

RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP) GUIDE



**FOR ADDITIONAL INFORMATION
PLEASE CONTACT**

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Reserve Component Survivor Benefit Plan (RCSBP)

VERY IMPORTANT INFORMATION

Please take a moment to read this very important information concerning coverage for your family in the event of your death.

Introduction: Reservists who complete 20 years of satisfactory service are entitled to apply for retired pay once they reach age 60. If the Reservist dies prior to reaching age 60, entitlement to retired pay terminates. The only way your survivor(s) may receive a payment from the Coast Guard in the form of an annuity, if you die prior to age 60, is through the Reserve Component Survivor Benefit Plan (RCSBP).

- **NOTE:** Effective 1 January 2001, Reservists completing 20 years satisfactory service will be automatically covered under the RCSBP at the maximum level (OPTION C), unless the reservist declines coverage, or elects reduced coverage. If the Reservist declines, or elects reduced coverage, the member's spouse must concur with that election as per Public Law 106-398, Section 655 (October 30, 2000).

Election Options at time of 20-year satisfactory service letter:

Option A. Under this option, the reservist declines coverage until reaching retired pay eligibility at age 60. At that time, survivor coverage will become automatic under the Survivor Benefit Plan (SBP) unless specifically declined, or a lesser coverage is elected with the reservist's spouse's concurrence. Election of Option A means that if the member dies prior to reaching age 60, the survivor **is not** covered by a Coast Guard annuity.

Option B. Election of this option means that if the member dies prior to reaching age 60, the beneficiary would be entitled to an annuity when the Reservist would have reached age 60. Member may elect to provide an annuity based on full or reduced retired pay.

Option C. Election of this option means that if the member dies prior to reaching age 60, the beneficiary would be entitled to an annuity starting immediately. Member may elect to provide an annuity based on full or reduced retired pay.

- **NOTE: If an election is not made by the Reservist, or not received by PSC (RAS) within 90 days from the issuance of the 20 years satisfactory service letter, the member will be automatically enrolled in Option C at the full level of retired pay.**

Beneficiaries: You may elect to provide an annuity under the RCSBP for the following beneficiaries:

- Spouse – An annuity would be paid to the eligible spouse for life, unless the spouse remarries prior to age 55.
- Spouse and Children – The spouse would be the primary beneficiary, and the children contingent beneficiaries.
- Children Only – Children would receive an annuity until age 18 (or age 22 if continuing education on a full time basis).
- Incapacitated Children – Incapacitated children would receive an annuity as long as they remain unmarried, and incapacitation exists.
- Former Spouse – An annuity would be paid to the former spouse elected.
- Former Spouse and Children - The former spouse would be the primary beneficiary, and the children contingent beneficiaries.
- Insurable Interest Person – A person who depends on your income for support, i.e. Parent, Dependent or Non-Dependent Child, Relative, Business Associate, etc. Electing Insurable Interest provides an annuity during the life of the beneficiary.

Election Opportunities:

- Within 90 days from the issuance of your 20 year satisfactory service letter.
- If Option A is elected at time of 20 year satisfactory service letter, and spouse concurs, member will have an opportunity to elect into the Survivor Benefit Plan (SBP) at age 60.
- **NOTE: If Reservist declines RCSBP at completion of 20 years (elects Option A with spouse concurrence), and dies before reaching age 60, the survivors will not be entitled to receive a Coast Guard annuity.**

Annuity:

FULL LEVEL - Election to provide RCSBP at the full level means the annuity will be computed based on the reserve member's full amount of retired pay as explained below.

- The full amount of retired pay will be called the RCSBP Base Amount.
- The annuity is computed by first reducing the Base Amount by the Reserve Portion Cost (RPC), and then that amount times 55%. When the annuitant becomes age 62 the above computation is reduced to 35%.

REDUCED LEVEL - Election to provide RCSBP at the reduced level means the annuity will be computed based on the member's elected dollar amount, any amount from \$300.00 to full amount of retired pay as explained below. (If full amount of retired pay is less than \$300.00 the full amount of retired pay would be considered as the RCSBP base amount.)

