

Military Entitlements

Benefits for Guard & Reserve



A PUBLICATION OF MILITARY OFFICERS ASSOCIATION OF AMERICA

YOUR RESERVE RETIRED PAY

TAKING CARE OF YOUR SURVIVORS

YOUR MEDICAL CARE BENEFITS

YOUR NON-MEDICAL BENEFITS



One
Powerful
Voice.[®]

With the increased number of servicemembers in our volunteer forces, many reservists are eligible to receive military retired pay. If you are a currently serving National Guard or Reserve officer or retired National Guard or Reserve officer, this book will help you discover the qualifications required and determine what you need to do to receive all the benefits and entitlements you've earned through your military service.

Note: Throughout this book, all references to Reserve also apply to National Guard.

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MOAA — If you have more questions, the benefits experts at MOAA can help. Simply call **(800) 234-MOAA (6622)** or visit our Web site at **www.moaa.org**.

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The Financial Rewards of Service

You most likely did not join the Reserve or Guard for the retirement benefits. But it's a nice reward after many years of service. With recent changes to retirement pay qualifications, more and more Guard and Reserve members qualify for this valuable benefit.

Your Reserve Retired Pay

To qualify for military retired pay, you must meet all of the following criteria:

- Attain age 60.
- Not entitled to receive military retired pay through any other provision of law.
- Complete at least 20 years of qualifying military service.
- Serve the last six years of qualifying service as a member of a Reserve component or eight years if service was completed between Jan. 1, 2002, and Sept. 30, 2002 (this applies to former regulars who become reservists or join the National Guard).

For any member of a Reserve component or a member of the Army of the United States (AUS) without component who served before Aug. 16, 1945, you must have performed either:

- Active service (no specified time) during these two time periods: April 6, 1917 - Nov. 11, 1918; and Sept. 9, 1940 - Dec. 31, 1946; or
- Active duty (other than for training) during these three time periods: June 27, 1950 - July 27, 1953; Aug. 14, 1961 - May 30, 1963; or Aug. 5, 1964 - March 27, 1973.

Your Qualifying Service: Determining Points Toward Retirement Eligibility and Retired Pay

Only military service—active duty or Reserve status in any of the uniformed services—can be credited as qualifying service toward the minimum 20-year requirement for retirement eligibility. Since July 1, 1949, any year in which at least 50 retirement points were earned is a year of qualifying service.

Points generally are credited for:

- Active duty and active duty for training—one point per day.
- Membership in an active status of a Reserve component—15 points for each year.
- Authorized drills—one point per drill.
- Funeral Honor Duty—one point per incidence of service.
- Satisfactory completion of authorized correspondence courses.

Effective starting October 30, 2000 forward, the number of Reserve points permitted for conversion to active duty days each year for retired pay percentage purposes increased from 75 to 90. Between September 23, 1996 and October 30, 2000, 75 points can be used. Between July 1, 1949 and September 23, 1996, only 60 points can be used.

Certain service is not qualifying service; for example, the inactive status of a Reserve component (e.g., Honorary, Inactive, and Retired Reserve) or when insufficient retirement points are earned. This service would be credited only as service for basic pay purposes and not toward retirement. For instance, a reservist who earned only 45 retirement points during the year July 1, 1965, to June 30, 1966 cannot receive credit for a qualifying year—toward the 20 years needed for retirement eligibility—but the points can be counted for basic (longevity) pay purposes. Also, the 45 points they earned will be used to compute retired pay, assuming that at least 20 years of qualifying service are acquired by age 60.

How to Compute Your Service and Retired Pay

Retired Pay computation depends on your date of initial entry to military service (DIEMS). It is computed by one of two methods:

1. For service obligated before Sept. 8, 1980, your monthly retired pay is equal to your total number of retirement points divided by 360; multiplied by 2.5%; times current basic pay of grade in which you retired.

$$\text{Points} \div 360 \times .025 \times \text{basic pay} = \text{monthly retired pay}$$

2. For service obligated after Sept. 8, 1980, your monthly retired pay is equal to your total number of retirement points divided by 360; multiplied by 2.5%; times the average of the monthly base pay to which you would have been entitled had you been on active duty for the last three years as a member of a Reserve component of an armed force.

$$\text{Points} \div 360 \times .025 \times (\text{monthly base pay for retirement year} + \text{monthly base pay for year prior to retirement year} + \text{monthly base pay for 2 years prior to retirement year} \div 3) = \text{monthly retired pay}$$

How to Apply for Retired Pay

Payment of retired pay is not automatic; you must apply for it by submitting a service-specific application within a certain number of days before you reach the age of 60.

The application is easy to complete and need not be documented by records. But a statement of service from your military department will be helpful and you might want to attach a copy. Please see the Appendix for examples of applications.

When Does Retired Pay Begin?

Eligibility for your first monthly retired pay is 30 days after your 60th birthday. If you apply after age 60, your pay will be retroactive to your 60th birthday. Your claim must be received within 6 years after your 60th birthday to receive your full entitlement. If the claim is filed more than 6 years after age 60, one day's retired pay will be lost for each day's delay.

Delaying the application after age 60 can affect your Survivor Benefit Plan (SBP) and health care benefits. The risk increases if you have not elected one of the options available under the Reserve Component Survivor Benefit Plan (RCSBP). Retirement pay stops with the death of the servicemember unless the SBP election has been made.

Getting Your Notification of Eligibility

Written notification (called the Notice of Eligibility or NOE) is sent to the servicemember within a year following completion of the required service. Upon issuance of the NOE, the reservist cannot be denied retired pay at age 60, even if an error revealed that the retiree actually has less than 20 years of qualifying service (unless the notice was issued as the result of

See the appendix for samples of these forms

How to Apply for Retired Pay		
SERVICE	APPLICATION	Number of days prior to reaching age 60 that application must be submitted
Army	DD Form 108	180
Navy	DD Form 108	240-180
Marine Corps	DD Form 108	120
Air Force	Letter in writing	90
Coast Guard	CGHSIC-2055A	180

fraud on the part of the member). The NOE must include the elections available under the RCSBP and the effects of such elections.

If you have completed 20 years of qualifying service but have not been notified of your eligibility, you need to write to your military department and request your NOE letter.

Paying Taxes on Retired Pay

Your military retired pay, like other income, is federally taxed. Your Defense Finance and Accounting Service (DFAS) or pay center will withhold a certain amount each month based on your pay scale and claimed exemptions on IRS Form W-4. Each January, you will receive an IRS Form 1099R statement showing the amount withheld and the amount of taxable retired pay that you can use to calculate your federal income taxes.

Many states tax retired pay; exemption amounts vary by state. Visit MOAA's Complete Tax Guide Site at www.moaa.org/TaxGuide for details about state taxes in your state.

Disability Compensation

All National Guard and Reserve retirees drawing retired pay (i.e., those with “20 good years for retirement purposes”) are eligible for Concurrent Retirement Disability Pay (CRDP) or Combat-Related Special Compensation (CRSC). Until recently, CRDP and CRSC payments offset the amount of retired pay the servicemember received.

CRSC provides immediate relief from military retired pay offset for retirees of all service components with combat- or operations-related

disabilities. Retirees who applied for CRSC and received approval from their service saw their military retired pay offsets eliminated, effective Jan. 1, 2004.

With CRDP, retirees with at least 20 years of service, who hold VA disability ratings of 50% or higher and who are receiving disability compensation from the VA, will see their military retired pay offsets phased out over a 10-year period starting Jan. 1, 2004. No application is required for CRDP.

“Gray area” retirees become eligible for disability compensation when their retired pay begins at age 60, but it is offset by disability compensation received from the Department of Veterans Affairs (VA).

Social Security

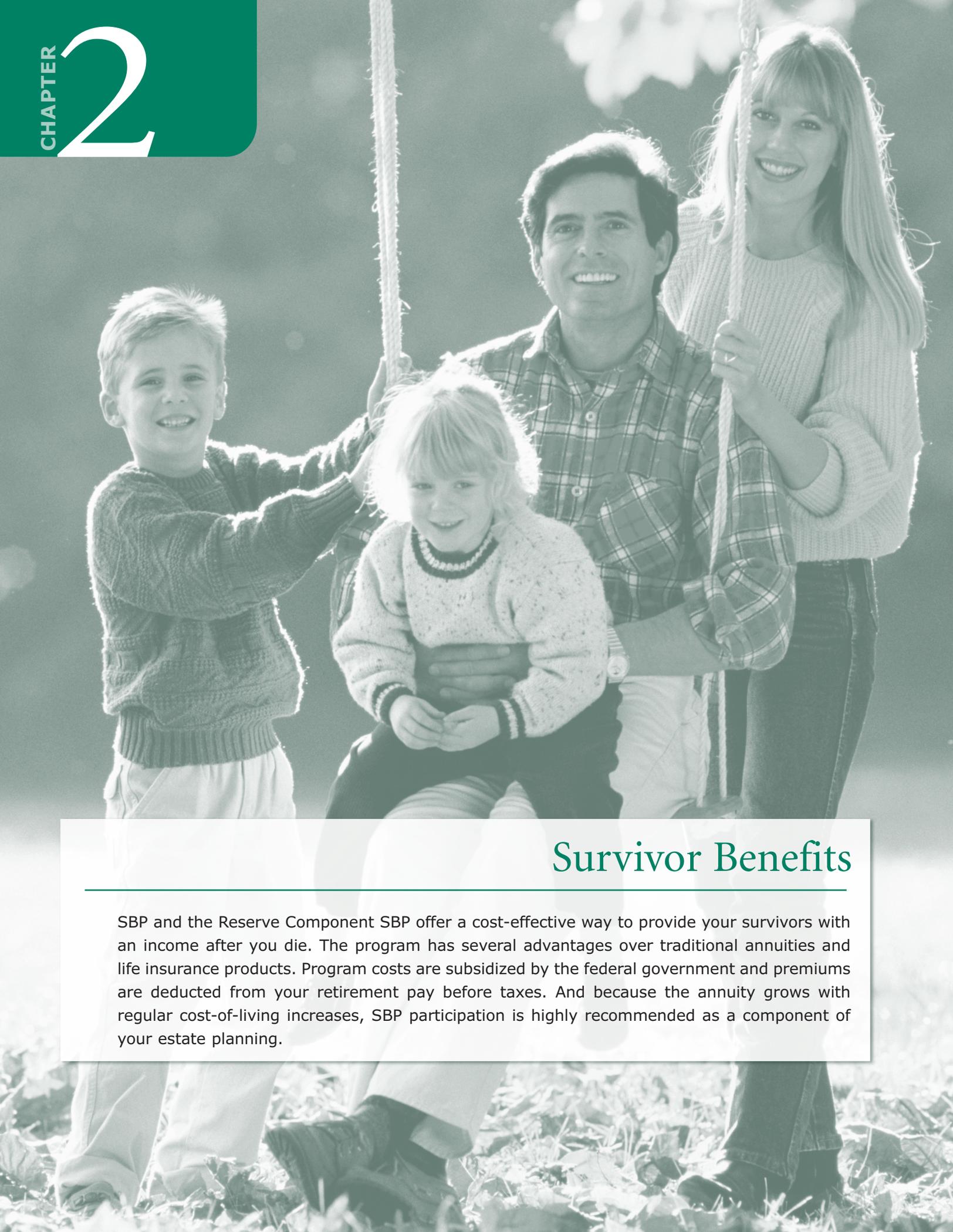
Don't worry if (or when) you qualify for Social Security retirement benefits earned on your own covered employment. Your Reserve retired pay will not reduce your Social Security payments, nor will Social Security benefits reduce your military retired pay.

Civil Service Retirees

If you are or will be a federal civil service retiree, you will be able to take credit for your active military service when you compute your civil service retirement and Reserve retired pay. But you may have to make an adjustment at age 62 to receive annuity credit for active service performed after Dec. 31, 1956, if you qualify for Social Security retirement benefits.

Summary

Just because you qualify for retirement pay doesn't mean you'll automatically receive it. You must apply by submitting a service-specific application a certain number of days before reaching the age of 60.



Survivor Benefits

SBP and the Reserve Component SBP offer a cost-effective way to provide your survivors with an income after you die. The program has several advantages over traditional annuities and life insurance products. Program costs are subsidized by the federal government and premiums are deducted from your retirement pay before taxes. And because the annuity grows with regular cost-of-living increases, SBP participation is highly recommended as a component of your estate planning.

The Standard Survivor Benefit Plan

The standard Survivor Benefit Plan (SBP) is available for Reserve retirees retiring with pay at age 60. SBP allows you to leave a portion of retired pay to your survivors.

The annuity, with periodic cost-of-living increases, is payable after your death. As soon as the DFAS or retired pay center that pays your retired pay receives notification of your death, your surviving spouse will be sent a form to claim the SBP annuity.

Unlike life insurance, the SBP annuity is not a lump sum payment but a lifetime benefit to your eligible beneficiaries, providing a regular, reliable income that can't be maxed out. SBP holds several key advantages over alternative plans:

- Benefit amount increases regularly to keep pace with inflation

- Premiums are tax-deductible
- Costs are subsidized by the federal government

Amount of Annuity

The SBP annuity (the amount your survivor receives) is 55% of the covered "base amount." The maximum base amount is your gross monthly retired pay, but it can be as low as \$300.

