“Understanding Military Benefits: Now and in the Future”

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Six Topics of Interest

- Snapshots of the Military and Veterans
- Military Retirement Changes
- Military Benefits for Survivors
- What You Should Do Now
- Burial Benefits
- Estate Planning
Dear Class of 1962,

Congratulations on your 55th Class Reunion! It is hard to believe that it was just five years ago that your class was welcoming us to the Army at graduation, but you know as well as we do that the time flies by.

On behalf of the Class of 2012, I want to thank all of you for your support for our class and for the Long Grey Line. You were there for each of our significant events: observing our first parade on R-day, marching back with us at the end of Beast Barracks, presenting us with our class flag when MG Gorden spoke at the end of Camp Buckner, providing our class coins at affirmation, cheering us on branch night with LTG Stroup speaking, and congratulating us as we graduated. Thank you for all that you did for us to connect us to the Long Gray Line an inspiring us with the spirit of “Can Do” 62.

In the last five short years, my classmates and I have served in Afghanistan, Iraq, Syria, Eastern Europe, Korea, throughout the United States, and in many other places. You have been a tremendous inspiration for us as we uphold our own class motto: “For More than Ourselves”

Thank you for all that you have done for us. We wish you the best at your reunion and want you to know that we continue your example of commitment to the values of Duty, Honor, Country as we serve the Nation.

Can Do. For More than Ourselves.

Beat Navy!

Sulev Grant Sepp
Class President, Class of 2012
DoD Strength & Size

- 1.281 million active duty today
  - Army: 475,400
  - West Point: 4,400
  - Navy: 324,557
  - Marines: 183,604
  - Air Force: 317,883
- 744,151 civilians
- 811,668 Guard and Reserve
- 2.0 million retirees & families receiving benefits
Active Duty Army Strength

1967 = 1,442K

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<thead>
<tr>
<th>Year</th>
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<tbody>
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<td>2017</td>
<td>460K</td>
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<td>2018</td>
<td>476K</td>
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Total Veteran Population

Most Veterans are Vietnam Era and overall Veteran population is declining

**New Retirement System**

**Old System:**
- Only at retirement
  - 50% at 20 years
  - 75% at 30 years
  - Only benefits if you retire

**New System:**
- Starts From Day 1:
  - 1% of base pay to TSP from Army
  - 3% of base pay automatic; 3% match
  - Will match up to 5%
  - Matching/Vesting after 2 years;
    - Continuation Bonus at 12 Years:
      - 2.5 months pay (or more) Bonus
- At retirement:
  - 40% at 20 years
  - 60% at 30 years
Military Benefits for Survivors

- Social Security Survivor Benefits
- Stop Retired Pay
- SBP Annuity Payments (If Selected)
- Stop VA Compensation
- Start VA DIC Payments (If authorized)
- Burial Reimbursements
- Survivor Assistance and Advice
- Insurance Claims Filing & Assistance
Income Changes at Death

- **Social Security:**
  
  Normally,
  
  - Retirement Benefits end at death
  
  - Survivor Benefits **begin**
    
    (replaces Spouse Benefits)

- **Military Retirement:**
  
  - Retired Pay Ends at death
  
  - Survivor Benefit Payments (SBP), if elected, **begin**

- **VA Dependency and Indemnity Compensation (DIC):**
  
  - Only if service-connected death, $1258 per month
  
  - Offsets SBP, but is Tax Free, + additional $310 (in 2017)
Service Connection is Critical

- Service-connected illness/conditions:
  - Partial refund of SBP payments (if SBP selected)
  - Portion of widow’s retired pay tax free ($1,258/mo.)
  - VA Burial Benefit of $2,000

- Surviving spouse must apply to VA
- Cause of death on death certificate is critical for service connection

- No service connection → no VA compensation
Vietnam Agent Orange
Presumptive Conditions

- Acute and Subacute Peripheral Neuropathy
- Non-Hodgkin’s Lymphoma
- AL Amyloidosis Parkinson’s Disease
- Chloracne (or Similar Acneform Disease)
- Porphyria Cutanea Tarda
- Chronic B-cell Leukemias Prostate Cancer
- Diabetes Mellitus (Type 2)
- Hodgkin’s Disease
- Ischemic Heart Disease
- Soft Tissue Sarcoma (other than Osteosarcoma, Chondrosarcoma, Kaposi’s sarcoma, or Mesothelioma)

- Multiple Myeloma
- Parkinson’s Disease
- Porphyria Cutanea Tarda
- Prostate Cancer
- Respiratory Cancers

It is not too late to claim these conditions
Insurance, IRAs, Other Accounts

- Check Beneficiaries
- Update Beneficiaries
- Advise companies of:
  - Current names, addresses, emails, other contact info
- Sign changes yourself (Avoid using Power of Attorney)

Do paperwork to update my beneficiaries
What You Should Do Now

Gather in One Place:

- DD Form 214
- VA Disability Awards
- Marriage/Divorce Documents
- Latest/Final LES/Retired Pay Statement
- Birth Certificates (& death cert. if applicable)
- Legal Documents (Wills, POA, Trusts, Estate Plans)
- Social Security Numbers for Spouse and Dependents
- Current Social Security Statement (SSA.gov)
- Insurance Policies (with updated beneficiary designation)
- Financial Statements, Accounts, Passwords
Burial Benefits

- Gravesite in National Cemetery
  - VA can validate pre-need eligibility today
- Expenses: $2,000 if service related; Otherwise $300; plus $700 if not buried in national cemetery
- Headstone: Standard government headstone
- Burial Flag and Memorial Certificate(s)
- Spouse or minor children may also be buried in a National Cemetery
Burial Eligibility

- **VA National Cemeteries**: Active duty, honorably discharged veterans (2 years service), reservists eligible for retirement.

- **Arlington National Cemetery**: Active duty, Retirees (with retired pay), Veterans with Purple Heart, Silver Star, or above.

- **West Point**: USMA graduates (honorably discharged) active duty who die while assigned to or retired from West Point (Space limited until July 2017; columbarium available).

- **Annapolis**: USNA graduates BG/RADM or above, active duty who die while assigned to USNA. All USNA graduates (and civilian professors) can be inurned at columbarium.

- **Air Force Academy**: USAFA graduates, Airman who die while assigned to USAFA, Air Force 3 or 4 stars, Former senior USAFA personnel.

Spouse or dependent children are also eligible for burial in the cemetery.
Why Do I Need An Estate Plan?

- Prevent Confusion
- Minimize Expenses
- Protect Assets
- Control of your assets

- So your life’s work won’t be wasted.
- Your wishes and desires live on.
What is a Trust?

Legal structure originally designed to protect soldiers…
…as they went off to fight the Crusades.

Your assets are now owned by the trust, which provides a legal barrier.

Grantor
(Contributes assets)

Trustee
(Legal Ownership)

Beneficiaries
(Beneficial Ownership)
Why Use Trusts?

**Succession**
- Avoid estate complications
- Manage spendthrift heirs
- Provide for dependents
- Provide inheritance for blended families

**Life Events**
- Incapacity
- Protection from creditors
- Divorce
- Confidentiality
- Charity support
More Questions?

Survivor Benefit Plan (SBP)
http://militarypay.defense.gov/survivor/sbp/index.html

Veterans Administration
1-800-827-1000
www.va.gov

Retired Pay (DFAS – Cleveland)
1-800-321-1080
http://www.dfas.mil/retiredmilitary.html

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