- The reduced amount elected is called the RCSBP Base Amount.
- The annuity is computed by first reducing the Base Amount by the Reserve Portion Cost (RPC), and then that amount times 55%. When the annuitant becomes age 62 the above computation is reduced to 35%.

Cost for RCSBP Coverage:

- No premiums are collected for election into the RCSBP until the reservist begins receiving retired pay.
- If either Option B or C are elected, there is an additional Reserve Portion Cost (RPC) computed to account for the added level of coverage provided to the member prior to reaching age 60. The RPC is based on a percentage of the RCSBP Base Amount, the reservists age, and the age of the beneficiaries at the time the RCSBP election is made. If an election is made to provide coverage for children, the RPC continues for the life of the retiree.
- The calculation for RCSBP costs is based on a formula set by law.

Examples of Cost:

Election of Option B for Spouse and Child – RCSBP Base \$777.00:

Spouse & Child Cost	\$ 39.87
Reserve Portion Cost	<u>\$ 23.01</u>
	\$ 62.88

Election of Option C for Spouse and Child – RCSBP Base \$800.00

Spouse & Child Cost	\$ 43.18
Reserve Portion Cost	<u>\$ 40.08</u>
	\$ 83.26

Note: The child cost is minimal (for spouse and child) and is included in the cost shown above

- More information about the RCSBP may be found at the following site:
[Air Reserve Personnel Command http://arpc.afrc.af.mil/dpsse/rcsbp.htm](http://arpc.afrc.af.mil/dpsse/rcsbp.htm)
- You may request a specific estimate of RCSBP costs by contacting Retiree and Annuitant Services at 1-800-772-8724.

Between 20 Years Satisfactory Service and Reaching Age 60

- If you have no spouse or children at the 20-year point, and later acquire a spouse and/or children you may elect to enroll your new beneficiaries in the RCSBP. You must request enrollment in writing, **within one year** of obtaining a spouse and/or child. A copy of the marriage and/or birth certificate must accompany request.
- If you elect spouse coverage under Option B or C, and your spouse dies, you may suspend your RCSBP spouse coverage. You must notify us and provide a copy of the death certificate. If you elected coverage for both spouse and children, your RCSBP child coverage would continue.
- If you elect spouse coverage under Option B or C, and later divorce, you have the following rights:
 - You may suspend your RCSBP spouse coverage by providing a copy of your divorce decree.
 - You may voluntarily elect to cover your former spouse under the RCSBP. Submit a written request, with a copy of your divorce decree.
- If you remarry after losing your RCSBP spouse beneficiary, you have the following rights **within one year** of your remarriage:
 - Provide the same RCSBP coverage you had for your previous spouse.
 - Terminate your RCSBP spouse coverage.
 - Increase your RCSBP Base amount up to full retired pay. (Additional costs will apply.)
 - Elect Supplemental RCSBP (at additional cost).

NOTE: The opportunity to make any changes to your RCSBP election must be made **within one year** of your remarriage by written notification to us at the address provided below.

MEDICAL AND OTHER BENEFITS

- If you are eligible for retired pay at age 60, but die before age 60, space-available military medical care, CHAMPUS, and unlimited commissary and exchange benefits are provided to your spouse and/or eligible dependents beginning when you would have been age 60. However, from the date of your death until the date when you would have been age 60, your spouse and/or eligible dependents continue to receive the same commissary (24 visits per year) and exchange benefits in effect at the time of your death.

NOTE: If you choose either Option A or B and would like to confirm the receipt of the CG-PSC-11221, please mail the form to the below address certified return receipt.

Please make sure you make a copy of your election form whether you choose Option A, B, or C, and place it with your important papers.