Benefits for many widows are reduced when they reach age 62 under a provision called the Social Security Offset or two-tier method. These reductions will be eliminated over the next two years, raising the benefit level from 45% of retired pay to 55% (the maximum under SBP) by April 1, 2008.

SBP Annuities Payable

YOUR GROSS MONTHLY RETIRED PAY	BASE AMOUNT YOU ELECT	MONTHLY SBP ANNUITY YOUR SURVIVOR RECEIVES
\$1,000	Maximum \$1,000	$\$1,000 \times 55\% = \550
\$700	\$500	$\$500 \times 55\% = \275
\$600	Minimum \$300	$\$300 \times 55\% = \165

The SBP annuity is calculated as 55% of whatever base amount you choose.

SBP Coverage

Spouse-Only

A spouse married to the servicemember on the date of retirement is eligible for SBP on the date retired pay begins, with no length-of-marriage requirement.

If you are unmarried on the date of retirement but later marry, you may provide SBP coverage for the first spouse acquired after retirement. But you must notify the Defense Finance and Accounting Service (DFAS) **prior to the first anniversary of the marriage.**

Cost

Computing the cost of SBP is as easy as choosing your base amount, which may range from a minimum of \$300 up to a maximum of your gross retired pay. **The monthly cost is a flat 6.5% of the base amount.** Thus, if your base amount is \$1,000, your monthly cost would be \$65.00.

If you first became a member of the uniformed services before March 1, 1990, and your base annuity amount is less than \$1,320, you have the option of having SBP costs calculated under the original costing formula, calculated as follows:

BASE	MONTHLY ANNUITY	MONTHLY COST
$\$1,320 \times 55\% =$	\$726	\$85.80

The first \$616 of the base amount is at the rate of 2.5%. The remainder up to \$1,320 is at the rate of 10%.

BASE	\$1,320
FIRST	$\$616 \times 2.5\% = \15.40
REMAINDER	$\$704 \times 10\% = \70.40
TOTAL	\$85.80

Spouse and Children

SBP benefits for spouse and child coverage are paid to your surviving spouse. Payments would be made only to unmarried children if the surviving spouse is no longer eligible because of remarriage before age 55 or death. The annuity would be divided evenly between eligible children. See “Child-Only” coverage for eligibility requirements for children to receive benefits.

Cost

The cost of SBP for spouse and children is the sum of the premium for spousal coverage and **an additional cost based on the ages of the youngest child and both spouses.**

For example, say you’re a 43-year-old lieutenant colonel who completed 20 years active service sometime after Oct. 1, 1985 and your monthly gross retired pay is \$3,396.50. Your spouse is two years younger, and you have three children, ages 10, 12, and 15. In this example the cost factor is .00023. Cost factors are established in tables available from the DoD. Assuming maximum coverage, multiply the base amount by the cost factor and you get the additional cost for child coverage.

BASE	MONTHLY ANNUITY	COST
Spouse only $\$3,396.50 \times 6.5\% =$	\$1,868.08	\$220.77
Children coverage: Cost factor .00023 $\times \$3,396.50 =$.78
TOTAL COST		\$221.55

If you first became a member of the uniformed services before March 1, 1990, and your base annuity amount is less than \$1,320, you can have SBP costs calculated under the original costing formula, explained as follows:

BASE	MONTHLY ANNUITY	COST
Spouse only $\$1,320 \times 55\% =$	\$726	\$85.80
Children coverage: Cost factor $.00023 \times \$1,320 =$.30
TOTAL COST		\$86.10

Former Spouse/ Former Spouse and Child(ren)

If you are currently married and elect SBP coverage for a former spouse, your current spouse must be notified, but **spousal concurrence is not required**.

Many servicemembers assume that coverage will continue for their spouse if they divorce. But if you want to continue coverage for your now former spouse, you must convert your SBP election from spouse coverage to former spouse coverage within one year of the date of the divorce.

You also may be required to provide an annuity to the former spouse by court order, such as in cases of divorce, but only if you were already enrolled for spousal coverage under SBP. The benefit level for former spouse coverage has to remain the same as for spouse coverage. The court may not dictate a level of coverage greater or lower than that elected before the divorce.

Cost

The cost for former spouse or former spouse and child(ren) coverage is set according to the same formula as spouse and spouse/child(ren) coverage.

Child-Only

Another option is to select coverage for your child(ren) only. This may be appropriate for retirees with school-age child(ren) and/or child(ren) who may be disabled or unable to care for themselves.

A dependent child may be an adopted child, stepchild, grandchild, foster child, or recognized natural child (if the recognized natural child lived with the servicemember in a regular parent-child relationship.)

Before you elect this coverage, please note that once you elect child-only coverage, you cannot later add coverage for your spouse or former spouse.

Cost

The cost formula for the child-only coverage is based on your age and the age of the youngest child. If you are 43 and your youngest child is 10, the cost factor would be .0039. Cost factors are determined by the DoD. So if you selected the maximum base amount —\$3,396.30— you multiply this by the cost factor to arrive at the monthly premium of \$13.25 monthly.

Remember, deductions for child coverage stop when there is no longer an eligible child beneficiary.

Benefits

The annuity is always 55% of the base amount—it does not vary according to how many children you select as beneficiaries.

- Proceeds are shared equally by all eligible children.
- Payments will be made to unmarried children until they reach age 18*.
- Payments will be made until age 22* for an unmarried child attending school full-time.

* *For children whose birthday falls before July 1 or after August 31, benefits cease on July 1 of the year in which the child turns 22. For example, if your child's birthday is November 18, his or her benefits would cease on July 1 of the following year.*

Three other considerations should be noted under the child-only coverage option:

- If you add a new dependent child after all your other children have become ineligible for an annuity—and all premiums for their coverage have been terminated—the newly acquired child is eligible for an annuity even if you fail to notify the concerned financial center of the child's existence. But you would be responsible for all delinquent premiums before annuity payments could begin.
- If you can document that a grandchild lives with you and is supported by you, that grandchild can qualify as a dependent child with certain limitations. This

situation can become very technical. Discuss your specific situation thoroughly with the Defense Finance and Accounting Service in Cleveland, Ohio.

- If both you and your spouse are SBP participants, it is possible for your children to receive more than one SBP annuity if you both designate the child(ren) as your beneficiary.

Persons with Insurable Interest

The definition of a “person with insurable interest” is someone with a reasonable and lawful expectation of financial support from the continued life of the servicemember or a person having a reasonable and lawful basis founded upon the relationship of parties to each other, either financial or of blood or affinity, to expect some benefit or advantage from the continuance of the life of the retiree.

Proof of financial benefit from the continuance of the life of the servicemember is required.

Examples of related persons with an insurable interest include:

- Parents, stepparents, grandparents, grandchildren, aunts, uncles, sisters, brothers, half-sisters, half-brothers, dependent or nondependent child or stepchild, or any other person more closely related than cousin.
- Unrelated persons such as a close business associate who would be financially affected by your death, such as a business partner, joint property owners, etc.

Even if you are unmarried and don't have eligible children, you can choose coverage for relatives such as sisters, parents, cousins, and grandchildren—or other parties such as business associates.

- A former spouse cannot be named as a beneficiary under this option.

Other circumstances include:

- If you are unmarried, you may elect an “insurable interest” annuity under SBP for your dependent child.
- If you are unmarried, with adult children, you can elect insurable interest coverage for one of those adult children.

Note: An insurable interest beneficiary’s eligibility is not affected by that person’s age, student status, financial, or marital status. If you elect this coverage, you can change it to cover a spouse and/or children acquired after retirement.

Cost

The cost of insurable interest participation is considerably higher than the basic spouse-only cost. It is 10% of the gross retired pay plus an additional 5% of that pay for each full five years the beneficiary is younger than the retiree.

The total cost cannot exceed 40% of the retired pay. The annuity is 55% of the retired pay remaining after the cost has been deducted (there is no reduction at age 62 to 35%).

Changes

If you want to change your election to cover a newly acquired spouse or child, you must do so within one year after marriage or acquiring a child anytime during that year. A written request for this change should be submitted to the servicemember’s financial center or pay center.

You can cancel an insurable interest election. A written request for such withdrawal should be submitted to the servicemember’s financial center.

Spousal Concurrence

Because your decision on SBP is of vital importance to both you and your spouse, the law requires you obtain your spouse’s concurrence in writing if you do not elect the maximum spouse coverage at the time of retirement.

If all requirements for an election needing the spouse’s concurrence have not been satisfied before retirement, full spouse coverage will be implemented, regardless of any request by the servicemember to do otherwise. If spousal concurrence is not obtained as a result of some administrative error, the servicemember should request an administrative correction of records.

Spousal concurrence is not required if you elect to provide coverage for a former spouse or former spouse and child(ren). Spousal concurrence also is not required if you establish that you cannot determine your spouse’s whereabouts or that, because of exceptional circumstances, seeking the spouse’s concurrence would be inappropriate. Such exceptional circumstances are evaluated on a case-by-case basis. When a servicemember claims the spouse’s whereabouts are unknown, the servicemember must sign a statement to that effect.

Reserve Component Survivor Benefit Plan (RCSBP)

RCSBP: An Overview

Because Reserve members must wait until age 60 to collect retirement pay—and standard SBP coverage—the Reserve Component Survivor Benefit Plan (RCSBP) was created as a supplemental program to provide for coverage between completion of 20 qualifying years of service and receipt of retired pay at age 60.

Why do 93% of retiring Reserve members participate in RCSBP? There are several built-in advantages to the program that you won't find in life insurance or other programs:

- Premiums are subsidized – On average, the typical Reserve retiree will end up paying for only 35% of the lifetime benefits received by the average survivor. The government covers the remainder of the costs.
- The annuity is protected against inflation – A unique feature of RCSBP is that the annuity payments rise in tandem with Cost of Living Adjustments (COLAs). Your survivor's annuity will be protected against the rising cost of living by periodic increases that continue as long as he/she lives.
- Premiums don't begin until age 60 – Reserve retirees do not pay premiums until their retired pay starts at age 60. But Reserve personnel have the option to cover their spouse immediately following receipt of their Notice of Eligibility (NOE). This means there can be a span of 20 years or more when a spouse is covered in the event of the Reservist's death in which no premiums are paid.

Enrolling in RCSBP

As you approach the day when you qualify for retirement pay, you will receive a 20-year Notice of Eligibility (NOE) letter. You then have 90 days to make your decision on RCSBP from three options.

OPTION A: Delayed Decision

If you choose not to participate in RCSBP at this time, you will be given an opportunity to enroll in the standard Survivor Benefit Plan (SBP) at age 60. If you die before age 60, your survivor(s) will be ineligible to receive a percentage of your retired pay.

OPTION B: Delayed Annuity

You guarantee your eligible survivor(s) an annuity that starts on the day after you die but is delayed if you die before the age of 60. If you die before age 60, the annuity would start on the day that you would have turned 60. Thus, if you die at age 52, your survivor(s) would have to wait eight years for the annuity to start.

OPTION C: Immediate Annuity

You guarantee your survivor an immediate annuity beginning the day after you die, no matter what your age is.

You need your spouse's concurrence in writing if you choose Options A or B or child-only coverage. If you do not make an election, fail to respond, or if your spouse does not concur with the reduced coverage, you will automatically be enrolled in Option C for full coverage, provided you have an eligible beneficiary.

RCSBP Costs & Benefits

The RCSBP annuity is calculated by the same formula governing SBP. Essentially, your survivors' annuity will equal 55% of the base amount you select (between \$300 and your maximum retirement pay). Keep in mind that the annuity they receive will rise in tandem with cost-of-living increases.

OPTION A: Delayed Decision

If you choose Option A, RCSBP does not apply. Instead, your standard coverage begins at age 60 and premiums cost 6.5% of the base amount you choose. Thus, if you chose a base amount of \$1000/month, your premiums would be \$65/month. Your eligible survivor(s) will receive a total of \$550 each month.

Options B and C are more complicated because premiums are determined by actuarial tables provided by the Department of Defense.

The costs for RCSBP depend on many factors, including the difference in ages of the

servicemember and his/her spouse along with the elected annuity base amount of coverage. Space limitations preclude publishing a complete listing here, but the charts below provide some typical examples.

OPTION B: Delayed Annuity

Annuity payments begin on what would have been your 60th birthday should you die before that age. If you die after age 60, the annuity begins on the day after your death.

OPTION C: Immediate Annuity

Annuity payments begin on the day after you die, regardless of your age at death.

You can request an official estimate of the costs for your specific situation by calling the appropriate service telephone numbers listed on page 14. This request should be made as close to age 60 as possible so that a more accurate answer can be provided.

OPTION B: Delayed Annuity

Your Age at Election	Base Amount Elected	Annuity Payable	Cost Per Month
45	\$500	\$267	\$26.85
50	\$500	\$268	\$24.55
55	\$500	\$271	\$20.15

OPTION C: Immediate Annuity

Your Age at Election	Base Amount Elected	Annuity Payable	Cost Per Month
45	\$500	\$263	\$34.40
50	\$500	\$266	\$29.45
55	\$500	\$270	\$22.10

Charts assume completion of 20 years of service after October 1, 1985 and spouse is member's age or up to four years younger.

For More Information

If you have a question or need to make a change to your election, contact the appropriate service at the address or phone number listed below.

Army National Guard/ Army Reserve

US Army Human Resources
Command AHRC-PAP-T
1 Reserve Way
St. Louis, MO 63132-5200
(800) 318-5298 • (314) 592-0553

Navy Reserve

Commanding Officer
US Naval Reserve Personnel Center
Code N32
4400 Dauphine Street
New Orleans, LA 70149-7800
(866) 250-4778

Air National Guard/ Air Force Reserve

HQ DPSPE
6760 E. Irvington Place #4000
Denver, CO 80280-4000
(800) 525-0102 ask for “entitlements”
(303) 676-6438

Marine Corps Reserve

HQ, US Marine Corps
Manpower & Reserve Affairs
(MMSR-5)
3280 Russell Road
Quantico, VA 22134-5103
(800) 336-4649 • (703) 784-9304

Coast Guard Reserve

CO (RAS) US Coast Guard
Personnel Service Center
444 SE Quincy Street
Topeka, KS 66683-3591
(800) 772-8724 • (785) 339-3415
psc-rds@hrrsic.uscg.mil

A Major Factor in Estate Planning

The additional, low-cost survivor coverage SBP and RCSBP offer should be a major consideration in your overall estate planning. At the very least, the decision you have to make about SBP can hardly be made accurately without a thorough review of all of your insurance coverage. The following thoughts and suggestions might help determine your needs.

Review your civilian insurance policies to see if any changes are needed. Check each policy for adequate coverage in view of mounting values; and determine if any changes to your beneficiaries are needed. You and your spouse's increasing ages and changes in your children's

earning power might indicate that a change in beneficiary is desirable. Keep in mind that all insurance companies must pay the proceeds of your insurance to the beneficiary designated in the policy. It is important to review all policies. If you decide to make changes, your insurance agents can supply you with the necessary forms.

And remember, if you have a policy made payable to your estate, payment of the policy's proceeds must await the process of a formal administration in probate court. This could be costly and reduce your estate considerably.

Summary

SBP is a complex program, but if you qualify it's well worth your time to enroll. Because your military retirement benefits end immediately when you die, SBP and RCSBP offer a low-cost way to pass on some of the benefits you accrued while serving and provide a valuable income to your survivors.

Your Medical Care Benefits

For reservists who qualify for retired pay, the health care benefit is identical to that of their active duty counterparts. When a servicemember dies, surviving family members remain 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, but at the retiree dependent rates.

TRICARE Reserve Select

TRICARE Reserve Select (TRS), a new health coverage plan, allows Reservists, Guardsmen, and their families to purchase TRICARE coverage for a specified period of time after they have been released from active duty—in exchange for a commitment for continued service in the Reserve or Guard.

The new program, which became effective April 26, 2005, covers Reservists and Guardsmen who were called up and served for more than 30 days on contingency orders or on active duty for at least 90 days since Sept. 11, 2001.

Q: When can I be covered under TRS?

A: TRS coverage may become effective the day after your eligibility for 180 days of Transitional Assistance Management Program (TAMP) coverage ends.

Q: How long can I purchase TRS coverage?

A: Each 90 days of service qualifies for one year of TRS coverage. One year of deployment qualifies for four years of TRS.

Q: What is my obligation if I accept this benefit?

A: You will have to sign an agreement to serve in whole-year increments in return for the TRS benefits. Important note: A billet must be available for the entire time period to keep TRS.

Q: How much does it cost?

A: For calendar year 2006, the monthly premium for member-only coverage is \$81, and the monthly premium for member-and-family coverage is \$253.

Q: Can I get coverage for my family?

A: Yes. The two options under TRS are member-only and member and family. Members cannot purchase TRS for their families unless they insure themselves.

Q: Is TRICARE Reserve Select the same TRICARE my family and I received while I was on active duty?

A: It depends on the type of TRICARE coverage you had while on active duty. TRS is similar to

TRS coverage begins after the servicemember has been released from active duty following the expiration of transition entitlements, such as TAMP, in exchange for a commitment to a continued service in the Guard or Reserve.

TRS coverage becomes effective the day after the servicemember's eligibility for 180 days of Transitional Assistance Management Program (TAMP) coverage ends.

TRICARE Standard coverage in that it has annual deductibles, cost shares, and an annual catastrophic cap. The main difference between TRICARE Standard and TRICARE Reserve Select is that you will have to pay monthly premiums for TRS.

Q: What is the deadline to select TRS?

A: If you separated on or after April 26, 2005, you must sign your preliminary service agreement by the last day of active duty.

You then have 120 days after release from active duty to elect participation in TRICARE Reserve Select.

Q: How do I sign up?

A: The first step is a Web-based preliminary service agreement to be completed BEFORE the last day you leave active duty. Enrollment forms are available at

<http://www.dmdc.osd.mil/guard-reserveportal>. In the agreement, you must commit to SELRES service in whole-year increments in return for TRS benefits. Failure to sign this agreement before demobilization will result in loss of the benefit.

The second step is the final service agreement—a signed formal bilateral arrangement where you commit to further service AND the reserve component agrees to keep you in the select reserve. So it is not just a matter of the member's willingness to drill in return for benefits, there also must be a billet available for the entire time period to keep the benefit viable.

The third step is to purchase TRS. Complete the enrollment form and submit it with a one-month premium payment to your TRICARE regional contractor so that they receive it no later than 30 days before the end of your TAMP coverage.

TRICARE Health Care Coverage

TRICARE develops pools of military and civilian health care professionals and facilities to service-eligible beneficiaries. The goal is to keep patients healthy while keeping costs down.

Are You Eligible?

If you're eligible to receive military retired pay, you and your dependents are eligible for TRICARE. Medical benefits begin when your retired pay becomes effective.

Briefly, the following are eligible for medical benefits under both programs:

- Retired members entitled to retired pay and their family members
- Family members of deceased active duty and deceased retired members
- Eligible family members include:
 - Spouses and unmarried surviving spouses
 - Certain former spouses
 - Unmarried children, including adopted children and legitimate stepchildren, in one of the following categories:
 - 1) Younger than 21, whether or not dependent on the active duty or retired member
 - 2) 21 or older but incapable of self-support because of a mental or physical incapacity that existed before the age of 21, and is (or was at the time of the member's death)

dependent on the member for more than half of his or her support

- 3) Younger than 23, enrolled in a full-time course of study in an approved institution of higher learning, and is (or was at the time of the member's death) dependent on the member for more than half of his or her support

Identification

All that you need is a valid Uniformed Services ID card—DD Form 2 (retired) and DD Form 1173 for your eligible family members. Your military department with your retired pay orders will automatically send application forms with instructions for obtaining these cards for you. Initial receipt of military retired pay automatically enrolls you in the Defense Enrollment Eligibility Reporting System (DEERS).

Cost Cap

A cost "cap" or upper limit has been placed on TRICARE Standard covered medical bills in any fiscal year. The limit that an active duty family will have to pay is \$1,000; the limit 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.

TRICARE offers three health care options for those under age 65:

- **TRICARE Prime**
- **TRICARE Standard**
- **TRICARE Plus**

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 to a space-available basis or available through TRICARE Plus.

Use of Military Treatment Facilities (MTFs)

Retirees and their families who do not enroll in TRICARE Prime may continue to use MTFs as capacity exists—if a particular facility can accommodate them. A priority system has been established for access to health care in an MTF:

- Active-duty servicemembers
- Active-duty family members who are enrolled in TRICARE Prime
- Retirees, their family members, and survivors enrolled in TRICARE Prime
- Family members of active-duty servicemembers who are NOT enrolled in TRICARE Prime

(for the purpose of determining access priority, survivors of military sponsors who died on active duty who are NOT enrolled in TRICARE Prime are in this priority group)

- All other eligible persons, including retirees and their families who are NOT enrolled in TRICARE Prime

TRICARE Plus is an 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 HMO, or Medicare HMO) may seek enrollment for primary care at an MTF where enrollment capacity exists.

TRICARE Prime

TRICARE Prime is similar to a health maintenance organization (HMO) and is the only option requiring an annual enrollment fee. The Prime option can also call for co-payments. Enrollees receive care through MTFs or a supporting network of civilian providers supplying services at negotiated, discounted rates. From the beneficiaries' perspective, it is the least costly option for those needing frequent care.

When you enroll in TRICARE Prime, you agree to coordinate your entire 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.

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

1. **Verify Eligibility.** You must be enrolled in DEERS to be eligible for TRICARE. To ensure prompt enrollment processing, verify your DEERS information for accuracy.
2. **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).
3. **Choose a Primary Care Manager (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 MTF Commander Policy in your area.

The Benefits of TRICARE Prime

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 those claims with that 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 Primary Care Manager, TRICARE Prime also offers Point-of-Service (POS) benefits to help cover a portion of the cost. When using the POS benefits, prior authorization for certain medical procedures are required. There is an annual deductible to meet and you pay a percentage of the cost of care instead of the low co-payment for services. You may incur charges greater than what TRICARE will pay (balance bill). A Non-Availability Statement is not required for inpatient or outpatient services when using POS.

TRICARE Prime is the least costly option for those needing frequent care.

TRICARE Standard (formerly CHAMPUS)

TRICARE Standard beneficiaries have a wide choice of providers but will pay higher costs than under Prime. This fee-for-service program requires annual deductibles and co-payments (25% for retirees). TRICARE Standard has no enrollment fee, but it is the most costly option in out-of-pocket expenses for beneficiaries who require regular care.

Your TRICARE Standard Benefits

To qualify as a TRICARE Standard benefit, a service or supply must simply be medically necessary for the required diagnosis and treatment of an illness or injury. A \$150 deductible (or \$300 a family) is required each fiscal year for outpatient care.

Treatment on an inpatient or outpatient basis can be for medical and surgical conditions; nervous, mental, and chronic conditions; and contagious diseases. In general, TRICARE Standard will share the cost of any medical procedure or type of medical care accepted as being part of good medical practice.

TRICARE Standard beneficiaries can receive inpatient care at civilian hospitals without obtaining prior approval from their military treatment facility (MTF).

TRICARE Standard coverage also includes but is not limited to:

- Necessary supplies
- Prescription drugs
- Insulin

- Ambulance service when medically warranted
- Rental of durable equipment such as wheelchairs or hospital beds (ask a service facility if it can be borrowed before renting)
- Mammograms and Pap tests
- Certain major organ/bone marrow transplants
- Hospice care
- Immunizations

TRICARE Standard Exclusions

Excluded by law from coverage are:

- Care that is not medically necessary
- Care that is experimental in nature and has not been established as good medical practice
- Domiciliary or custodial care (long-term care or assisted living)
- Physical examinations (only under TRICARE Prime)
- Spectacles or eye examinations for correction of ordinary refractive error
- Prosthetic devices (other than artificial limbs and eyes), hearing aids, and orthopedic footwear
- Dental care except if required as a necessary adjunct to medical or surgical treatment

Sharing the Costs

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

A diagnosis-related group (DRG) payment system is established for inpatient medical care. (All hospitals that accept Medicare payments must participate in the TRICARE Standard DRG payment system.) For each admission to a hospital subject to the DRG system, all beneficiaries, other than active duty dependents, will pay the smallest of 25% of the billed charges or a fixed daily amount. The fixed daily amount in 2006 is \$535 a day. Inpatient services received in a non-DRG participating hospital still will be billed at 25% of the allowable charges.

A catastrophic cost cap, called the “cat cap,” is placed on TRICARE-covered medical bills in any fiscal year. The limit an active duty family will have to pay is \$1,000; the limit for all other TRICARE Standard eligible families is \$3,000.

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 voluntarily. Participation means three things:

- 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.
- 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.

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 must understand that

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

you will probably have to pay more than you would if you had a participating provider.

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 private insurance) to use these health benefits before TRICARE benefits are available. Thereafter, TRICARE will pay the remaining charges, provided such charges do not exceed 115% of the CMAC (CHAMPUS Maximum Allowable Charge) amount. By law, you are not liable for any balanced billing above the 115%.

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.

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-related physical exams. 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 not covered. But the program will share the cost of certain immunizations, Pap smears, or mammograms.

Unauthorized Providers

Beneficiaries should check with providers of medical services and suppliers to ensure that they have been certified as “authorized providers” by TRICARE. Services and supplies furnished by providers who are not TRICARE-authorized are not reimbursable. Here is a partial list of the types of providers who are not TRICARE-authorized:

- Institutions such as homes for the aged or infirm, rest homes, nursing homes, intermediate 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

TRICARE does not cover every type of treatment and service. Make sure your doctor or health care provider has been certified as an “authorized provider” by TRICARE before proceeding with treatment.

