

Module 5 — Tough Questions & Confident Answers

An instructor quick-reference for the hardest questions veterans ask about the Survivor Benefit Plan (SBP), Dependency & Indemnity Compensation (DIC), beneficiaries, and end-of-life planning. Use it to answer with confidence — and to know when *not* to answer.

Designed for:

Live classroom delivery and instructor preparation.

Use during:

The Module 5 discussion slides and the question-and-answer period.

Pairs with:

The Module 5 Teacher's Guide and Practical Scenarios.

Boundary:

Education only. Refer every personal tax, legal, investment, or benefits decision to a qualified professional.

How to Use This Sheet

Module 5 is the most personal class in the course. Veterans will ask questions that sound like requests for advice — "Should I...?", "Was that a mistake?" You are an **educator, not a financial advisor or attorney**. Your job is to explain the rule, surface the trade-offs, and point them to the right professional. The structure below keeps you firmly in that lane.

The three-beat answer

Every answer in this sheet follows the same shape. Learn the shape and you can handle a question you have never heard before.

Beat 1

STATE THE RULE

Say what you *do* know — the plain, current fact.

Beat 2

NAME THE NUANCE

Flag what depends on the veteran's own situation.

Beat 3

REFER IT OUT

Name the professional or agency who decides the personal call.

The protective habit: When a question asks you to make a personal decision, saying "I can't answer that for you" is not a weakness — it is the correct, professional answer. It keeps you in the educator role and protects both you and the student.

The Questions

Q1 "I declined the Survivor Benefit Plan 20 years ago. Was that a mistake?"

SAY THIS

"I can't tell you that — and anyone who claims they can without knowing your whole picture is guessing. It depends on your spouse's other resources, what you did with the premium money instead, and who outlives whom. What I *can* tell you: the Survivor Benefit Plan is guaranteed, inflation-protected, and government-subsidized — nothing private fully replaces all three. Watch for the next Congressional Open Season."

Anchor fact: The election is generally irrevocable. The main second chances are a Congressional Open Season or a one-year window after a marriage that occurs after retirement.

Q2 "I have the Survivor Benefit Plan and a large life insurance policy. Should I drop the plan to save the premium?"

SAY THIS

"First — you generally cannot drop it outside a Congressional Open Season anyway. But even if you could, it usually would not make sense. Life insurance pays once, as a lump sum. The Survivor Benefit Plan pays your spouse every month for life, with annual inflation raises. They do different jobs — they are partners, not substitutes."

Anchor fact: The Survivor Benefit Plan is a lifetime, Cost-of-Living-Adjusted annuity. Life insurance is a one-time death benefit. Comparing them dollar-for-dollar misses the point.

Q3 "If my wife remarries after I am gone, does she lose the Survivor Benefit Plan?"

SAY THIS

"Only if she remarries **before age 55**. At 55 or older, remarriage changes nothing. And even if she remarries before 55, the benefit only *suspends* — if that later marriage ends through divorce, annulment, or death, the Survivor Benefit Plan resumes."

Anchor fact: Age 55 is the line. Remarriage at or after 55 never terminates the benefit.

Q4

"I am rated 70%. If I die of natural causes, would my wife qualify for Dependency & Indemnity Compensation?"

SAY THIS

"Maybe not — and this is important. Dependency & Indemnity Compensation is paid when the death is service-connected, *or* when the veteran was rated 100% disabled for at least 10 years before death. A 70% rating with an unrelated cause of death generally does not trigger it. That is one reason keeping your disability rating accurate matters — even decades after retirement."

Anchor fact: Dependency & Indemnity Compensation requires a service-connected death, a 100%-for-10-years rating, or other specific pathways — not simply being a rated veteran.

Q5

"Will my wife really receive Social Security AND Dependency & Indemnity Compensation AND the Survivor Benefit Plan, all at once?"

SAY THIS

"Yes — if she qualifies for each. Three different agencies handle them: Social Security from the Social Security Administration, the Survivor Benefit Plan from the Defense Department, and Dependency & Indemnity Compensation from the VA. Three applications, three deposits. Since January 1, 2023, there is no offset between the Survivor Benefit Plan and Dependency & Indemnity Compensation — they stack in full."

Anchor fact: The 2023 offset elimination is the headline change. Before 2023, Dependency & Indemnity Compensation was subtracted from the Survivor Benefit Plan — the so-called "widow's tax." That is gone.

Q6

"My memory has been slipping. What should I do right now?"

SAY THIS

"Three things this week, before any diagnosis. One — make sure your power of attorney is **durable**; check that the word 'durable' actually appears in the document, because a regular power of attorney stops working exactly when it is needed. Two — call each of your banks and add a trusted contact; it is free and takes five minutes. Three — write your accounts and document locations on one page and give it to someone you trust."

Anchor fact: A "durable" power of attorney stays in effect through incapacity; an ordinary one does not. The word matters.

Q7 *"Is a will enough, or do I need a trust?"*

SAY THIS

"I can't make that call — it depends on your assets, your family situation, and your state's law. Here is the difference: a will directs your property but goes through a public court process called probate. A revocable living trust can avoid probate and add privacy, but it costs more to set up and the accounts must be retitled correctly. That is a conversation for a VA-accredited estate attorney."

Anchor fact: "The forms are easy — the strategy is what an attorney is paid to think through." Do not steer veterans with blended families or property in multiple states toward online form services.

Q8 *"Someone offered me a private annuity that is 'just as good as the Survivor Benefit Plan.' Should I buy it?"*

SAY THIS

"Be very careful. Almost no private product has a true annual inflation adjustment, none is government-subsidized, and none has the same tax structure. If someone tells you their product is as good as the Survivor Benefit Plan, they are very likely earning a commission to convince you of that. Bring that paperwork to a fee-only advisor — one who does not sell products — before you sign anything."

Anchor fact: "Survivor Benefit Plan replacement annuities" are a known sales pitch aimed at veterans. They are not equivalent.