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# **CIVIL SERVICE SURVIVOR BENEFITS**

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**Survivor Elections**

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**Federal Health Insurance for  
the Surviving Spouse**

**Changes After Retirement**

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## Survivor Benefits

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### Regular Survivor Benefits

- Spouse
- Former Spouse

### Insurable Interest Survivor Benefits

- Spouse
- Former Spouse
- Insurable Interest Survivor (Financially dependent)

### Childrens Survivor Benefits

- Children who are unmarried and
- Under age 18;
  - Under age 22 if a full-time student;
  - at any age if the child became disabled before age 18

### Lump Sum Benefit

Remaining retirement contributions, if any.

### Spouse Equity Act

A qualifying court order may require OPM to apportion an annuity benefit between a retiree and a former spouse and / or provide survivor benefits to a former spouse upon the death of a retiree.

For detailed information on court-awarded benefits for former spouses, please view the module on Court Orders. You may also refer to the CSRS and FERS Retirement Handbook for Personnel and Payroll Offices, Chapter 5, Court Orders, available on the OPM Web site, <http://www.opm.gov>. (Go to HR Tools & Resources - Benefits & Retirement. Go to CSRS and FERS Retirement Handbook.)



## CSRS Survivor Benefits

An employee retiring under CSRS may elect to provide Regular Survivor Benefits for a spouse and/or former spouse at time of retirement. In cases of divorce occurring on or after 5/6/85, the retiree may be required by court order, to provide regular survivor benefits to a former spouse.

### Amount of Election = Survivor Base

The amount of money that the retiring employee elects to be used to determine the survivor benefit and the cost to the retiree to provide this benefit is called the **survivor base**.

#### Full Survivor Benefits

The retiring employee may elect that "All" of his/her basic annuity be used as the survivor base. This is the maximum that can be used as the survivor base.

#### Partial Survivor Benefit

The retiring employee may elect any dollar amount "less than all" of his/her basic annuity to be used as the survivor base. Notarized consent of current spouse is required.

#### Split Survivor Benefits

The retiring employee may elect that the current spouse and/or one or more former spouses each receive a survivor benefit provided that the total survivor base does not exceed the retiree's basic annuity. Notarized consent of current spouse is required.

#### No Survivor Benefit

The retiree may elect to provide "No Survivor Benefit" Notarized consent of current spouse is required.

#### Survivor Receives

In the event of the annuitant's death, the survivor receives 55% of the elected base, increased by any cost of living adjustments which have occurred since the date of the annuitant's retirement.

### Survivor Reduction Formula

#### Cost to the Annuitant

The retiree's annuity benefit is reduced to provide a regular survivor benefit according the following "Survivor Reduction" formula:

**Survivor  
Reduction**

$$\begin{aligned}
 & 2\text{-}1/2\% \text{ of first } \$3,600 \text{ base} \\
 & + 10\% \text{ of the remainder of base} \\
 \hline
 & = \text{Annual reduction to provide} \\
 & \quad \text{survivor benefit}
 \end{aligned}$$

**Example 1****Full Survivor Benefit \$40,000 annuity****Base:** \$40,000

**Cost:** 2-1/2 % of \$3,600 = \$90  
 10% of \$36,400 = \$3,640  
**TOTAL** = **\$3,730**

\$40,000 per year (\$3,333 per month)  
 - \$3,730  
 \$36,270 per year (\$3,022 per month)

**Survivor Receives 55% of Base**

55% of \$40,000 = \$22,000 per year  
 = \$1,833 per month

**Example 2****Partial Survivor Benefit Base = \$3,600****Base:** \$3,600**Cost:** 2-1/2 % of \$3,600 = \$90

\$40,000 per year (\$3,333 per month)  
 - \$90  
 \$39,910 per year (\$3,325 per month)

**Survivor Receives: 55% of Base**

55% of \$3,600 = \$1,980 per year  
 = \$165 per month

**Example 3****Select Dollar Base**

Base X .55 = Survivor Rate → Base =  $\frac{\text{Survivor Rate}}{.55}$  →  $\frac{\$6,000}{.55}$  = **\$10,910 Base**

**Cost:** 2-1/2 % of \$3,600 = \$90  
 + 10% of \$7,310 = \$731  
 = \$821

\$40,000 per year (\$3,333 per month)  
 - \$821  
 \$39,179 per year (\$3,264 per month)

**Survivor Receives: 55% of Base**

55% of \$10,910 = \$6,000 per year  
 = \$500 per month



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## Federal Health Insurance For Surviving Spouse

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### Health Benefits for the Surviving Spouse

A surviving spouse will not be permitted to continue Federal Health Benefits upon the death of a retiree unless a survivor annuity is payable.