Reminder: You are required to complete and submit **within 90** days the attached Form CG-PSC-11221, with spouse concurrence if electing other than Option C full coverage, or you will be automatically enrolled in the RCSBP at the maximum level coverage. Please return the form to:

COMMANDING OFFICER (RAS)
CG PERSONNEL SERVICE CENTER
444 SE QUINCY ST
TOPEKA KS 66683-3591

RESERVE COMPONENT SURVIVOR BENEFIT PLAN (RCSBP) ELECTION CERTIFICATE
 Department of Homeland Security – U. S. Coast Guard CG-PSC-11221 (6/03)

PRIVACY ACT STATEMENT

AUTHORITY: Chapter 73, Title 10, U.S. Code, Subchapter II, Survivor Benefit Plan
PRINCIPAL PURPOSE: For use by Reserve Component members to make an election for the Reserve Component Survivor Benefit Plan (RCSBP).
ROUTINE USE: None.
DISCLOSURE: Voluntary; however, the information is necessary to process the proper enrollment election in the RCSBP. Refusal to provide information may result in an incorrect election and or delay of survivor benefits being paid in the event of the member's death.

SECTION I - MEMBER INFORMATION

1. NAME <i>(Last, First, Middle Initial)</i>	2. SOCIAL SECURITY NUMBER	3. RANK	4. DATE OF BIRTH	
5.a. MAILING ADDRESS <i>(Street, Apartment Number)</i>	b. CITY	c. STATE	d. ZIP CODE	
6. TELEPHONE NUMBER				

SECTION II - MARITAL/DEPENDENCY STATUS

7. ARE YOU MARRIED? YES NO **8. DO YOU HAVE ANY DEPENDENT CHILDREN?** YES NO

SECTION III - SPOUSE/DEPENDENT CHILD(REN) INFORMATION *(If applicable)*

9. a. SPOUSE'S NAME <i>(Last, First, Middle Initial)</i>	b. SOCIAL SECURITY NUMBER	c. DATE OF BIRTH	10. DATE OF MARRIAGE
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11. DEPENDENT CHILDREN. Complete this section for your unmarried, dependent children who are under age 18, or under age 22 if full time students, or any age if disabled and incapable of self support before age 18 (or 22, if a full time student).

a. CHILD'S NAME <i>(Last, First, Middle Initial)</i>	b. SOCIAL SECURITY NUMBER	c. DATE OF BIRTH	d. RELATIONSHIP	e. DISABLED? <i>(Yes/No)</i>

IF YOU HAVE ADDITIONAL DEPENDENT CHILDREN, CONTINUE IN SECTION VIII, REMARKS, AND X HERE

SECTION IV - OPTION AND ELECTION

12. OPTIONS *(Select one)* NOTE: Selecting Option A or Option B requires spouse concurrence in Section X.

<input type="checkbox"/>	OPTION A. I decline to make a election until age 60. <i>(NOTE: Do not select type of coverage below.)</i>
<input type="checkbox"/>	OPTION B (DEFERRED ANNUITY). I elect to provide an annuity beginning on the 60 th anniversary of my birth should I die before that date, or on the day after date of death should I die on or after my 60 th birthday. <i>(Select type of coverage below.)</i>
<input type="checkbox"/>	OPTION C (IMMEDIATE ANNUITY). I elect to provide an immediate annuity beginning on the day after date of my death, whether before or after age 60. <i>(Select type of coverage below.)</i>

13. TYPE OF COVERAGE *(Select one)*

<input type="checkbox"/>	SPOUSE ONLY
<input type="checkbox"/>	SPOUSE AND CHILD(REN)
<input type="checkbox"/>	CHILD(REN) ONLY
<input type="checkbox"/>	FORMER SPOUSE
<input type="checkbox"/>	FORMER SPOUSE AND CHILD(REN)
<input type="checkbox"/>	NATURAL PERSON WITH AN INSURABLE INTEREST <i>(May be elected only if you have no spouse/or child(ren). Must complete Section VII)</i>

SECTION V - LEVEL OF COVERAGE

14. Select the monthly amount of retired pay you wish to have the survivor annuity based on. Your covered spouse/former spouse beneficiary will receive an annuity based on a two-tiered plan that will pay 55 percent of the level of coverage you select until their age 62. After age 62 the annuity amount is 35 percent. The annuity paid to a child or children totals 55 percent (divided in equal shares). An insurable interest annuity is 55 percent of the difference between retired pay and the premium for coverage. Insurable interest annuities remain at 55 percent regardless of age.

