of installation \_\_\_\_\_

Telephone \_\_\_\_\_

- Contact newspapers in which obituary notices should be published.

Name of newspaper \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Name of newspaper \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

*Funeral directors generally assume responsibility for the death notice, for which there is a charge. You might want to submit an obituary news story and a photograph. Also consider out-of-town newspaper notifications.*

### After funeral arrangements and other priority matters are completed:

- You'll need death certificates. Have about 15 copies made.

- Initiate Survivor Benefit Plan/Retired Serviceman's Family Protection Plan benefits.

If a local military survivor assistance officer is not available on a base, notify the pay agency of the service department of the servicemember. (See contact information on the next page.) This will start the annuity application and application for residual retired-pay process.

- Initiate the Reserve Component Survivor Benefit Plan.

For survivors of reservists and guardmembers who are enrolled in the Reserve Component Survivor Benefit Plan but are not yet receiving retired pay, notify the deceased servicemember's pay agency listed on the next page.

- Contact the VA

If the cause of death might have been due, in whole or in part, to service-connected causes, contact the nearest VA regional office by calling (800) 827-1000.

You might qualify for VA benefits such as burial benefits, a government headstone, or Dependency and Indemnity Compensation payments.

- Contact the deceased's lawyer or estate executor.

- Contact the Social Security Administration.

Call (800) 772-1213 to apply for the Social Security survivor benefit and death benefit.

- Contact the deceased's life insurance company.

Be prepared to provide policy numbers and a copy of the death certificate.

- Contact other insurance programs.

If the deceased was a participant in any of the VA insurance programs (Servicemembers' Group Life Insurance, Veterans' Group Life Insurance, National Service Life Insurance, United States Government Life Insurance, etcetera), call (800) 669-8477 and report the death. Have policy numbers available.

*(Checklist continues on next page.)*

## WHEN A SERVICEMEMBER DIES CHECKLIST

(Checklist continued from previous page.)

**Contact the Civil Service.**

If the deceased was a member of the Civil Service or the Federal Employee retirement systems (CSRS and FERS), notify the Office of Personnel Management at (888) 767-6738. For inquiries about Civil Service Survivor Benefit Plan coverage and Casualty and Federal Group Life Insurance, call (800) 633-4542.

If all or part of your servicemember's service retired pay was waived in favor of a VA or civil service compensation, notify the appropriate service pay agency listed below.

**Contact the Thrift Savings Plan administrator.**

If the deceased was a CSRS or FERS retiree and participant in the Thrift Savings Plan, contact the Federal Retirement Thrift Investment Board at (877) 968-3778.

**Notify administrators of private pensions.**

If the deceased also qualified for a retirement plan or pension from a private-sector employer, notify that employer or plan administrator.

**Locate investments.**

Notify any financial institution, including banks, brokerage houses, and investment firms, that holds an individual or joint account in the name of the deceased. Remember to locate all stocks, bonds, and securities. Have account numbers available, if known.

**These items are less time-sensitive but still important. Notify:**

**Credit card other charge account companies.**

Have account numbers available, if known.

**Your accountant, CFP®, or tax preparer.**

**Other insurance companies (health, property, automobile, mortgage, Medigap, TRICARE insurance supplement, etcetera).**

Have policy numbers on hand, if known.

**The state department of motor vehicles.**

**Insurance companies providing the deceased's auto, home, and other coverage.**

**The deceased's employer.**

**Fraternal and professional associations such as AARP, the American Legion, the Disabled American Veterans, MOAA, and the Veterans of Foreign Wars.**

AARP: [www.aarp.org](http://www.aarp.org)  
American Legion: [www.legion.org](http://www.legion.org)  
Disabled American Veterans: [www.dav.org](http://www.dav.org)  
MOAA: [www.moaa.org](http://www.moaa.org)  
VFW: [www.vfw.org](http://www.vfw.org)

**The nearest service installation personnel office.**  
They can help you renew family member ID cards.

**The deceased's automobile leasing agent.**

### Important Numbers

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### Pay Agencies

**Military servicemembers:**

Defense Finance and Accounting Service (DFAS)  
U.S. Military Annuitant Pay  
P.O. Box 7131  
London, KY 40742  
(800) 321-1080  
[www.dfas.mil](http://www.dfas.mil)

**U.S. Coast Guard, NOAA, or USPHS:**

Commanding Officer (RAS)  
U.S. Coast Guard Pay & Personnel Center (or NOAA Corps  
Commissioned Personnel Center)  
444 S.E. Quincy St.  
Topeka, KS 66683  
(800) 772-8724  
USCG: [www.uscg.mil/ppc/ras](http://www.uscg.mil/ppc/ras)  
NOAA: [www.corpscpc.noaa.gov/benefits/index.html](http://www.corpscpc.noaa.gov/benefits/index.html)

## MAKE THE MOST OF YOUR MOAA MEMBERSHIP

*Experience MOAA's powerful array of resources and member benefits designed to help you through every aspect of life.*

**Legislative advocacy** — Your membership helps support MOAA's critical advocacy efforts for better pay, health care, family support, and retirement benefits for military officers and their families.

**Expert advice on issues important to you** — Take advantage of members-only programs designed to advance your career, secure your financial future, and make the most of your earned benefits.

**Affordable insurance products** — Now you can get affordable member rates on life, health, and long term care insurance plans that supplement your earned benefits.

**Financial services** — Access powerful online tools as you make decisions about debt management, college costs, mortgages, retirement plans, and more.

**Military Officer** — Look at today's issues from a military officer's perspective, get updates on your earned benefits, and read about what MOAA is doing for you.

**Money-saving discounts** — Enjoy exclusive members-only discounts on Dell and Apple computers, hotels, car rentals, vacation packages, and more.

*For more information about MOAA member benefits and services, please visit us at [www.moaa.org/memberbenefits](http://www.moaa.org/memberbenefits).*

## MOAA PUBLICATIONS

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For more than 85 years, MOAA has been fighting for the interests of military members and their families. We understand the challenges you face because we're just like you, and we're ready to share our expertise and experience. The MOAA library of guides and reference tools is available to help you navigate the challenges that arise at every stage of life.

*Estate Planning*

*Financial Planning Guide*

*Guard/Reserve Retirement Checklist*

*Your Guide to Military Burials*

*Survivor's Checklist*

*Understanding Long Term Care*

**FOR MORE INFORMATION ABOUT  
MOAA PUBLICATIONS,  
CALL (800) 234-MOAA (6622) OR VISIT US  
ONLINE AT [WWW.MOAA.ORG](http://WWW.MOAA.ORG).**



**Military Officers Association of America**

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