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## Survivor Election Changes After Retirement

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**Within 30 days** after the date of the first regular monthly annuity payment, a retiree may name a new survivor or change the survivor election by filing a new election in writing.

**Within 18 months after the commencing date of the annuity**, a retiree may elect a survivor annuity or increase the amount of the survivor annuity for a spouse by submitting the request for change in writing to OPM. A deposit representing the difference between the reduction for the new survivor election and the original survivor election, plus a charge of \$ 245.00 per thousand dollar change in survivor base, plus interest, is required.

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## Termination of Entitlement To Survivor Benefits

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*Entitlement to survivor benefits terminates on the following events:*

<b>Current Spouse Future Entitlement</b>	A current spouse future entitlement to survivor benefits is terminated by divorce or death. The reduction in the annuitant's rate to provide the survivor protection is removed and the annuitant's benefit is restored to the full rate, prospectively
<b>Widows/Widowers Receipt of Benefit</b>	A widow's/widower's receipt of regular survivor benefits is terminated upon death or remarriage prior to age 55. Benefits are restored if that marriage later ends.
<b>Former Spouse Future Entitlement</b>	A former spouse future entitlement to regular survivor benefits is terminated upon death or remarriage prior to age 55. The annuitant's benefit is restored to the full rate, prospectively. Entitlement is not restored to the former spouse if that marriage later ends.
<b>Former Spouse Receipt of Benefit</b>	A former spouse receipt of survivor benefits is terminated upon death or remarriage prior to age 55. Benefits are NOT restored if that marriage later ends.

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## Post Retirement Marriage

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A retiree who marries after retirement may elect regular survivor benefits for his/her post-retirement spouse. The survivor election is optional. Spousal consent is not required. The election must be made within 2 years of the date of the marriage or within 2 years of the date of the former spouse's loss of entitlement to the regular survivor benefit.

### **Elections Available**

Survivor elections available after retirement for new spouses are:

- 1) full survivor annuity;
- 2) partial survivor annuity;
- 3) no survivor annuity.

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### **Retroactive Survivor Reduction is Based Upon Actuarial Reduction**

An annuitant who retires on or after May 7, 1985 and elects to provide survivor benefits for a spouse whom he/she married after retirement will have his/her annuity reduced by the total amount by which his/her annuity would have been reduced if that election had been made at the time of retirement, plus 6 percent annual interest, divided by an actuarial factor, plus the continuing reduction in the annuity to provide survivor benefit. Any period of time during which the retiree's annuity was being reduced fully to provide a survivor benefit will not be included in the calculation of the reduction.

### **Monthly Reduction**

The monthly reduction for this retroactive survivor election is equal to:

Retroactive reduction in annuity plus 6% interest  
Actuarial Factor

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The continuing reduction for survivor benefit



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## Insurable Interest Survivor Benefit

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Any retiring employee (regardless of marital status), in good health, may elect an insurable interest survivor benefit for any person who is financially dependent upon the retiree.

### **Survivors**

The insurable interest survivor may be a spouse, a former spouse or anyone who is financially dependent upon the retiree.

### **Cost to the Annuitant**

The cost of an insurable interest benefit is based on the age difference between the retiree and the insurable interest survivor.

### **Additional Information**

Please view the module on Insurable Interest Benefits for additional information.



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## Lump Sum Benefits

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### **Amount of the Lump Sum Benefit**

The balance of an employee's or annuitant's retirement contributions is payable as a lump sum benefit only if there is no spouse, former spouse, children or insurable interest survivor eligible for survivor benefits.

### **Order of Precedence**

The lump sum is payable under the following Order of Precedence:

1. Designated Beneficiary
2. Spouse
3. Child/Children in equal shares
4. Parents
5. Executor or administrator of estate
6. Next of Kin