- 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
- Any class of provider not specifically listed as authorized in the TRICARE regulation

TRICARE Extra

This is a lower-cost version of TRICARE Standard. TRICARE Extra 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 co-payments are 5% lower (20% for retirees).

TRICARE COMPARISON		
	TRICARE STANDARD	TRICARE PLUS
Choice of civilian doctors, hospitals, clinics	Unlimited	Must choose from Government Approved network
ANNUAL ENROLLMENT FEES		
Active duty	None	None
Retirees	None	Individual: \$230 Family: \$460
ANNUAL OUTPATIENT DEDUCTIBLES		
E-4 and below	Individual: \$50 Family: \$100	None
All active duty > E-5	Individual: \$150 Family: \$300	None
Retirees	Individual: \$150 Family: \$300	None
CO-PAYMENTS FOR VISIT TO CIVILIAN DOCTOR		
All active duty > E-5	20%*	\$0.00
Retirees	25%*	\$12.00
AMBULANCE SERVICE		
All active duty > E-5	20%*	\$0.00
Retirees	25%*	\$20.00
OUTPATIENT SURGERY		
Active duty	\$25.00	\$0.00
Retirees	25%	\$25.00
CO-PAYMENTS AT CIVILIAN HOSPITALS FOR INPATIENT CARE		
Active duty dependents	\$13.90 per day (\$25 minimum per stay)	\$0 per day \$20 per day, mental health
Retirees	\$512 per day or 25% of hospital billed charges, whichever is less, plus 25% of professional charges; \$169 per day, mental health	\$11 per day \$40 per day, mental health

* TRICARE covers its share of the bill for charges that the government deems “customary and reasonable.” If a doctor charges more than TRICARE allows, TRICARE does not cover the excess.

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 HMO, or Medicare HMO) can seek enrollment for primary care at MTFs where enrollment capacity exists.

TRICARE Plus Benefits

- Enrollees use their designated primary care provider at the MTF as their principal source of health care.
- Enrollees can continue to obtain care from civilian and/or Medicare providers; TRICARE Standard/Extra or Medicare rules apply.
- There are no enrollment fees.
- TRICARE Plus enrollees will receive primary care appointments with the same access standards as TRICARE Prime enrollees.
- 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.

TRICARE Plus Limitations

- TRICARE Plus will not be 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 plan. TRICARE Plus is not applicable with civilian providers, so TRICARE Standard/Extra rules will apply for most enrollees.
- TRICARE Plus does not guarantee access to specialty care at the MTF where the beneficiary is enrolled.
- TRICARE Plus is not a portable benefit. Enrollment at one facility will not guarantee access at another facility.
- Beneficiaries enrolled in an HMO or 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.

TRICARE Coverage & Co-Payments

	ACTIVE DUTY SERVICEMEMBER AND DEPENDENTS	RETIRED SERVICEMEMBER AND DEPENDENTS
Enrollment in TRICARE Prime	Active duty servicemembers must be enrolled in TRICARE Prime. Dependents can choose which TRICARE option they prefer—TRICARE Prime, Extra, or Standard.	Retired servicemembers and their dependents can choose which TRICARE option they prefer—TRICARE Prime, Extra, or Standard—based on the availability in their area.
TRICARE Prime	<ul style="list-style-type: none"> No enrollment fees for active duty servicemembers or their family members No co-payments for any health care visit to a network or referred provider 	<ul style="list-style-type: none"> Enrollment fees apply—\$230 for individuals, \$460 for families Co-payments (\$12) required for outpatient visits to network providers Inpatient care—\$11 per day, \$25 minimum Inpatient mental health—\$40 per day
TRICARE Extra	<ul style="list-style-type: none"> Inpatient care—\$14.35** per day or \$25, whichever is more Outpatient care—15% of the negotiated cost 	<ul style="list-style-type: none"> Inpatient care—\$250 per day or 25% of hospital's billed charges, whichever is less, plus 20% of allowable charge for separately billed professional services Outpatient care—20% of the negotiated cost
TRICARE Standard	<ul style="list-style-type: none"> Inpatient care—\$14.35** per day or \$25, whichever is more Outpatient care—20% of allowable charges Annual outpatient deductible—\$50 for individuals, \$100 for families (E-1 - E-4), \$150 for individuals, \$300 for families (E-5 and above) Civilian inpatient mental health—\$20 per day 	<ul style="list-style-type: none"> Inpatient care—\$535** per day or 25% of hospital's billed charges, whichever is less, plus 25% of allowable charge for separately billed professional charges Outpatient care—25% of allowable charges Annual outpatient deductible—\$150 for individuals, \$300 for families Civilian inpatient mental health—lesser of \$175* per day or 25% of allowable fees plus 25% of allowable charge for separately billed professional fees
Catastrophic Cap*	\$1,000 annually	\$3,000 annually
Eligible for Medicare (age, disability or end-stage renal disease)	Active duty family members are not required to enroll in Medicare Part B to remain eligible for TRICARE.	Retired servicemembers and their dependents MUST enroll in Medicare Part B to remain eligible for TRICARE.

* The catastrophic cap is the annual upper limit. It applies only to the allowable charges for covered service. The catastrophic cap applies to the enrollment year for TRICARE Prime enrollees and to the calendar year for TRICARE Extra and Standard users.

** Rates are current for FY 2006; rates change every fiscal year.

TRICARE For Life

Landmark legislation, TRICARE For Life (TFL) was passed by Congress on Oct. 30, 2000, and became effective Oct. 1, 2001.

Eligibility

TRICARE For Life (TFL) covers all retirees, spouses, and survivors age 65 and older, eligible for Medicare Part A (for hospitalization payments) and enrolled in Medicare Part B (for other provider payments).

What Is Covered?

Eligible beneficiaries will receive all Medicare-covered benefits under Medicare Standard plus all TRICARE covered benefits. For most beneficiaries who use a Medicare provider, Medicare will be first payer for all Medicare-covered services and TRICARE Standard will be second payer. TRICARE will pay all Medicare co-pays and deductibles and cover most of the cost of certain care not covered by Medicare.

Note: If your first medical service of the fiscal year is a service covered by Medicare but not by TRICARE, such as chiropractic care, you will be responsible for the \$124 Medicare deductible that year. It might be better to postpone any optional service until TRICARE pays that fiscal year's Medicare deductible.

Beneficiary Payments

TFL coverage entails no beneficiary premiums or co-pays other than the \$88.50 per person monthly premium for Medicare Part B (in 2006) and any applicable TRICARE co-pays for services covered by TRICARE but not Medicare, such as pharmacy services.

Using TRICARE For Life Overseas

For beneficiaries residing in foreign countries where Medicare coverage does not apply, TRICARE will become first payer, and beneficiaries will be responsible for the standard TRICARE deductible (\$150 per person/\$300 per family) and 25% co-payment.

Eligible beneficiaries and their eligible family members, who are receiving health care overseas and are enrolled in Medicare Part B, can take advantage of TFL. Because Medicare typically does not provide benefits for medical care received overseas, TRICARE becomes the primary source of health benefits. TFL will provide the same level of coverage afforded retirees under the age of 65, and beneficiaries will be responsible for the same cost shares and deductibles as under-65 retirees.

TRICARE & Medicare

Becoming Medicare Eligible

Medicare eligibility usually begins on the first day of the month in which you turn 65. If your 65th birthday falls on the first day of the month, Medicare Part A eligibility begins on the first day of the preceding month. If you purchase Medicare Part B, you will remain eligible for TRICARE through TFL.

With TFL, beneficiaries retain their eligibility for TRICARE Extra and Standard, but not Prime. TRICARE acts as a second payer to Medicare for Medicare and TRICARE covered services. When a retired sponsor reaches age 65 and becomes eligible for TFL, the spouse retains eligibility for all TRICARE options until reaching 65.

Persons under age 65 who become entitled to Medicare Part A because of a disability or end stage renal disease (ESRD), and who are enrolled in Medicare Part B, are considered to have “dual eligibility.” They maintain their eligibility for TRICARE Prime, Extra, or Standard.

When they reach age 65, they no longer will be eligible for TRICARE Prime; they become eligible for TFL. Beneficiaries who become eligible for Medicare due to a disability or ESRD should report that eligibility to the nearest military personnel office, on or after the date of eligibility.

Medicare Benefits

Medicare is a federal health insurance program for people 65 or older, people of any age with permanent kidney failure, and certain disabled people. It is administered by the Centers for

Medicare & Medicaid Services (CMS). Local Social Security Administration offices take applications for Medicare, assist beneficiaries in filing claims, and provide information.

Medicare has three parts: hospital insurance (Part A), medical insurance (Part B), and prescription drug coverage.

Part A helps pay for inpatient hospital care and certain follow-up care. Part B helps pay for doctors’ services and many other medical services and items. Medicare prescription drug coverage is provided at a much lower benefit level than TRICARE provides.

Hospital Insurance (Part A) Eligibility

Medicare Part A is the hospital insurance that pays for inpatient hospital stays, care in a skilled nursing facility, hospice care, and some home health care. You are entitled to Medicare Part A if you earned 40 quarters of Social Security credit.

You are eligible at any age if you need maintenance dialysis or a kidney transplant for permanent kidney failure and:

- you are insured or are getting monthly benefits under Social Security, or
- you have worked long enough in federal employment.

In addition, any non-disabled surviving spouse or child might be eligible if a maintenance dialysis or a kidney transplant is needed. Only the family member who has permanent kidney failure is eligible for Medicare protection.

You do not have to retire to have Part A protection at age 65. If you plan to keep working, an application for Part A must be filed for protection to begin. The application should be made at a Social Security office about three months before you reach age 65.

If you receive Social Security, Part A protection will start automatically at 65. If you are a federal retiree eligible for Medicare on the basis of federal employment, an application for Part A should be filed at a Social Security office about three months before you turn 65 for Medicare to begin at age 65.

If you aren't eligible for Part A at 65, it can be purchased. In 2006, the basic premium is \$393 a month if you have zero to 29 quarters of coverage under Social Security; \$216 per month if you have 30 but fewer than 40 quarters of coverage. To buy Part A, you also will have to enroll and pay the monthly premium for Part B.

If you are younger than age 65 and disabled, Part A protection is automatic after a 24-month period of entitlement to Social Security disability benefits.

Hospital Insurance Benefits

If inpatient care is needed, Part A helps pay for as many as 90 days in any participating hospital for each benefit period. In 2006, Part A pays for all covered services for the first 60 days, except for the first \$952. For the 61st through 90th day, Part A pays for all covered services except for \$238 a day.

If the need for more than 90 days of hospital care in any benefit period exists, some or all of the 60 nonrenewable "reserve days" can be used. For each reserve day used, Part A pays for all covered services except for \$476 a day.

Covered services include a semi-private room,

all meals, regular nursing services, operating and recovery room costs, hospital costs for anesthesia services, intensive care and coronary care, drugs, lab tests, X-rays, medical supplies and appliances, rehabilitation services, and preparatory services related to kidney transplant surgery.

If the need for inpatient skilled nursing or rehabilitation services exists after a hospital stay of at least three days, and certain other conditions are met, Part A helps pay for as many as 20 days in a participating skilled nursing facility for each benefit period plus 80 days, for which you pay \$119 a day in 2006.

If you are confined to a home and meet certain conditions, Part A can pay the full approved cost of home health visits from a participating home health agency. There is no limit to the number of covered authorized.

Covered services include part-time skilled nursing care, physical therapy, and speech therapy. If one or more of those services are needed, Part A also covers part-time services of home health aides, occupational therapy, medical social services, medical supplies, and equipment.

Under certain conditions, Part A can help pay for hospice care for terminally ill beneficiaries, if the care is provided by a Medicare-certified hospice.

Special benefits periods apply to hospice care. Part A can pay for a maximum of two 90-day periods and one 30-day period, plus extended care past the 210-day period when a beneficiary is recertified as terminally ill by the medical director or the physician member of a hospice program's group.

Covered services include doctors' services, nursing services, medical appliances, supplies, including outpatient drugs for pain relief, home

health aide and homemaker services, therapies, medical social services and short-term inpatient care, including respite care and counseling.

Part A pays part of the cost of outpatient drugs and inpatient respite care. For all other covered services, Part A pays the full cost.

Medical Insurance (Part B) Eligibility

Medicare Part B helps pay for doctors' services, outpatient hospital care, durable medical equipment, and some medical services not covered under Part A. If you are 65 or older—or you're eligible for hospital insurance (Medicare Part A)—you qualify for enrollment in Medicare Part B. If you want Part B protection, a monthly premium is required. The basic premium in 2006 is \$88.50 a month.

If you receive Social Security benefits, you will be enrolled automatically for Part B—unless you say you do not want it—at the same time you become entitled to Part A. You will have to apply for Part B if you:

- Plan to continue working past age 65,
- Are age 65 but are not eligible for Part A,
- Have permanent kidney failure,
- Are disabled surviving spouse between ages 50 and 65 who is not receiving disability benefits, or
- Are eligible for Medicare on the basis of federal employment, or

live in Puerto Rico or outside the United States.

Contact your local Social Security office for detailed information about Part B enrollment.

Medical Insurance Enrollment Period

There is a seven-month initial enrollment period for Part B. This period begins three months before the month you first become eligible for Part B and ends three months after that month.

If you apply during the first three months of the enrollment period, the Part B protection will start in the first month of eligibility. If enrollment takes place in the last four months, the protection will start one to three months after eligibility.

If you do not take Part B during the initial enrollment period, there is a general enrollment period — January 1, through March 31, of each year. But protection does not start until the following July, and the premium will be 10% higher than the basic premium for each 12-month period you could have been enrolled.

Medical Insurance Benefits

Medicare Part B helps pay for doctors' services and a variety of other medical services and supplies not covered by Part A. Most of the services needed by people with permanent kidney failure are covered only by Part B.

Medicare is a federal health insurance program for people over age 65 and certain disabled people of any age.

Eligibility for any TRICARE program will end for anyone age 65 who declines enrollment in Medicare Part B.

Each year, when the annual Part B deductible is met, Part B generally pays 80% of the approved charges for covered services received for the rest of the year. In 2006, the annual deductible is \$124, usually covered by TFL.

Part B covers doctors' services, no matter where services are received in the United States. Covered doctors' services include surgical services, diagnostic test and X-rays that are part of the treatment, medical supplies furnished in a doctor's office, services of the office nurse, and drugs administered as part of the treatment that cannot be self-administered.

Under certain conditions or limitations, Part B covers other medical services and supplies. Some examples follow: ambulance transportation, home dialysis equipment, supplies, periodic support services, independent laboratory tests, oral surgery, outpatient physical therapy, outpatient speech pathology services, and X-ray and radiation treatments.

What Is Not Covered

Medicare provides basic protection against the high cost of illness, but it will not pay all of the health care expenses. Some of the services and supplies Medicare cannot pay for include:

- Custodial care, such as help with bathing, eating, and taking medicine
- Dentures and routine dental care

- Eyeglasses, hearing aids, and examinations to prescribe or fit them
- Personal comfort items, such as phone or television in your hospital room
- Prescription drugs, unless enrolled in Medicare Part D. Military members use the TRICARE Pharmacy Program.
- Routine physical checkups and related tests (a one-time "Welcome to Medicare" physical exam is authorized)

Other Health Insurance and Medicare/TRICARE Supplemental Policies

Some TFL beneficiaries have other health insurance (OHI). This is health care insurance provided by an employer, former employer, or privately purchased coverage to supplement Medicare, for example. If you have other health insurance, by law, TRICARE will process your claim only after all other insurance has processed the claim. In these cases, you will need to complete a TRICARE claim form, attach the doctor's or hospital bill and the EOB from both your other health insurance and Medicare, and mail the claim to the TRICARE claims processor in your area.

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 drug addiction situation are not covered. Prescription drug coverage is available to those covered by Medicare (Parts A and B).

Tricare Pharmacy Program

Eligibility: All uniformed services beneficiaries are eligible to use the pharmacy benefit.

Features of The TRICARE Mail Order Pharmacy Program*

When to use: For prescriptions you use regularly (for example, medication to reduce blood pressure)

Supply per prescription and refills (as prescribed):

- Up to 90-day supply of non-controlled medications
- Up to a 30-day supply of controlled medications (with certain limits as decided by the DoD P&T Committee)

Deductible: None

Your co-pay per prescription or refill:

Active Duty Members:	\$0
Active Duty Family Members:	\$3 (Generic) \$9 (Brand Names)
Retirees and Family Members (USFHP, TRICARE Senior Prime Enrollees):	\$3 (Generic) \$9 (Brand Names)

Formulary: This program will adhere to the TRICARE Mail Order Pharmacy Program Formulary (as decided by the DoD P&T Committee).

Note: To view the formulary, log on to: www.pec.ha.osd.mil/tmop/tmophome.htm

Member Services: Within the United States: 1-866-363-8667
Outside of the United States, call: 1-866-275-4732, 24 hrs/day 7 days/week

To refill on the Internet visit: <http://member.express-scripts.com/dodcustom/welcome.do>

To obtain an EasyRx form, call: 1-866-DOD-TMOP (363-8667)

* You must obtain a prescription from your physician that can be mailed by you or faxed directly by your physician.

Eligible beneficiaries have three ways to receive prescription pharmaceuticals:

- Military pharmacies (if in vicinity of military facility);
- DoD TRICARE Mail Order Pharmacy (TMOP); or
- DoD Retail Pharmacy Program (TRXx) (network or non-network).

Retirees Residing in Foreign Countries:

- Can use military pharmacies.
- Can use TMOP, only under current restrictions due to FDA/manufacturer shipping requirements, and state and international shipping laws (i.e., drugs are mailed to an APO, FPO, or a U.S. Embassy address and are for FDA-approved drugs/indications and the prescription is written by a U.S. licensed provider).
- Can use local economy pharmacies, paying the full cost and filing a claim for reimbursement from TRICARE and be reimbursed the cost minus a co-pay (20% or \$9, whichever is greater) and annual \$150 deductible.

TRICARE Mail Order Pharmacy Program

You may qualify for the TRICARE Mail Order Pharmacy Program (TMOP) if you meet the following criteria:

- Active duty member
- All TRICARE eligible beneficiaries under age 65
- Uniformed Services Family Health Plan enrollees
- All TRICARE Prime enrollees
- Those age 65 and older (before April 1, 2000)
- Those age 65 and older on April 1, 2001 and enrolled in Medicare Part B

For best value at the least out-of-pocket cost, beneficiaries should use:

- Military pharmacies where available
- TMOP for maintenance medications (taken every day)
- Retail network pharmacies for acute episode of care
- Generic rather than brand name drugs, when possible

COVERAGE/CO-PAYMENTS			
	RX AMOUNT	CO-PAY	DEDUCTIBLE
Military Pharmacy	Varies by facility (often a 30-day supply)	No cost	None
TMOP	90-day supply of most non-narcotic drugs or a 30-day supply of a narcotic prescription	\$3 for generic \$9 for brand name \$22 for non-formulary*	None
Retail Pharmacy (Network)	30-day supply of medication	\$3 for generic \$9 for brand name \$22 for non-formulary*	None
Retail Pharmacy (Non-Network)	30-day supply of medication	The greater of: 20% of the cost of the drugs, or \$9 \$22 for non-formulary*	\$150 per year \$300 per year for a family

* If medical necessity is established for a non-formulary drug, patients may qualify for the \$9 cost share for up to a 30-day supply in the TSRx or a 90-day supply in the TMOP program. For more information on non-formulary medications, use the TRICARE Formulary Search tool at <http://www.tricareformularysearch.org>.

The TRICARE Retiree Dental Program

Introduction

The TRICARE Retiree Dental Program (TRDP) offers dental coverage throughout the 50 United States, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and Canada.

The Federal Services division of Delta Dental of California administers this voluntary dental plan with self-paid premiums.

Eligibility

To be eligible for TRDP, an individual must be one of the following:

- A.** A member of the Uniformed Services who is entitled to retired pay, including those age 65 and over;
- B.** A member of the Guard/Retired Reserve who is entitled to retired pay but is under age 60;
- C.** A current spouse of a retired member as described in (A.) and (B.) above who is enrolled in the program;
- D.** An eligible child of a retired member as described in (A.) and (B.) above who is under age 21, or under age 22 and a full-time student, or who became disabled prior to age 21 (or age 22 if a full-time student);
- E.** An unmarried surviving spouse or eligible child of a deceased retired member, or of a member 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.

To find out if you qualify for TRDP—or to enroll—call Delta Dental of California toll-free at 1-888-838-8737.

**TRDP pays
100% of
diagnostic and
preventive
services from a
network dentist.**

- F.** A spouse and/or eligible child of certain non-enrolled members with documented proof the non-enrolled member is:
- eligible to receive ongoing, comprehensive dental care from the VA; or
 - enrolled in a dental plan through other employment not available to family members; or
 - unable to obtain benefits from the TRDP due to a current and enduring medical or dental condition. Former spouses and unremarried surviving spouses are not eligible at this time.
- G.** A Medal of Honor recipient and eligible spouse and/or child, or an eligible spouse or child of a deceased recipient.

Documentation of these qualifying circumstances is required upon application for enrollment.

Enrollment

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, on-lays 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.

TRICARE Retiree Dental Plan – Covered Services

COVERED SERVICE	TRDP PAYS*	APPLIED TO ANNUAL DEDUCTIBLE	APPLIED TO ANNUAL MAXIMUM
Available during first 12 months of enrollment:			
Diagnostic	100%	No	No
Preventive <i>(includes two cleanings in 12 months)</i>	100%/80%	No	No
Basic Restorative <i>Plus an allowance for posterior composites (tooth-colored fillings on back teeth)</i>	80%	Yes	Yes
Endodontic	60%	Yes	Yes
Periodontic	60%	Yes	Yes
Oral Surgery	60%	Yes	Yes
Emergency <i>Minor treatment for dental pain at 80%</i>	80%	Yes	Yes
Drugs	60%	Yes	Yes
Post Surgical	60%	Yes	Yes
Anesthesia	60%	Yes	Yes
Dental Accident Coverage	100%	No	Separate \$1,000 annual maximum applies
Additional Services available after 12 months of continuous enrollment:			
Cast Crowns, Onlays & Bridges	50%	Yes	Yes
Partial/Full Dentures	50%	Yes	Yes
Orthodontia	50%	No	\$1,200 lifetime maximum

* Percentages paid by Delta Dental of California are based on the allowed amount for each procedure. This chart depicts coverage when seeking treatment from a network dentist. Your total out-of-pocket costs may be higher if care is received from a non-network dentist.

Note: Covered benefits are subject to certain limitations. For example, sealants and space maintainers are preventive services covered at 80% and subject to the annual deductible and annual maximum. Refer to the TRDP Benefits Booklet—accessible online at www.trdp.org/enhanced/ebb.htm—for a complete list of covered services and detailed information on limitations, exclusions, benefit levels, and program policies.

Enrollees in TRDP may choose any licensed dentist for treatment, but there are incentives for choosing an in-network provider.

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. Approximate TRDP enhanced program monthly premiums are as follows:

- Single person: \$27 - \$45
- Two persons: \$51 - \$86
- Family (three or more persons): \$85 - \$145

Note: Approximate monthly regional premium rates stated above are effective May 1, 2005 through April 30, 2006 and are subject to modest increases each subsequent May 1. Additionally, DoD-directed implementation of further program enhancements could result in the contractual establishment of a change in premium rates from those stated above.

Monthly Premium Collection

Monthly premiums will be deducted by the DFAS or other finance center, as appropriate, through mandatory

retired pay allotment. Prepayment of two months of premiums must be included with the enrollment application. This is used to pay monthly premiums until the automated monthly payment process is established. Any unused portion of the prepayment will be automatically refunded after the monthly payment process is established.

Retirees with pay insufficient to cover monthly premiums and enrollees who do not receive retired pay (such as unremarried surviving spouses) will be billed directly by Delta. In this case, certain explicit payment procedures must be followed.

Annual Deductible and Maximum

There is an annual deductible of \$50 (with a limit of \$150 on the annual deduction for the entire family), which applies to each enrollee each year. Delta Dental will pay an annual maximum of \$1,200 per benefit year. Diagnostic services and some preventive procedures are not subject

to the annual deductible and maximum. Orthodontic Services and dental accident coverage are not subject to the annual deductible, and each has separate maximum benefits amounts.

Providers

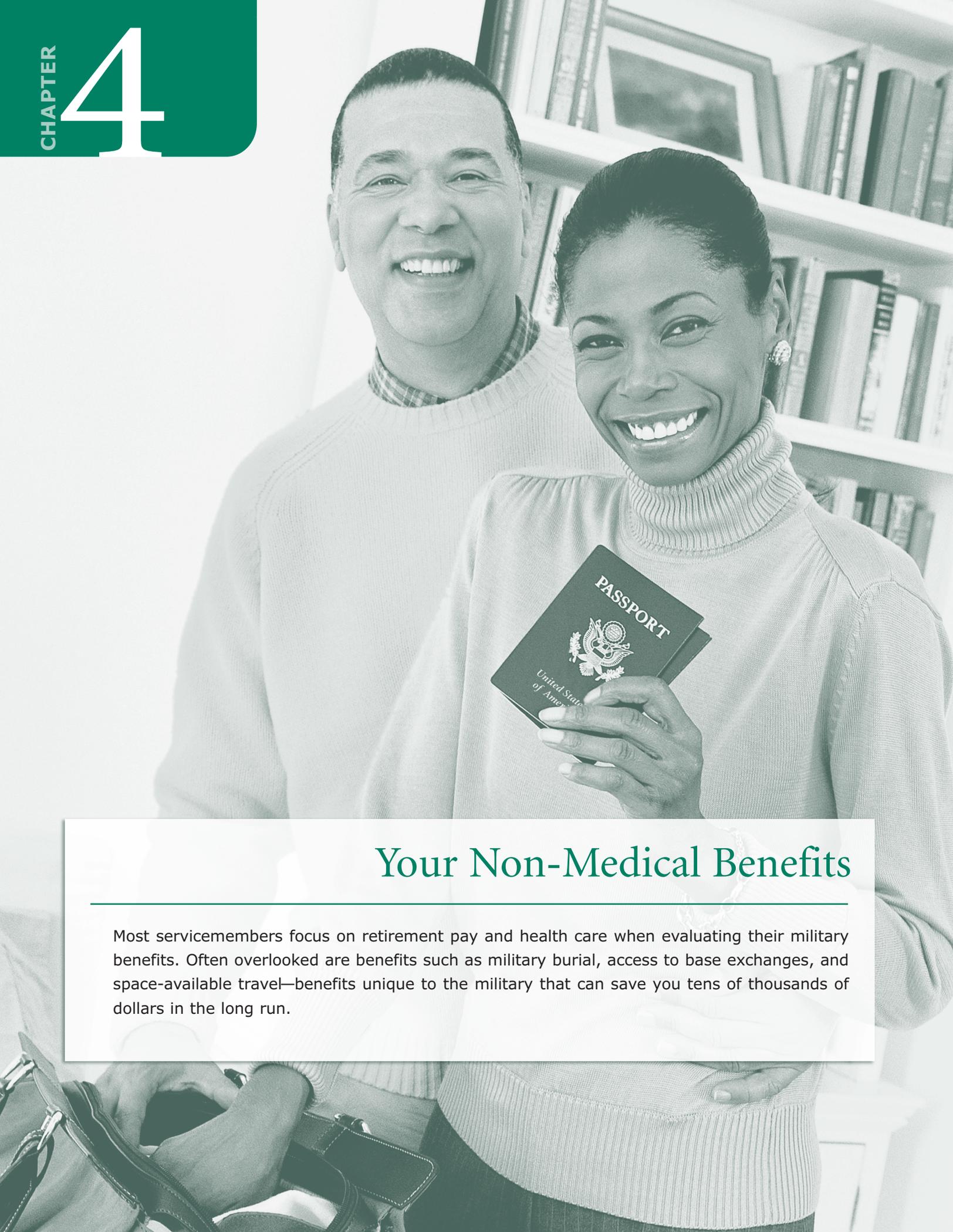
Enrollees may choose any licensed dentist for treatment, but there are incentives if enrollees seek treatment from more than 67,000 dentist locations throughout the service area that are currently part of the Delta Dental of California

network contracted to provide services to TRDP enrollees.

If enrollees go to an out-of-network dentist, Delta Dental of California 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 may be higher than the program allowed amount for the service. You will be responsible for paying your co-payment plus any difference between the program allowed amount and the dentist's billed charge.

Summary

Skyrocketing health care costs—and the crushing burden of long-term care—can capsize any financial plan. The various coverage options available under TRICARE promise to relieve military families of some of the uncertainties surrounding health care coverage. Like most health care programs, TRICARE is complicated. It's important that survivors fully understand their options now so that they can make wise choices at the appropriate time.

A black and white photograph of a man and a woman standing in a library. The man is on the left, wearing a light-colored sweater over a collared shirt, and is smiling broadly. The woman is on the right, wearing a light-colored turtleneck sweater, and is also smiling. She is holding a dark passport with the word "PASSPORT" and the United States emblem on it. In the background, there are bookshelves filled with books. The overall mood is positive and happy.

Your Non-Medical Benefits

Most servicemembers focus on retirement pay and health care when evaluating their military benefits. Often overlooked are benefits such as military burial, access to base exchanges, and space-available travel—benefits unique to the military that can save you tens of thousands of dollars in the long run.

Space-Available Travel on Military Aircraft

Space-Available (Space-A) travel can provide an inexpensive means of travel for you and your spouse or dependent children. Here are some basic rules and suggestions for getting on board an aircraft:

- Your military ID card will make you eligible for flights within the United States and overseas.
- Your spouse and children can travel only if accompanied by you.
- Only dependent children younger than 21 are eligible (older than 21 if incapacitated).
- Documents needed include military ID cards, passports, and immunization records, if applicable.
- Travel cannot be for personal gain or in connection with a business enterprise or employment.
- You may register in person at the passenger terminal or by fax or e-mail. Caution: Confirm this information beforehand. Each terminal may have different requirements.
- You must be prepared to pay for any portion of the trip via commercial carrier. There is no guarantee that Space-A will get you back home.

Most international airports charge a per-person tax for CONUS outbound flights. Before leaving your home on a Space-A adventure, especially if you are going overseas, please call a nearby Air

Force or Navy base or one of the Aerial Ports of Embarkation (APOE). They can provide the latest information about the availability of flights. Attendants will assist you in reaching your destination. For additional information, go to: <http://public.amc.af.mil/Library/SPACEA/spacea.htm>.

Some Reminders

- Passengers are processed on a “first-come, first-served” basis with other Space-A travelers of like priority.
- Reservations cannot be made for any portion of the trip.
- Baggage is limited to a maximum of 140 lbs. per person (two checked bags plus one small carry-on). No excess baggage will be allowed. (This will depend on the type of aircraft.)
- Long, uncomfortable, frequently costly waiting periods can be encountered at the APOE because of large passenger backlogs.
- Official-duty passengers can cause Space-A travelers to be removed from an aircraft at any point en route.
- Billeting accommodations are nonexistent at passenger terminals and extremely limited at most APOE bases. Space-A travelers must be prepared to provide their own lodging in hotels or motels adjacent to the APOE.

For faster service, fax or e-mail your Space-A travel requests directly to the departure location.

Before Age 60—Retired or “Gray Area” Reservist

Here’s another Space-A possibility for you, but not your spouse, before you reach 60. If you are a member of the Retired Reserve, not yet eligible to receive retired pay but will qualify for such pay at 60, the following Space-A information might be of interest:

- You can travel Space-A between Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam, and CONUS, or within these locales, except for Guam.
- You must have a valid military ID card (DD Form 2).
- You must have a letter from your military department indicating you have completed at least 20 years of qualifying service and will be eligible to receive Reserve retired pay at age 60.

Fax and E-mail Accepted for Space-A Travel

Military retirees can sign up for Space-A travel by fax or e-mail requests directly to the departure location. Travelers can list five country destinations (the fifth can be “all” to take advantage of opportune airlifts). Travelers also must provide the first names of any dependent family member traveling with them and a statement that the required border clearance documents are current. Travelers remain on the register for 60 days.

Travelers also can mail their requests to the departure location. But mail requests take longer to reach their destinations and are not entered on the Space-A registry until they are stamped with the date and time upon receipt.

Use of Military Installation Facilities

Generally, when you are eligible for retired pay (upon the completion of 20 years of qualifying military service) you and your spouse will be eligible for many military benefits. If you travel overseas and visit U.S. military installations, chances are you will not enjoy the same benefits. A prime example is medical care at U.S. facilities. Although authorized, medical care is strictly on a space-available basis because these facilities are staffed primarily for active-duty personnel and their dependents.

Under the existing Status of Forces Agreements (SOFAs), the host government limits the use of commissary and exchange facilities to U.S. military and civilian personnel officially assigned to that overseas installation. Under international law, the host country has the right to make these limitations. The primary reason is to prohibit the importation of tax-free goods for the use of those not officially assigned to duty. Although the DoD's policy is that military

retirees abroad be accorded, to the extent possible, all privileges normally available in the United States, the governing factor is the agreement between the United States and the country concerned.

SOFAs usually contain the tax-free provisions. In some countries, SOFAs have another name, such as Military Bases Agreements. SOFAs generally cover the breadth of the U.S. military presence in a given foreign country, including such matters as criminal jurisdiction and claims responsibility. When these SOFAs were negotiated (some as many as 40 to 50 years ago), either no mention was made of retirees or host governments rejected U.S. attempts to gain privileges for retirees.

Many retirees have suggested that the existing SOFAs be amended to permit retiree and retiree family member purchases at overseas commissaries and exchanges. But there are two overriding reasons why this cannot be done.

Don't expect the same access to military benefits when traveling overseas. Privileges such as purchasing from the commissaries and access to medical care generally are reserved for active-duty personnel assigned to those facilities.

First, remember the theory on which the tax-free privilege is based. It is a special exception by the host country. The primary reason for the exception is that those who enjoy the privilege are involuntarily in the host country to help defend that country.

The retiree and family members, on the other hand, are not participating in the defense of that country. In fact, in some countries where the United States jointly occupies bases with the host nation's forces, a visitor can't even gain access to the base without proper credentials. A retiree's ID card is usually not enough.

Conditions are constantly reviewed and are subject to change. We recommend that you contact the overseas commander before departing to determine to what extent facilities are available.

Benefits for Retired or "Gray Area" Reservists (Under Age 60)

Benefit	Eligibility
Burial flag	Yes
Commissary	Yes
Exchanges	Yes
Legal assistance	Limited
Military affiliate radio service	Yes
Military clothing sales	Yes
Military recreational facilities	Yes
Officer/NCO clubs	Yes
Official library services	Yes
Post/Base theater	Yes
Post/Base facilities	Yes
Retention of commission (officers)	Yes
Reserve Component SBP	Yes
Survivor Benefit Plan (SBP)	No
Transient billeting	If available
Wearing of uniform	On appropriate occasions
VGLI	Yes
TRICARE/MTF	No
Retiree Dental Plan	Yes
Pay and Allowances	No

Burial Procedures, Allowances, and Expenses

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

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

The figures quoted above are periodically revised by legislative changes. Exact figures are available at the nearest VA office. It is important that your children know this, too, because the claim can be filed by the person who bears the burial expenses, including the undertaker if he has not been paid. Also, most mortuaries are familiar with this benefit and will offer to file the claim, allowing corresponding credit in their statement of charges.

** Payment of the \$300 burial allowance on behalf of veterans of any wartime period was sharply restricted effective Oct. 1, 1981. Under P.L. 97-35, payment of this allowance is limited to veterans “entitled to receive VA compensation or pension” and those who die in VA medical facilities.*

Only veterans entitled to receive VA disability compensation or pension are eligible for this

allowance, the payment of the \$300 plot or interment allowance for burial in a non-government cemetery.

The VA has determined the phrase “entitled to receive” includes only those veterans who have been awarded VA compensation or pension or who have submitted an application that is pending at the time of the veteran’s death and would have been approved. It does not automatically apply to military disability retirees.

To qualify for the payment, a military retiree must have applied for and been found “entitled to receive” VA disability compensation. That a retiree chose not to waive all or part of his retired pay after being awarded VA compensation does not disqualify the proper claimant(s) from receiving the \$300 allowance(s) (burial or plot).

Any person retired for disability should seriously consider filing a claim with the VA to establish eligibility for disability compensation and ultimately for payment of the burial allowance. The VA Form 21-530 used in filing claims for compensation can be obtained from the nearest VA office. Or you can call the nearest VA Regional Office by dialing **1-800-827-1000**.

Social Security also provides a lump-sum death benefit to the surviving spouse or eligible child of a person who died fully or currently insured. The current maximum payable is \$255.

Reservists with 20 years of qualifying service (and their family members) are eligible for burial in a national cemetery, including a government headstone or marker and burial flag.

Many surviving spouses believe the government will pay all transportation costs for shipping remains to a national cemetery—this is true only in certain cases. The VA will pay the cost of transporting the veteran’s remains if at the time of death he or she was:

- Hospitalized or domiciled in a VA hospital or domiciliary.
- Hospitalized or domiciled at VA expense.
- Eligible to receive VA disability compensation or whose death resulted from a service-connected disability (cost limited to nearest available national cemetery).

The VA must receive claims for burial allowances within two years of the permanent burial or cremation of remains. This limit does not apply to claims for service-connected burial allowance or cost of transporting the veteran’s remains to the burial site.

Similarly, if a person entitled to military retired pay dies while properly admitted to a military treatment facility (MTF), the survivor(s) may be entitled to transportation or a transportation allowance payable by the retiree’s military department. Entitlement extends from the place of death to a burial place that is no farther distant than the decedent’s last permanent residence and the amount paid will not exceed these parameters.

Both the MTF and the burial must be in the U.S. or its territories.

Military retirees and their dependents who die while outside the United States are entitled to air transportation of the remains from a location outside the United States to a point of entry in the United States. Such air transportation may be provided without reimbursement on a space-available basis in a military or military-chartered aircraft.

Note: The military transportation benefit is not payable if the VA transportation allowance described previously is allowed.

Other than the foregoing, the only expense borne by the government is for the gravesite in a national cemetery and the actual interment, which includes opening, closing, and marking the grave.

Military Burials

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

Application for burial in a national cemetery will be honored only at the time of death of a veteran or an eligible dependent. No gravesites are reserved in advance.

The burial request must be made directly to the superintendent of the national cemetery. Remember, when an application for burial is received, the superintendent must first verify that the deceased is entitled to burial, and this might take extra time.

Your spouse and minor children are also eligible for burial in the same grave or niche. If your spouse or minor child should die before you and is buried in Arlington National Cemetery, 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 burials. Unfortunately, adjoining gravesites are no longer available for members of the same family in national cemeteries.

If interment is in a national cemetery, eligibility for a headstone or grave marker is automatically established. If interment is in a private cemetery, a headstone or grave marker will be furnished for an unmarked grave upon request. It is provided without charge and shipped to the designated consignee. Apply to the Office of Memorial Programs, Department of Veterans Affairs, 810 Vermont Ave., N.W., Washington, DC 20420. Or you may request an application by calling 1-800-697-6947, Monday - Friday, 8:00 a.m. - 4:30 p.m. (ET). Any VA office will provide information and assistance in filing the application. Many funeral directors also will assist in filing this application.

All eligible veterans, including military retirees, are entitled to military funeral honors. At a minimum, the funeral honors ceremony will consist of the folding and presentation of the American flag and the playing of "Taps." At least two uniformed military personnel, in addition to a bugler, if available, will perform the ceremony. If a bugler is not available, a high-quality CD recording will be used. One of the uniformed military personnel will be from the deceased veteran's parent military service and will present the flag to the next of kin.

The next of kin or appropriate individual must request the funeral honors; they are not provided automatically. Department of Defense (DoD) policy calls for the funeral directors, rather than the next of kin, to contact the military. The toll-free number: 1-877-MIL-HONR (645-4667) has been set up for funeral directors to coordinate the ceremonies. DoD has established this Web site <http://www.militaryfuneralhonors.osd.mil/> that explains the funeral honors process.

Effective Oct. 28, 1992, reservists with 20 years of qualifying service are authorized to receive a government headstone or marker and burial flag. Headstones and markers are provided automatically to mark the graves of qualifying reservists buried in national cemeteries and state veterans cemeteries. They also are provided, on application, for an unmarked grave of qualifying reservists buried in private cemeteries. The VA pays the cost of the grave marker and shipping. But the VA does not pay the cost of placing the grave marker when an individual is buried in a private cemetery.

Presidential Memorial Certificates (PMC) Program

The PMC Program was started by President John F. Kennedy in March 1962 to honor the memory of honorably discharged, deceased veterans. The certificate, which bears the president's signature, expresses the country's grateful recognition of the veteran's service in the armed forces.

The PMC Program is administered by the VA. Eligible recipients, or someone acting on their behalf, may apply for a PMC in person at any VA regional office or by U.S. mail only. Please be sure to enclose a copy of the veteran's discharge and death certificate.

If you would like to request a PMC, or if you

requested one more than eight (8) weeks ago and have not received it yet, either:

- Fax your request and all supporting documents (copy of discharge and death certificate) to: (202) 565-8054, or
- Mail your request and all supporting documents using the U.S. Postal Service to: Presidential Memorial Certificates (41A1C), Department of Veterans Affairs, 810 Vermont Ave., N.W., Washington, DC 20420-0001.
- If you have questions about a certificate you have received, a request you have already sent in, or about the program in general, call (202) 565-4964 or e-mail pmc@mail.va.gov.

Summary

Make sure you take advantage of all of the benefits available to you and your spouse as a retired servicemember. Remember, these non-medical benefits are part of your overall retirement package and make a big difference when you're on a fixed income.

If you need more information on your military retirement benefits, contact MOAA at **(800) 234-MOAA (6622)**.

Appendix

Qualifying for retirement benefits isn't always straightforward or easy. As a Guard or Reserve servicemember, calculating your years of service is tricky. The following forms and worksheets will help you determine whether you qualify and how to notify your respective service.

Appendix A: Computing Service and Retired Pay

Appendix B: Service Computation Worksheet

Appendix C: Sample Retired Pay Application and Worksheet

Appendix D: Sample Air Force Retired Pay Application Letter

Appendix E: Coast Guard Reserve Retirement Transfer Request

Appendix F: Basic Pay Table

Appendix A: Computing Service and Retired Pay

To illustrate computing service and retired pay, we have chosen a soldier who entered the service in 1962. He stayed in the Reserves and completed more than 20 years of qualifying service, during which he participated in Reserve weekend drills, active duty for training, and correspondence courses. He also volunteered for active duty and served from January 1962 to June 1962, when he again resumed his Reserve status.

He advanced through the grades to O-5 and was in active Reserve status until 1985, when he was transferred to the Retired Reserve without entitlement to retired pay. He turned 60 in January 2003 and has more than enough service to qualify for retired pay.

Qualifying Service to Receive Retired Pay After June 30, 1949

From this date on, at least 50 retirement points are needed for a "good" year to count toward the required minimum of 20 years to qualify for pay. With the exception of one retirement year (Jan. 1, 1967 - Dec. 31, 1967), he had all "good" years through Dec. 31, 1984, when he was transferred to the Retired Reserve (without pay).

TOTAL QUALIFYING SERVICE

DAYS	YEARS	MONTHS
Jan. 1, 1962, to Dec. 31, 1966	5	0
Jan. 1, 1968, to Dec. 31, 1985	17	0
TOTAL	22	0

Service for Basic Pay Purposes

In general, service not creditable as qualifying service does count in computing service for basic pay (longevity) purposes. In this situation, the retirement year Jan. 1, 1967, to Dec. 31, 1967, when he earned less than 50 retirement points, does not count as a qualifying year but is creditable for basic pay purposes.

In addition, his service in the Retired Reserve after Dec. 31, 1985, also counts for basic pay purposes.

Retired Pay Formula

Retirement Points ÷ 360
= "Years" of Service
"Years" of Service x .025
= "Percentage Multiplier"
"Percentage Multiplier" x Basic Pay
= Monthly Retired Pay

The retirement points are a combination of:

- Each day of active duty, which is equal to one retirement point.
- On and after July 1, 1949: Total retirement points earned in a retirement year. Maximum creditable for inactive duty training (drills, correspondence courses, or membership) is 60 for this calculation.
- After the retirement points are added up, they are divided by 360. This results in the equivalent "years" of service.

- The years are then multiplied by 2.5%. The result of this is the percentage on which the pay will be based.
- This percentage is then multiplied by the current basic pay of the highest grade satisfactorily held on active duty or in an active status in a Reserve Component.

Retirement Points After June 30, 1949

Total points from Jan. 1, 1962 - Dec. 31, 1985: 1,912 (These include points for: active duty for training, inactive duty training, membership, etc.)

$1,912 \div 360$
= 5.31 "Years" of Service
$5.31 \times .025$
= 13.27% "Percentage Multiplier"
13.27% x \$6,997.50
= \$928 Monthly Retired Pay

The figure is the basic pay for an O-5 with more than 22 years of qualifying service under the January 2005 pay table.

Note:

- Retired pay is based on active duty pay tables in effect when retired pay begins.
- Basic pay rates are revised each year.
- For a person who joined an armed force after Sept. 8, 1980, the formula for computing retired pay is essentially the same. But instead of using the monthly base pay of the member grade and length of service at the time of eligibility for retired pay at age 60, the formula requires using an average of the monthly base pay to which the member would have been entitled had that member been on active duty for the last three years as a member of a reserve component of an armed force.

Appendix B: Service Computation Worksheet

1. Active Service Before 1 July 1949

Day	Mo	Yr	to	Day	Mo	Yr	Days	Retirement Points
								Total _____

2. Qualifying Reserve Service (not on Active Duty) Before 1 July 1949

Day	Mo	Yr	to	Day	Mo	Yr	Yrs	Mos	Days	Retirement Points
										Total _____

50 "free" points are credited for each yr. See explanation below.*

3. Retirement Points Creditable After 30 June 1949

Retirement Year			Active Duty / ACDUTRA			Total Creditable Points		
Day	Mo	Yr	to	Day	Mo		Yr	
								Total _____

TOTAL POINTS _____

Retired Pay Formula

Total Points ÷ 360 = "years"

Years x .025 = "percentage multiplier"

"percentage multiplier" x basic pay = Retired Pay

* For part of a year, credit 4.17 points per mo., and .14 points per day. Example: 4 yrs, 2 mos, and 10 days = 209.74 points, rounded out to 210 points.

Appendix C: Sample Retired Pay Application & Worksheet

APPLICATION FOR RETIRED PAY BENEFITS											See back for Instructions and Privacy Act Statement.							
1. TO					2. DATE OF BIRTH (YYYYMMDD)			3. DATE RETIRED PAY TO BEGIN (YYYYMMDD)										
					4. HIGHEST MILITARY PAYGRADE HELD													
5. APPLICANT NAME (Last, First, Middle Initial)					6a. SERVICE NUMBER (If applicable)			b. SOCIAL SECURITY NUMBER										
7a. PRESENT HOME ADDRESS (Street, Apt No., City, State, ZIP Code)					8. PRESENT ASSIGNMENT													
b. HOME TELEPHONE NUMBER ()																		
SERVICE BEFORE 1 JULY 1949																		
9. ARMED FORCE AND COMPONENT			10. GRADE OR RATING			11. APPROXIMATE DATES OF SERVICE						12. ACTIVE DUTY						
						a. FROM			b. TO			a. FROM			b. TO			
						DAY	MONTH	YEAR	DAY	MONTH	YEAR	DAY	MONTH	YEAR	DAY	MONTH	YEAR	
SERVICE AFTER 30 JUNE 1949																		
13. RETIREMENT YEAR						14. ARMED FORCE AND COMPONENT		15. GRADE OR RATING	16. ACTIVE DUTY						17. RETIREMENT POINTS EARNED			
a. FROM			b. TO						a. FROM			b. TO						
DAY	MONTH	YEAR	DAY	MONTH	YEAR				DAY	MONTH	YEAR	DAY	MONTH	YEAR				
18. SIGNATURE											19. DATE SIGNED (YYYYMMDD)							

PRIVACY ACT STATEMENT

AUTHORITY: 10 U.S.C. 1331; EO 9397, November 1943 (SSN).

PRINCIPAL PURPOSE(S): Used by members and former members of the Reserve Components to apply for retired pay at age 60. Application is reviewed to determine eligibility.

ROUTINE USE(S): Information provided by the member is used to:

- a. Identify the individual and his/her service record.
- b. Determine eligibility for retired pay under 10 U.S.C. 1331.
- c. Determine effective date that retired pay can and will commence.

DISCLOSURE: Voluntary; however, unless this form is completed, the individual will not receive retired pay.

INSTRUCTIONS

GENERAL. This form is to be submitted in one copy (*duplicate for Naval personnel*). Entries must be typewritten or hand printed. Brief instructions for making entries are provided below in numerical order. Submission of official statements of service is not required. If all information required is not readily available, prepare form to the best of your ability.

NOTE: Primary purpose of Items 9 through 17 is to enable reviewing authority to verify service which may not be of record.

ITEM 1. Addresses of Headquarters of Armed Forces for purpose of forwarding application for retired pay are listed below. Application will be addressed to the Armed Force in which you are presently (or were last) a member.

ARMY: Commander
United States Army Reserve Personnel Center
9700 Page Boulevard, St. Louis, MO 63132-5200

NAVY: Commanding Officer
Naval Reserve Personnel Center (Code N221)
4400 Dauphine St.
New Orleans, LA 70149-7800

AIR FORCE: United States Air Force Military Personnel
Center (AFPMPR)
Building 499C
Randolph Air Force Base, TX 78148-9997

MARINE CORPS: Commandant
United States Marine Corps
(Code MMSR-5)
Washington, DC 20380-0001

COAST GUARD: Commandant
United States Coast Guard (SP-4)
Washington, DC 20593-0001

ITEM 2. Enter correct date of birth (*proof of date of birth may be required before final action is taken on application.*)

ITEM 3. Enter date you desire retired pay to begin (*cannot be before age 60*).

ITEM 4. Enter highest grade or rating held in Armed Forces.

ITEM 5. Enter your name in the order indicated.

ITEM 6a. Enter service (serial) number. If you have been a member of more than one Armed Force, enter the service number of each, i.e. "2 532 430 ARMY" and "603-1-91 NAVY."

ITEM 6b. Enter your Social Security Number.

ITEM 7. Enter your present home address and telephone number.

ITEM 8. Enter the complete designation of your present organization. If you are presently a member of a National Guard organization, give name of state. If not a member of a reserve organization, enter "none."

NOTE: Primary purpose of Items 9 through 17 is to enable reviewing authority to verify service which may not be of record.

ITEM 9. Enter the Armed Force and component for periods of service covered in Item 11. Example: "Army, USAR", "Navy, USNR." All enlisted service will include organization to which you were assigned. For National Guard service, include name of state.

ITEM 10. Enter the highest grade or rating held during each period of service shown in Item 11.

ITEM 11. Enter approximate dates of each individual period of service. Example: 2 May 1936 to 1 May 1939; 20 Oct 1942 to 15 Nov 1946.

ITEM 12. Enter inclusive dates of all periods of active duty performed during each individual period of service indicated in Item 11.

ITEM 13. Enter inclusive dates of each individual year of service performed after 30 June 1949. Example: If you were a member of a reserve component on 1 July 1949, your retirement year will be from 1 July 1949 to 30 June 1950, your second year will be 1 July 1950 to 30 June 1951, etc. If you were not a reservist on 1 July 1949 or have had a break in service since that time, your retirement year will begin on the date of acquiring an active status in a reserve component and end one year later. Example: 15 Sep 1956 to 14 Sep 1957.