<input type="checkbox"/>	FULL RETIRED PAY
<input type="checkbox"/>	REDUCED AMOUNT OF RETIRED PAY <i>(Cannot be Less Than \$300.)</i> \$ _____ <i>(NOTE: Spouse concurrence required in Section X.)</i>

SECTION VI - SUPPLEMENTAL SBP (SSBP) COVERAGE (Coverage is Optional)

ADDITIONAL COVERAGE IS AVAILABLE TO INCREASE THE ANNUITY LEVEL FOR A SPOUSE/FORMER SPOUSE BENEFICIARY AFTER AGE 62. IT CAN BE PURCHASED IN 1-4 INCREMENTS, EACH ADDING 5 PERCENT TO THE 35 PERCENT ANNUITY. THE MAXIMUM ANNUITY PAYABLE IS 55 PERCENT. PLACE AN "X" IN THE APPROPRIATE BOX TO INDICATE YOUR ELECTION. (NOTE: SPOUSE CONCURRENCE NOT REQUIRED FOR SSBP ELECTIONS)

<input type="checkbox"/>	I DECLINE SUPPLEMENTAL COVERAGE FOR MY SPOUSE/FORMER SPOUSE
<input type="checkbox"/>	I ELECT SUPPLEMENTAL COVERAGE FOR THE SPOUSE/FORMER SPOUSE PORTION OF MY RCSBP. NOTE: THE COVERAGE MUST BE BASED ON FULL RETIRED PAY. CHECK ONE OF THE FOLLOWING: <input type="checkbox"/> 5% <input type="checkbox"/> 10% <input type="checkbox"/> 15% <input type="checkbox"/> 20%

SECTION VII – INSURABLE INTEREST COVERAGE

Name (Last, First, MI):	Social Security Number:
Date of Birth:	Mailing Address:
Relationship to Member:	

SECTION VIII – REMARKS

SECTION IX - MEMBER SIGNATURE

NOTE THE WITNESS MUST BE OVER 18 YEARS OLD & CANNOT BE A MEMBER OF YOUR FAMILY, OR A BENEFICIARY.

Signature of Member:	Date:	
Printed Name of Witness:	Signature of Witness:	Date:
Witness Mailing Address (Street, City, State, Zip Code):		Witness Phone Number:

SECTION X - SPOUSE CONCURRENCE

NOTE THE WITNESS MUST BE OVER 18 YEARS OLD & CANNOT BE A MEMBER OF YOUR FAMILY, OR A BENEFICIARY.

SPOUSE CONCURRENCE AND SIGNATURE ARE REQUIRED FOR AN RCSBP ELECTION THAT DOES NOT PROVIDE FOR AN IMMEDIATE SPOUSE ANNUITY (OPTION C) BASED ON FULL RETIRED PAY. THE WITNESS MUST NOT BE A BENEFICIARY OR THE MEMBER. IN THE EVENT THAT CONCURRENCE IS REQUIRED, BUT NOT PROVIDED, RCSBP COVERAGE WILL BE ESTABLISHED FOR AN IMMEDIATE SPOUSE ANNUITY BASED ON FULL RETIRED PAY. **NOTE: IF THE MEMBER SELECTS OPTION A (DECLINING TO MAKE AN ELECTION UNTIL AGE 60), AND THE SPOUSE CONCURS, NO ANNUITY WILL BE PAYABLE IF THE MEMBER DIES PRIOR TO REACHING AGE 60. WHEN THE MEMBER REACHES AGE 60, AN SBP ELECTION FOR LESS THAN A FULL SPOUSE ANNUITY REQUIRES THE MEMBER'S SPOUSE TO CONCUR.**

I HEREBY CONCUR IN MY SPOUSE'S RCSBP ELECTION AS INDICATED. I HAVE READ AND UNDERSTAND THE INFORMATION THAT EXPLAINS THE OPTIONS AVAILABLE AND THE EFFECTS OF THOSE OPTIONS. **I AM AWARE THAT MY SIGNATURE CONSTITUTES CONCURRENCE AND THAT I MAY NOT CHANGE MY MIND AT A LATER DATE REGARDING THE RCSBP ELECTION.**

SIGNATURE OF SPOUSE:	DATE:	
Printed Name of Witness:	Signature of Witness:	Date:
Witness Mailing Address (Street, City, State, Zip Code):		Witness Phone Number: