

## Estate Planning – Military/VA Benefits

Military Survivor Benefits Plan (SBP) is available to active duty at no cost. It is also a continued source of income for survivors of military Retirees. If a military Retiree elects SBP, his Spouse and or another eligible Survivor will be eligible to receive 55% of the retiree's retirement pay after the retiree passes away. This monthly annuity is adjusted for inflation with a cost of living adjustment. It is taxable at the Federal level and varies on the State. The retiree cost is up to 6.5% of the monthly retirement pay. After enrolled, SBP annuitants will only submit one annual eligibility verification each year. At the time of death, beneficiaries may report the death using AskDFAS Report a Retiree's Death or by calling DFAS 800-321-1080. In comparison, SGLI/VGSLI/VAlife premiums are adjustable, no COLA, and usually a lump-sum.

SBP benefit for a disabled Child who is disabled and incapable of self-support if the disability occurred before age 18 or before age 22 if a full time student at the time. Retirees must opt in to SBP before they leave active duty for coverage to continue into retirement or during open enrollment periods. To opt in, please visit [Defense Finance and Accounting Service > RetiredMilitary > provide > sbp > special needs trust \(dfas.mil\)](#). Review and complete the following:

- DD2656 Data for Payment of Retired Personnel [Defense Finance and Accounting Service > RetiredMilitary > forms \(dfas.mil\)](#),
- Medical Sufficiency Statement, *see the 2<sup>nd</sup> page*.
- Attorney Certification Letter of a First Party Special Needs Trust with their Tax ID. A State-specific first party special needs trust (SNT) is required and this will protect the child's ability to qualify for other disability support programs such as Social Security or Medicaid. There are also third party special needs trusts and ABLE plans [ABLE Account, Special Needs and Pooled Trust Comparison Chart - ABLE National Resource Center \(ablenrc.org\)](#) which may benefit individuals with disabilities, though, first party special needs trust is specific for SBP enrollment
- Please connect with your medical provider and legal service office to coordinate completion of these required documents.
- Elect Spouse/Child Coverage, the benefit will go to the Spouse and then, the Child.

If a Service Member on active orders or a Veteran with a service-connected disability passes away as the result of a service-connected condition, the Veteran's eligible Survivors may benefit from VA Dependency and Indemnity Compensation (DIC) monthly income and CHAMPVA health insurance. The disabled dependent Child at any age is eligible if they are incapable of self-support and were identified as such prior to age 18. Please visit, [About VA DIC For Spouses, Dependents, And Parents | Veterans Affairs](#). Note eligibility at a minimum requires:

- DD214
- Death certificate - cause of death on active duty or related to the Veteran's service-connected disability
- VA forms at the time of death [About VA Form 21P-534EZ | Veterans Affairs](#), and [Evidence To Support VA Pension, DIC, Or Accrued Benefits Claims | Veterans Affairs](#)
- Recommend Medical Sufficiency Statement, *see the 2<sup>nd</sup> page*.

Per NDAA FY20, there is no 1/3 partial offset to VA DIC with SBP as of 2023. If the Veteran with a service-connected disability was also receiving Social Security or Social Security Disability Insurance and passes away, these VA DIC monthly payments at 75% will continue for disabled children at any age who are found disabled before the age of 22 and by Social Security Standards. Please visit [Social Security, If You Are the Survivor | SSA](#)

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Medical Evaluation – Medical Sufficiency Statement Reference DODI 1332.42 Survivor Benefit Plan Section 6.2.b. Medical evidence (p. 33-34). (within the past 4 months) prepared by a physician, or other qualified medical professional providing a detailed longitudinal picture of impairment(s) and may bring a unique perspective to the medical evidence that cannot be obtained from the medical findings alone, from reports of examinations, or brief hospitalizations.

May also submit information from other sources that helps to show the extent to which incapacity affects ability to function in a work setting. Other sources include public and private agencies, non-medical sources such as schools, parents and caregivers, social workers and employers, and other practitioners such as naturopaths, chiropractors, and audiology, etc.

### Provider's Medical Sufficiency Statement Template

Place On Letter Head

OFFICE SYMBOL

MEMORANDUM FOR

SUBJECT: Medical Sufficiency Statement for Name

1. This memorandum is in support of the request for child dependency determination for name, sponsor's SSN. The following information is submitted in accordance with service regulatory guidance Navy and Marine Corps Regulation NAVMEDCOMINST 6320.3B

- a. Full medical history, clinical findings (e.g., the results of physical or mental status examinations), laboratory findings (e.g., blood pressure, x-rays), diagnosis, treatment prescribed with response and prognosis, and a statement about what activities can be performed despite his or her impairment(s), based on the above factors.
- b. Onset of condition. Information above traces the condition from onset to the present.
- c. How the condition precludes the potential beneficiary from self-support now and in the future. Describe ability to perform work-related activities, such as sitting, standing, walking, lifting, carrying, handling objects, hearing, speaking, and traveling; the capacity to understand, to carry out and remember instructions, and to respond appropriately to supervision, co-workers, and work pressures in a work setting; and daily activities, the location, duration, frequency, and intensity of pain or other symptoms; the precipitating and aggravating factors, the type, dosage, effectiveness, and side effects of any medication; the treatments, other than medications, for the relief of pain or other symptoms; any measures used or has used to relief of pain or other symptoms; and other functional limitation factors.

2. If additional information is required, contact the medical doctor, or psychiatrist at (name of civilian or military treatment facility).

SIGNATURE BLOCK