ITEM 14. Enter the Armed Force and component in which you served during each year as shown in Item 13. All enlisted service will also include the organization to which you were assigned during the year specified, and, in the case of National Guard service, name of state.

ITEM 15. Enter highest grade or rating held during each year of service shown in Item 13.

ITEM 16. Enter inclusive dates of all periods of active duty, including active duty for training, performed during the year or years indicated in item 13.

ITEM 17. Enter the total retirement points earned for each period shown in Item 13. This total to include points earned through drills, correspondence courses, active duty, membership, etc.

ITEM 18. Place your signature in this space. Signature appearing therein must coincide with the name shown in Item 4.

ITEM 19. Insert date application is prepared.

Appendix D: Sample Air Force Retired Pay Application Letter

APPLICATION FOR RETIRED PAY

PRIVACY ACT STATEMENT

AUTHORITY: Title 10 U.S.C., Section 1401, Computation of Retired Pay; AFI 36-3209, Separation and Retirement Procedures for Air National Guard and Air Force Reserve Members; and E.O. 9397.

PURPOSE: Completed form designates Reserve member request to receive retired pay at age 60.

ROUTINE USE: None. Furnishing the information is voluntary. However, if you do not disclose this information, receipt of your

I, _____
 (Full Name, Rank, and Social Security Number) *(Please Print)*

do hereby apply for retired pay under the provisions of Title 10 U.S.C., Section 12731, to be effective on my 60th birthday, unless a later date is specified hereon.

I have completed and am returning the attached forms along with this application.

- DD Form 2656, **Data for Payment of Retired Personnel.**
- SF 1199A, **Direct Deposit Sign-Up Form.**
- Section VIII, IX, and XI of DD Form 2656 to be completed only if a previous election had not been made.

ALL FORMS LISTED ABOVE MUST BE COMPLETED AND RETURNED TO

HQ ARPC/DPPR
 6760 E IRVINGTON PL #1900
 DENVER CO 80280-1900

APPLICANT'S SIGNATURE

DATE (YYYYMMDD)

FOR ARPC USE ONLY

Appendix E: Coast Guard Reserve Retirement Transfer Request

Department of Homeland Security U.S. Coast Guard CG-PSC-2055A (Rev 6/03)	RESERVE RETIREMENT TRANSFER REQUEST	
Section I – Completed by Member Complete Blocks 1-14 & submit this form at least 90 days prior to desired transfer date. – Please Print or Type –		
1. Name (last, first, MI):	2. SSN:	3. Rank/Rate:
4. Permanent Duty Station & OPFAC/Department ID: Unit: OPFAC: Department ID:	5. Current Home Address (Street, Apt#, City, State, Zip): Address Change Requested? Yes <input type="checkbox"/> No <input type="checkbox"/>	
6. I Request Transfer To: <input type="checkbox"/> RET-2 (Retired Awaiting Pay at Age 60) Transfer is effective on the 1st day of month requested. Effective Month/Year of Transfer: _____ <input type="checkbox"/> RET-1 (Retired With Pay) Transfer is effective on your 60th birthday Note: No Drills or ADT will be authorized or approved after the above Effective Date of Transfer.	7. I plan to drill/have drilled on the following dates and status:	
	Dates	ADT-AT/ADSW-AC/etc
8. Expiration of Enlistment date (if known):	9. Highest Paid Paygrade Held:	
10. Home Telephone Number: Work Telephone Number:	If you HAVE NOT received your "20" year Satisfactory Service Letter, ensure you meet the requirements for retirement prescribed in Chapter 8-C-1 of the Reserve Policy Manual COMDINST M1001.28	
11. <input type="checkbox"/> Yes, I Do wish to have a retirement ceremony (see Instructions for Block 11 on reverse). Date of Ceremony: _____ <input type="checkbox"/> No, I Do Not want a retirement ceremony	12. I Do <input type="checkbox"/> Do Not <input type="checkbox"/> have a spouse. My spouse's name on her/his certificate of appreciation should read:	
13. Member's Signature:	14. Date:	
Section II – Recommendation		
15. COMMAND RECOMMENDATION: <input type="checkbox"/> Approved for transfer to RET-2 ___ RET-1 ___ <input type="checkbox"/> Disapproved for transfer to RET-2 ___ RET-1 ___ Reason: _____ Supervisor Signature (Include Name, Rank, Title) _____ Date _____ Unit POC E-mail Address for acknowledgement receipt of this form. PSC (RAS) will send acknowledgement receipt only if you supply an e-mail address. _____		
16. ISC (pf) _____ RECOMMENDATION: <input type="checkbox"/> Approved for transfer to RET-2 ___ RET-1 ___ <input type="checkbox"/> Disapproved for transfer to RET-2 ___ RET-1 ___ Reason: _____ Supervisor Signature (Include Name, Rank, Title) _____ Date _____		
17. CGPC (rpm) RECOMMENDATION: (Officers & IRR only) <input type="checkbox"/> Approved for transfer to RET-2 ___ RET-1 ___ <input type="checkbox"/> Disapproved for transfer to RET-2 ___ RET-1 ___ Reason: _____ Supervisor Signature (Include Name, Rank, Title) _____ Date _____		

APPENDIX E | COAST GUARD RESERVE RETIREMENT TRANSFER REQUEST

Reverse of CG-PSC-2055A (Rev.6/03)

Instructions	
Item	Explanation
1.	Enter your Full Name: Last, first and middle initial
2.	Enter your Social Security Number
3.	Enter your rank or rate, i.e. LCDR, YN2, PSC, etc.
4.	Enter your Permanent Duty Station (include staff symbol), (i.e. STA Rockland, MSO Houston, MLCFAC (lc) & OPFAC/DEPARTMENT ID)
5.	Enter current Home Address: Street, Apt#, P.O. Box, City, State, Zip Check box if you desire to have your LES address changed to address indicated in Block 5.
6.	Indicate what type of retirement transfer you are requesting and its effective month & year.
7.	Enter planned dates of drills or ADT you will complete prior to your effective retirement transfer date.
8.	Enter your current Expiration of Enlistment Date. If your EOE expires prior to date of requested transfer see your unit Admin Staff to extend EOE.
9.	Enter the highest paid paygrade held. (i.e., If your Rank is W2 and you were promoted from E8, enter E8 in this block.)
10.	Enter home and work phone numbers.
11.	Enter your desire for a retirement ceremony and its effective date. If yes, contact your unit Admin Staff to coordinate date, location, and details for your retirement ceremony.
12.	Enter spouse information for spouse certificate of appreciation.
13.	Sign the form.
14.	Date the form.
15.	Command Recommendation.
16.	ISC Recommendation. Distribution: Original form to PSC/RAS (ONLY if request is for SELRES Enlisted member. Otherwise forward original form to CGPC (rpm) for recommendation.) ISC (pf) – Copy Member's Unit – Copy
	CGPC (RPM) Recommendation (Officers & IRR only) Distribution: PSC/RAS – Original form ISC (pf) – Copy Member's Unit – Copy
PRIVACY ACT STATEMENT	
<p>In accordance with 5 USC Section 522a(3)(3), the following information is provided to you when supplying personal information to the U.S. Coast Guard:</p> <p>Authority – 10 USC Section 1771.</p> <p>Principal Purpose(s) – Used to indicate a member's retirement plans.</p> <p>Routine uses – Same</p> <p>Disclosure – Disclosure of this information is voluntary, although without disclosure the member's career intentions may not be known which may cause document and pay processing problems.</p>	

Appendix F: Basic Pay Table

BASIC PAY—EFFECTIVE JANUARY 1, 2006¹															
<i>Cumulative Years of Service</i>															
Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,365.00	13,430.40	13,709.70
O-9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,669.50	11,857.50	12,101.10	12,525.60
O-8	8,271.00	8,541.90	8,721.60	8,772.00	8,996.10	9,371.10	9,458.10	9,814.20	9,916.20	10,222.80	10,666.20	11,075.40	11,348.70	11,348.70	11,348.70
O-7	6,872.70	7,191.90	7,339.80	7,457.10	7,669.80	7,879.50	8,122.50	8,364.90	8,607.90	9,371.10	10,015.80	10,015.80	10,015.80	10,015.80	10,066.50
O-6	5,094.00	5,596.20	5,963.40	5,963.40	5,985.90	6,242.70	6,276.60	6,276.60	6,633.30	7,263.90	7,634.10	8,004.00	8,214.60	8,427.60	8,841.30
O-5	4,246.50	4,783.50	5,115.00	5,177.10	5,383.50	5,507.40	5,779.20	5,978.70	6,236.10	6,630.60	6,818.10	7,003.80	7,214.40	7,214.40	7,214.40
O-4	3,663.90	4,241.40	4,524.30	4,587.60	4,850.10	5,131.80	5,482.20	5,755.80	5,945.40	6,054.30	6,117.60	6,117.60	6,117.60	6,117.60	6,117.60
O-3	3,221.40	3,651.90	3,941.70	4,297.50	4,503.00	4,728.90	4,875.30	5,115.90	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70	5,240.70
O-2	2,783.10	3,170.10	3,651.00	3,774.30	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00
O-1	2,416.20	2,514.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60	3,039.60
O-3E ³	0.00	0.00	0.00	4,297.50	4,503.00	4,728.90	4,875.30	5,115.90	5,318.40	5,434.50	5,592.90	5,592.90	5,592.90	5,592.90	5,592.90
O-2E ³	0.00	0.00	0.00	3,774.30	3,852.00	3,974.70	4,181.40	4,341.60	4,460.70	4,460.70	4,460.70	4,460.70	4,460.70	4,460.70	4,460.70
O-1E ³	0.00	0.00	0.00	3,039.60	3,246.30	3,366.00	3,488.70	3,609.30	3,774.30	3,774.30	3,774.30	3,774.30	3,774.30	3,774.30	3,774.30
W-5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,720.10	5,916.30	6,113.10
W-4	3,328.80	3,581.10	3,684.00	3,785.10	3,959.40	4,131.30	4,305.90	4,475.70	4,651.50	4,927.20	5,103.60	5,276.10	5,454.90	5,631.00	5,811.00
W-3	3,039.90	3,166.80	3,296.40	3,339.30	3,475.50	3,631.50	3,837.30	4,040.40	4,256.40	4,418.40	4,579.80	4,649.10	4,720.80	4,876.80	5,032.50
W-2	2,673.90	2,826.60	2,960.40	3,057.30	3,140.70	3,369.60	3,544.50	3,674.40	3,801.30	3,888.30	3,961.50	4,100.70	4,239.00	4,379.10	4,379.10
W-1	2,361.30	2,554.50	2,683.80	2,767.50	2,990.40	3,124.80	3,243.90	3,376.80	3,465.00	3,544.80	3,674.70	3,773.10	3,773.10	3,773.10	3,773.10
E-9 ⁴	0.00	0.00	0.00	0.00	0.00	0.00	4,022.10	4,113.30	4,228.20	4,363.50	4,499.40	4,717.80	4,902.30	5,097.00	5,394.00
E-8	0.00	0.00	0.00	0.00	0.00	3,292.50	3,438.30	3,528.30	3,636.30	3,753.30	3,964.50	4,071.60	4,253.70	4,354.80	4,603.50
E-7	2,288.70	2,498.10	2,593.80	2,720.70	2,819.40	2,989.50	3,084.90	3,180.30	3,350.40	3,435.60	3,516.30	3,565.80	3,732.60	3,840.60	4,113.60
E-6	1,979.70	2,178.00	2,274.30	2,367.60	2,465.10	2,685.00	2,770.50	2,865.30	2,948.70	2,978.10	2,998.50	2,998.50	2,998.50	2,998.50	2,998.50
E-5	1,814.10	1,935.30	2,028.60	2,124.60	2,273.70	2,402.10	2,496.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60	2,526.60
E-4	1,662.90	1,748.10	1,842.60	1,935.90	2,018.40	NOTES:									
E-3	1,501.20	1,595.70	1,692.00	1,692.00	1,692.00	1 While serving as JCS/VICE JCS, CNO, CMC, Army/Air Force Chief of Staff, commander of a unified or specified combatant command, basic pay is \$15,615.90. (See note 2).									
E-2	1,427.40	1,427.40	1,427.40	1,427.40	1,427.40	2 Basic pay for an O-7 to O-10 is limited by Level III of the Executive Schedule which is \$12,666.60. Basic pay for O-6 and below is limited by Level V of the Executive Schedule which is \$11,158.20.									
E-1 4 mos +	1,273.50	1,273.50	1,273.50	1,273.50	1,273.50	3 Applicable to O-1 to O-3 with at least 4 years & 1 day of active duty or more than 1460 points as a warrant and/or enlisted member. See DoD/AFM for more detailed explanation on who is eligible for this special basic pay rate.									
E-1 4 mos	1,178.10	0.00	0.00	0.00	0.00	4 For the MCPO of the Navy, CMSgt of the AF, Sergeant Major of the Army, Marine Corps or Senior Enlisted Advisor of the JCS, basic pay is \$6,499.50. CZTE for O-1 and above is based on this basic pay rate plus HFP/IDP which is \$225.00.									

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