Office of the Assistant Secretary

### DEPARTMENT OF THE AIR FORCE WASHINGTON, DC

JUL 20 1998

AFBCMR 98-00351

MEMORANDUM OF CONSIDERATION OF APPLICATION BEFORE THE AFBCMR



Having carefully reviewed this application, we agree with the recommendation of the Air Staff and adopt the rationale expressed as the basis for our decision that the applicant has been the victim of either an error or an injustice. Therefore, under the authority delegated in AFI 36-2603, the applicant's records will be corrected as set forth in the accompanying Memorandum for the Chief of Staff signed by the Executive Director of the Board or his designee.

And Comments

Attachment: Ltr, AFPC/DPPTR, dtd 2 Jun 98

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## DEPARTMENT OF THE AIR FORCE WASHINGTON, DC

JUL 20 1998

AFBCMR 98-00351

#### MEMORANDUM FOR THE CHIEF OF STAFF

Under the authority of Section 1552, Title 10, United States Code, Air Force Instruction 36-2603, and having assured compliance with the provisions of the above regulation, the decision of the Air Force Board for Correction of Military Records is announced, and it is directed that:

The pertinent military records of the Departm t of the Air Force relating to b corrected to sh on 24 September 1994 the elected under the Su Benefit Plan to change his coverage from "spouse coverage" to "former spouse coverage," based on full retired pay, and naming as the eligible former spouse beneficiary, and former spouse coverage was suspended effective 1 March 1996 following her remarriage.

DONNA PITTENGER Chief Examiner Air Force Board for Correction of Military Records



## DEPARTMENT OF THE AIR FORCE HEADQUARTERS AIR FORCE PERSONNELCENTER RANDOLPH AIR FORCE BASE TEXAS

2 JUN 1295

MEMORANDUM FOR AFBCMR

FROM: HQAFPC/DPPTR

550 C Street West Ste 11 Randolph AFB TX **78150-4713** 

SUBJECT: Application for Correction of Military Records

Reference:

<u>Requested Correction</u>: The applicant is requesting corrective action to show he filed a timely election for former spouse coverage under the Survivor Benefit Plan (SBP) to comply with his divorce decree and to suspend coverage effective the date of his former spouse's remarriage.

<u>Basis for Request</u>: The applicant claims he was unaware of the requirement to change the SBP beneficiary from spouse to former spouse.

#### Background:

- a. A spouse beneficiary loses eligibility to receive an annuity following divorce. However, the law provides two mechanisms for changing spouse coverage to former spouse coverage. Both must be exercised within the first year following divorce: the retiree may file an election change, or the former spouse may request the retiree be deemed to have made such a change on his or her behalf. In the latter case, the former spouse must provide legal documentation that the member agreed, or that the court ordered the member, to establish former spouse coverage. If neither the member nor the former spouse requests the election change during the one-year eligibility period, former spouse coverage may not be established thereafter. Even though a member fails to notify the Defense Finance and Accounting Service (DFAS) of the divorce and continues to pay SBP premiums afterwards, the former spouse is not eligible for annuity payments upon the member's death.
- b. Court-ordered former spouse coverage may be terminated if the member obtains an amended court order that removes the requirement to provide former spouse coverage in order to provide coverage for a spouse. Former spouse coverage is suspended if the former spouse remarries before age **55**, and costs cease effective the first day of the month after the month of remarriage. Eligibility and premiums are reinstated effective the first day of the month after the date the former spouse's remarriage terminates. If the member dies while the former spouse is ineligible, entitlement is reinstated in the event the disqualifying marriage subsequently terminates.

<u>Facts</u>: The member was married and elected spouse coverage, maximum annuity, prior to his 1 Feb 93 retirement. The parties divorced 23 Sep **94** and the divorce decree required SBP coverage be continued; however, neither the applicant nor his former spouse

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submitted a valid election change during the required time limit. The applicant has not remarried; however, the former spouse remarried on 11 Feb 96 (prior to attaining age 55).

<u>Discussion</u>: Although the member made no election change during the required oneyear time limit following divorce, there **is** no evidence that he requested DFAS terminate his former spouse's coverage. To deny the applicant's request for former spouse coverage would be to deny his former spouse an asset awarded her by the court

Recommendation: Although there is no evidence of Air Force error, to preclude a possible injustice, we recommend the member's record be corrected to reflect that on **24** Sep **94** he elected **to change SBP spc** use coverage **to** former spouse coverage based on full retired pay, naming as the eligible former spouse beneficiary, and former spouse coverage was suspended effective 1 Mar **96** following her remarriage.

Jat Yeck PAT PEEK, DAFC

Chief, Retiree Services Branch Directorate of Pers Program Mgmt