



Department of Veterans Affairs
VA Insurance Service

VA LIFE INSURANCE

Program Booklet

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Table of Contents

Insurance Service Mission, Vision and Core Values.....	2
Insurance Service Goals, Objectives and Strategies	3
Insurance Program Information	4
Individual Policies Administered by VA	6
Closed Program Descriptions	6
United States Government Life Insurance (USGLI).....	6
National Service Life Insurance (NSLI)	6
Veterans Special Life Insurance (VSLI).....	6
Veterans Reopened Insurance (VRI)	7
Service-Disabled Veterans Insurance (S-DVI)	7
Policy Provisions.....	8
Payment of Premiums	8
Dividend Options.....	9
Guaranteed Values	10
Policy Loans.....	11
Conversions	12
Paid-Up Additional Insurance.....	13
Beneficiary and Option Designations	15
Online Policy Access.....	13
How To File A Claim	15
Open Program Descriptions.....	22
Veterans Affairs Life Insurance (VALife)	22
Policy Provisions for VALife	22
Veterans Mortgage Life Insurance (VMLI).....	25
Contact Information for Policies Administered by VA.....	28
Group Policies Supervised by VA.....	30
Supervised Program Descriptions	30
Servicemembers' Group Life Insurance (SGLI).....	30
Family Servicemembers' Group Life Insurance (FSGLI).....	35
SGLI Traumatic Injury Protection Program (TSGLI).....	40
Veterans' Group Life Insurance (VGLI)	42
Contact Information for SGLI, FSGLI and VGLI	49
Servicemembers' Civil Relief Act (SCRA).....	51
VA Insurance Web Site.....	53

Insurance Service Mission, Vision, and Core Values

Mission Statement

The Department of Veterans Affairs (VA) Insurance Service mission is to provide our Nation's Veterans, Service Members and Military Families with life insurance products and services.

Vision Statement

Our vision is to be the trusted provider for Veteran and Service member insurance delivery; investing in a diverse and caring workforce, advancing online efficiency to improve the employee and customer experiences, and exceeding expectations for value, quality, and timeliness to honor our Veterans and survivors.

Core Values

VA Insurance Service shares VA's five core values: Integrity, Commitment, Advocacy, Respect, and Excellence. The core values define who we are, our culture and how we care for Veterans. Our values are more than just words - they affect outcomes in our daily interactions with Veterans, Service Members and their beneficiaries. The first letter of each word - Integrity, Commitment, Advocacy, Respect, Excellence - creates a powerful acronym, I CARE. The I CARE acronym is a constant reminder of Insurance Service employees' important role and commitment to those we serve. These core values shape our strategy, guide the execution of our mission, and influence key decisions made within Insurance.

Insurance Service Goals, Objectives and Strategies

To fulfill our mission, VA Insurance Service is committed to pursuing each of the four Veterans Benefits Administration (VBA) goals for 2021-2025 - Trust, Innovation, Stewardship and Partnership.

Goal 1: Trust. *Veterans trust VBA to deliver benefits that enable success throughout their lives.*

Objective: VBA benefits processing is timely, consistent, accurate, and secure.

INS Strategy: Continuously evaluate and improve life insurance products and service delivery to offer world-class insurance benefits to Veterans, Service members, and their Families.

Goal 2: Innovation. *VBA uses innovative tools and solutions to continually improve benefits delivery to Veterans.*

Objective: VBA develops innovative systems and integrates technology into business operations. Forecasting and advanced data and predictive analytics will enhance VBA's ability to make evidence-based policies and plan resource allocation appropriately.

INS Strategy: Empower personnel to become self-sufficient at understanding and applying data analytics to their work.

Goal 3: Stewardship. *VBA is fiscally responsible, reliable, and accountable in all aspects of benefits delivery.*

Objective: VBA empowers its workforce to proactively identify and mitigate barriers and risks to benefit and service delivery. Enterprise risks are elevated as necessary to ensure a consolidated effort is employed to reduce their impact. Offices are empowered to make decisions at the lowest level possible, where employees have firsthand knowledge of the challenges facing Veterans.

INS Strategy: Establish and maintain an enterprise risk management (ERM) framework.

Goal 4: Partnership. *VBA develops strong partnerships, collaborates, and integrates with stakeholders to enhance the customer experience.*

Objective: Offices expand existing relationships and stakeholder collaboration. Cross-agency partnerships create opportunity to drive meaningful change from individual projects to the entire government.

INS Strategy: Expand existing relationships and stakeholder collaboration through cross-agency partnerships to drive meaningful change that streamlines delivery of benefits and services.

Insurance Program Information

How Does VA Life Insurance Work?

VA Life Insurance provides universally available life insurance to Veterans, Service Members, and their families at competitive premium rates, including traumatic injury protection for Service Members. VA life insurance coverage is accessible to Veterans who may not be able to obtain life insurance from the private insurance industry due to lost or impaired insurability as a result of their military service.

Individual vs. Group Policies

Individual life insurance is most often purchased to insure one life. It can be temporary (for example, term insurance) to cover a certain number of years, or permanent (for example, whole or universal life insurance), which is intended to provide coverage until a person's death. The individual life insurance programs that are administered by VA Insurance Service cover Veterans who served prior to October 8, 1940, during World War II and Korean Conflicts, and service-connected Veterans of all eras.

Group life insurance is purchased by a well-defined group, such as a company or professional organization. In the case of a company, employers own the group policy and offer coverage to eligible employees. Group insurance rates are based on the makeup of the group of employees or members who are covered and do not consider the health issues of any particular individual. The Group policy is administered by a private insurer and covers post-Vietnam Veterans and active duty and reserve members of the uniformed services and their families.

The Department of Veterans Affairs Insurance Service

The Department of Veterans Affairs Insurance Service administers seven government life insurance programs:

- United States Government Life Insurance (USGLI)
- National Service Life Insurance (NSLI)
- Veterans' Special Life Insurance (VSLI)
- Veterans' Reopened Insurance (VRI)
- Service-Disabled Veterans Insurance (S-DVI)
- Veterans' Mortgage Life Insurance (VMLI)
- Veterans Affairs Life Insurance (VALife)

Insurance Service is responsible for:

- Issuing new policies
- Ensuring premium collection
- Processing policy actions (change of address, loans, cash surrenders, etc.)

- Paying death and disability claims
- Providing toll-free telephone service
- Performing all actuarial functions
- Formulating policy, plans and procedures, and
- Evaluating performance of the Insurance programs

Five administered programs operate in a manner similar to one another. These five programs are USGLI, NSLI, S-DVI, VRI and VSLI. The maximum amount of basic coverage available under any of these programs is \$10,000. However, under the NSLI and VRI programs, policyholders can purchase additional protection by electing to use their dividends to buy paid-up additional (PUA) insurance. Also, under the S-DVI program, supplemental coverage is available to policyholders who are eligible for waiver of premiums due to total disability.

Insurance Service also supervises the Servicemembers' Group Life Insurance (SGLI) and Veterans Group Life Insurance (VGLI) programs, which offer group coverage for Veterans, Service Members and military families. These programs are administered by a private insurer.

Individual Policies Administered by VA

Closed Program Descriptions

Individual Policies are administered directly by VA Insurance Service. Five of VA's individual policy programs are **closed** to new enrollment.

- United States Government Life Insurance (USGLI)
- National Service Life Insurance (NSLI)
- Veterans' Special Life Insurance (VSLI)
- Veterans' Reopened Life Insurance (VRI)
- Service-Disabled Veterans Insurance (S-DVI)

United States Government Life Insurance - USGLI (Policies prefixed by K)

USGLI was established in 1919 as a successor to the War Risk Insurance program. The program was closed to new enrollment on October 8, 1940, except for World War I Veterans who could apply for coverage until April 25, 1951. This program is self-supporting. As of the end of 2022, the USGLI program no longer has any policyholders as all insureds reached the policy maturity age resulting in the endowment of all remaining policies. The program continues to disburse insurance annuity benefits to beneficiaries.

National Service Life Insurance - NSLI (Policies prefixed by V or H)

NSLI was created on October 8, 1940 to handle the insurance needs of World War II service personnel. Policies were issued from 1940 until April 25, 1941. The program is self-supporting, except for the cost of claims traceable to the extra hazards of service in the armed forces.

The NSLI program provides for:

- Maximum \$10,000 of basic insurance coverage
- Individual policies issued to each policyholder
- Certain contractual rights whereby a policyholder can bring a suit against VA in a U.S. District Court. Administrative decisions of the Board of Veterans Appeals can be appealed to the U.S. Court of Appeals for Veterans Claims.

Veterans' Special Life Insurance - VSLI (Policies prefixed by RS or W)

VSLI was established in 1951 to meet the insurance needs of Veterans who served during the Korean War and the post-Korean War period. Individuals separating from service between April 25, 1951 and January 1, 1957 had 120 days from separation to apply for VSLI. No dividends were declared for VSLI policies in Calendar Year 2024.

Veterans' Reopened Insurance - VRI (Policies prefixed by J, JR or JS)

Policies in the VRI program were issued during a re-opening of the NSLI program from May 1, 1965 through May 2, 1966. This program made life insurance available to certain World War II and Korean War Veterans who met the eligibility requirements. By law, the VRI program is self-supporting, and funds are transferred annually from the VRI fund to the General Operating Expenses account to cover the cost of operations.

Service-Disabled Veterans Insurance - S-DVI (Policies prefixed by RH or ARH)

S-DVI was established on April 25, 1951 for Veterans separated from service on or after April 25, 1951 under other than dishonorable conditions, who were approved for a service-connected disability rating of 0-100 percent. S-DVI policyholders who were eligible for waiver of premiums could purchase additional coverage of up to \$30,000 at standard rates, based on their age at the time they applied for the coverage. Public Law 116-315 closed the S-DVI program to new enrollment as of December 31, 2022.

Policy Provisions for Closed Programs

Payment of Premiums

Methods of Payment

Veterans have several options for paying their VA Life Insurance premiums:

- Direct payment (a check or money order payable to the Department of Veterans Affairs)
- Allotment from military retirement pay
- Deduction from VA Compensation or Pension benefits
- Deduction from the insured's checking account (VA MATIC)
- Applying annual dividends to automatically pay premiums
 - (If dividend is not sufficient to pay the full premium, insured will be billed for the difference.) This is available for participating policies only.

Paying premiums by allotment, deduction from benefits, VA MATIC, or dividends protects against lapse and saves premium payment costs (e.g. checks, money orders and postage).

Mode/Frequency of Payment

Insureds who make direct payments have the option to pay premiums in advance by paying quarterly, semi-annually, annually, or as far in advance as the insured wishes. Paying premiums in advance provides the insured with the following benefits:

- A premium discount
- A reduction of the insured's risk of lapse due to non-payment of premiums
- A savings in premium payment costs (checks, money orders, postage)

Premium Due Dates

Premiums are due the same day of the month as the day the policy became effective as shown on the insurance policy (called the "anniversary date"). If the policy was effective on the first day of the month, premiums are due on the first day of the month. For any month not having a date corresponding to the effective date of a policy (i.e., 29th, 30th, or 31st), the due date is always the last day of the month.

Grace Period

Insureds are allowed 31 days after the due date to pay any premium except the first one. If the insurance becomes a claim (insured dies) during the grace period, the unpaid premium will be deducted from the amount payable to the beneficiary.

Waiver of Premiums

Veterans insured under S-DVI can apply for a waiver of their premiums if they are totally disabled, meaning they have a mental or physical disability that prevents them from engaging in substantially gainful employment. The total disability must begin before the insured's 65th birthday and must continue for at least six consecutive months. To apply for a waiver of

premiums, the insured must complete VA Form 29-357, Claim for Disability Insurance Benefits.

Dividend Options

The amount of dividend paid to a Veteran depends on the age of the Veteran, the type of insurance, and the length of time the policy has been in force. Dividends are paid on the following programs:

- United States Government Life Insurance (“K”; there are no longer any “K” policies in force)
- National Service Life Insurance (“V”)
- Veterans’ Special Life Insurance (“RS” and “W”) Note: No dividends were declared for VSLI policies in Calendar Year 2024. Veterans’ Reopened Insurance (“J” and “JR”; there are no longer any “JS” policies in force)

Dividend Options Available

A policyholder may choose from several dividend options that are available:

- **Cash:** Paid to the policyholder by U.S. Treasury check or directly deposited into the policyholder’s bank account.
- **Credit:** Held in an account for the insured with interest.
 - Can be used to prevent policy lapse
 - Will be refunded upon the insured’s request
 - Will be included in the award to the beneficiary(ies) at the time of the insured’s death
- **Deposit:** Held in an account for the insured with interest.
 - Available only on permanent plan policies
 - Can be used, with the net cash value, to purchase reduced paid-up insurance, or extended insurance if the policy lapses - **except** for “K” or “JS” policies
 - Will be refunded upon the insured’s request
 - Will be included in the award to the beneficiary(ies) at the time of the insured’s death
- **Premium:** Applied to pay premiums in advance.
- **Paid-up Additions (PUA):** Used as a net single premium to purchase additional paid-up insurance.
 - Available only on “V,” “RS,” “W,” “J,” and “JR” policies

- Will be whole life if the basic insurance is a term or whole life policy
- Will be endowment if the basic insurance is an endowment policy
- **Indebtedness:** Applied toward a loan or lien on a policy.
- **Net Cash:** Used to pay an annual premium with any remainder paid to the policyholder under the cash option.
- **Net PUA:** Used to pay an annual premium with any remainder used to purchase paid-up additional insurance.
- **Net Loan-Lien:** Used to pay an annual premium with any remainder used to reduce an outstanding loan or lien.

Dividends are not payable on policies that have been surrendered, cancelled or have lapsed.

Guaranteed Values

An important feature of permanent plan policies is that the premiums the policyholder pays build up a cash value. This provides the policyholder with extra protection and more financial flexibility. Permanent plan policies have the following guaranteed values:

- **Cash Value**

Cash value is the portion of the policy that accrues over time and can be withdrawn or borrowed against. Withdrawing or borrowing against the cash value in the policy will reduce the available cash surrender value and the death benefit. The cash surrender value is the cash value plus any dividends held on deposit less any indebtedness. If a policyholder is considering surrendering their policy for its cash value, they should *first* consider the alternative of taking a policy loan, since policies that are surrendered for cash cannot be reinstated.

After premiums have been paid or waived for at least one year, the policyholder may apply for the cash value by submitting a completed VA Form 29-1546, *Application for Cash Surrender Value or Policy Loan*, or by applying for a loan via the VA insurance website, or by submitting a written request stating the insured's wish to surrender the policy for the cash value.

- **Loan Value**

Policy loans may be granted but cannot exceed the cash value less any indebtedness. When the loan value exceeds the cash value, the policy will be cancelled and cannot be reinstated. We suggest applying for a policy loan rather than the cash surrender value if a policyholder needs cash and the policy is not lapsed. After premiums have been paid or waived for at least one year, the policyholder may apply for a loan by submitting VA Form 29-1546, *Application for Cash Surrender Value or Policy Loan*, or

by applying for a loan via the VA insurance website, or by submitting a written request for a policy loan, specifying the amount desired.

- **Extended Insurance**

A permanent plan policy that lapses after being in force for at least three months will automatically be extended as term insurance after 180 days of non-payment of premiums. Under this insurance the policyholder will be protected for a limited period of time as determined by the amount of the net cash value of the policy. The amount of the extended insurance will be the face amount of the policy less any indebtedness. Beginning in Calendar Year 2024, dividends are not payable on policies that are on extended insurance.

- **Reduced Paid-Up Insurance**

A policyholder may use the net cash value (cash value minus any indebtedness) to buy a reduced amount of paid-up insurance if the policy is not lapsed. This insurance will remain in force for the life of the policyholder, or to the end of the endowment period. No further premium payments are required. The cash value continues to increase, and dividends continue to be earned. The policyholder may cash surrender the paid-up insurance for less than the face value of the policy, depending on the length of time the policy has been in effect. The policyholder can also obtain a loan on the policy at any time.

Policy Loans

Policy loans are available on permanent plans of insurance.

- The policyholder can take loans as long as the loan amount does not exceed the (cash) value of their policy less any indebtedness.
- The policy cannot be lapsed, and premiums must be paid or waived at least one year before a policy has loan value.

Loan Interest Rates

- As of November 2, 1987, all new policy loans have a variable interest rate with a **minimum** rate of 5% and a **maximum** rate of 12%.
- Rate changes are tied to the “ten-year constant maturities,” a U.S. Treasury securities index.
- Each year the U.S. Treasury securities index is reviewed. If required, because of a change in the index, loan rates are adjusted effective October 1.

Applying for a Policy Loan

A policyholder can apply for a loan through two methods:

1. Apply on the VA Insurance Website by going to www.benefits.va.gov/insurance/ and
 - Clicking on Access My Policy Online

- Clicking on Apply for Instant Loan. The system will check available loan value on the policy and other security criteria.
 - If all conditions are met then the policyholder will move to the next screen and be prompted to enter the desired loan amount.
 - Click Submit Loan Request and then receive an instant decision for the loan.
 - If the loan is approved, then the payment will be processed within 2-5 business days.
 - If the policyholder does not meet the verification requirements for an instant loan decision, then the policyholder can download and submit VA Form 29-1546 (see below).
2. The policyholder can download and submit VA Form 29-1546, Application for Policy Loan using the secure Document Upload feature or mail in the form.

Conversions

Advantages of Converting to a Permanent Plan

Term insurance is attractive at young ages because it provides low-cost financial protection. However, it becomes very expensive at older ages, making the premiums difficult to pay. Policyholders who think they will want insurance protection at the older ages should consider converting to a permanent plan of insurance at as young an age as possible. Although the premium rates are initially higher than for term policies issued at the same ages, permanent plan premiums stay the same throughout the life of the policy.

Policyholders who are considering converting to a permanent plan should consider the following:

- Their present and future needs for life insurance
- Their ability to pay present or future premiums
- The earlier they convert to a permanent plan, the lower the premium will be
- Their ability to build up cash value which they can borrow or cash surrender for cash

The guaranteed conversion of a term policy to a permanent plan policy is an important feature for policyholders, especially for those policyholders who have health problems. A policyholder can convert from a term policy to a permanent plan policy without providing evidence of good health.

Application for Conversion

A policyholder can apply for conversion by submitting VA Form 29-0152, *Application for Conversion*, or a written request for conversion specifying the plan desired and the amount of insurance to be converted.

If the term policy is lapsed but eligible for reinstatement, the policyholder must apply for reinstatement and meet the health requirements. The applications for reinstatement and conversion should be submitted at the same time.

Term insurance may be converted to permanent plan insurance in multiples of \$500 but not less than \$1,000. A policyholder can convert either a portion of their term coverage or the total amount.

Payment of Premiums

If the policyholder pays by check, at least one monthly premium for the new plan should accompany the conversion application.

If premiums are paid by deduction from VA benefits, allotment from retired pay, or by deduction from the insured's checking account [Pre-Authorized Checking (PAC), aka VA MATIC], VA will take care of any change in deduction or allotment that is needed. If the new premium exceeds the amount available by deduction or allotment, future premiums must be paid by check or other remittance.

Paid-Up Additional Insurance

Since July 1, 1972, policyholders with participating policies can apply their annual dividends to purchase paid-up additional insurance (PUA). Paid-up additions are available on the following programs:

- National Service Life Insurance ("V")
- Veterans' Special Life Insurance ("RS" and "W") (For Calendar Year 2024, no dividend will be declared for VSLI policies)
- Veterans' Reopened Insurance ("J" and "JR")

Annual Insurance Policy Statements are mailed to policyholders each year on the anniversary date of their policy. In addition to policy information, the annual statement reflects any new paid-up additions credited to the policyholder's account.

Purchasing paid-up additions is the only way policyholders can increase their coverage. It is therefore a very popular dividend option. Paid-up additions have cash and loan values and earn dividends that can be used to purchase more paid-up coverage.

How PUA Works

If an insured chooses this option, his or her annual dividend is automatically applied as a single premium to purchase an amount of paid-up insurance. The amount of paid-up insurance is determined by:

- The age of the policyholder, *and*
- The plan of basic insurance in force, *and*
- The amount of the dividend.

The following table illustrates the amount of paid-up additional insurance that can be purchased using the same dividend amount but at different attained ages:

Attained Age	Dividend Amount	Amount of Whole Life PUA Purchased	
		"V", "RS", "W", "J"	"JR"
75	\$200	\$306	\$289
80	\$200	\$277	\$266
85	\$200	\$255	\$249

The paid-up additional coverage purchased is of the same type as the basic coverage:

If the basic coverage is:	the PUA coverage purchased is:
endowment	paid-up endowment insurance which matures at the same time as the basic contract
all other plans (including term)	paid-up whole life insurance

The PUA dividend option is especially desirable for:

- **Disabled policyholders** who often cannot obtain private life insurance or must pay high premiums for coverage. In many cases, this is the only means by which they can obtain additional life insurance.
- **Policyholders who do not need extra coverage but want to lower their premiums** by periodically reducing their basic insurance as new paid-up additions are purchased. (They keep the same amount of coverage but pay premiums on a smaller portion of that coverage).
- **Term policyholders** whose premiums continue to rise as they become older. (They too can reduce their basic insurance and replace it with paid-up additions, thereby paying premiums on a smaller portion of coverage).

Changes in PUA Amounts and Cost

Because reserves on paid-up additions had earned higher interest rates, the following changes were made at no cost to the policyholders:

- In 1987, and again in 1990, the cost to purchase paid-up additions with annual dividends was lowered, i.e., more PUA could be purchased with the same amount of dividends. These decreases resulted in approximately a 25 percent reduction in the cost to purchase paid-up additions with annual dividends.
- Also, existing paid-up additions were automatically increased by approximately 25 percent overall. The increase for individual policies depended on the policyholder's age and plan of insurance.

Beneficiary and Option Designations

Beneficiary Updates

An insured can update their beneficiaries through their Online Policy Account at <https://insurance.va.gov/home/> or by completing VA Form 29-336 at <https://www.vba.va.gov/pubs/forms/VBA-29-336-ARE.pdf>. The insured may select any person, firm, corporation or other legal entity (including his or her estate) as beneficiary, either individually or as trustee. If no beneficiary survives the insured, payment is made to the insured's estate in one sum. The insured also has the right to select how the insurance proceeds will be paid to his or her beneficiary(ies).

The Insured has the Right to Name and Change a Beneficiary

The insured is the sole owner of his or her policy. This ownership means:

- The insured can at any time change his or her beneficiary(ies), without the knowledge or consent of the current beneficiary(ies).
- A state court order, property settlement, or divorce decree cannot compel an insured to name or change his or her beneficiary(ies).
- Ownership of the policy may not be transferred to any other person or entity, including a trust. *However, a trust may be designated as beneficiary.*
- A beneficiary change **cannot** be made by Last Will and Testament.
- A beneficiary designation cannot contain language that restricts the insured's right to change the beneficiary or remove the insured as owner of the insurance policy.

Settlement Options Available for Payment of Policy Proceeds

The insured has the right to select how the insurance proceeds will be paid to his or her beneficiaries. An option change **can** be made by Last Will and Testament. Most VA Forms contain a preprinted "Lump Sum" because most insureds choose this option. If the insured wants the beneficiary to receive monthly installments rather than a lump sum, the "Lump Sum" must be crossed off and option (2, 3, or 4) must be indicated in SECTION IV - Additional Instruction of VA Form 29-336 or in the remarks section on forms printed earlier than OCT 2020. The settlement options available for payment of policy benefits are:

Option 1:	Lump sum payment for the face amount of the policy less any indebtedness.
Option 2:	Equal monthly installments with interest over 36 to 240 months. (The insured selects the number of monthly installments in multiples of 12, such as 36, 48, 60, 72, etc.)
Option 3:	A monthly life income with 120 payments guaranteed (240 for USGLI policies).
Option 4:	Equal monthly installments are made until the face amount of the policy less any indebtedness is paid. If the principal beneficiary lives beyond this period, payments continue throughout their lifetime.

It should be noted that although payments under Option 3 may be higher than those under Option 4, if payments are being made under Option 3 and the principal beneficiary dies soon after the guaranteed payments are made, no further payments will be made to a contingent beneficiary, even if the full face amount of the policy less any indebtedness has not been paid. However, under option 4, payments would continue to the contingent beneficiary until the face amount of the policy has been paid.

If a Beneficiary Dies Before Receiving the Insurance Proceeds

General information:

If a beneficiary survives the insured but dies before he or she receives some or all of the proceeds, the following rules apply:

- If the proceeds were payable under an installment option, and the beneficiary dies before all of the guaranteed installments are paid, the present value of the unpaid installments is payable in one sum to the insured's estate (NSLI policies) or to the estate of the last surviving beneficiary (USGLI policies).
- If the proceeds are payable in a lump sum payment, the proceeds are paid to the beneficiary's estate. To allow the proceeds to be paid to the contingent beneficiaries in a "common disaster" situation, rather than to the principal beneficiary's estate, the phrase "provided the principal beneficiary survives me for ___ days" may be added. Any number of days up to a maximum of 30 may be shown.

Special circumstances involving children of a beneficiary:

If the insured designated more than one principal beneficiary or designated both principal and contingent beneficiaries, the share of a beneficiary who predeceases the insured will be paid to the surviving beneficiaries. If this automatic distribution is not desired, the insured can designate that the share of a deceased beneficiary go to that beneficiary's "issue" (children) within SECTION IV - Additional Instruction of VA Form 29-336 or in the remarks section for forms printed earlier than OCT 2020. This is referred to as a "per stirpes" distribution.

Designation of Beneficiary and Optional Settlement

It is important that the insured submit a properly completed and updated beneficiary and option designation. If the insured is uncertain about his or her beneficiary and option designation, he or she can contact the Insurance Center for assistance.

The following factors should be kept in mind when completing a beneficiary and option selection form:

- One beneficiary designation applies to all policies unless otherwise specified.
- Most VA Forms contain a preprinted “Lump Sum” because most insureds choose this option. If the insured wants the beneficiary to receive monthly installments rather than a lump sum, the “Lump Sum” must be crossed off and option (2, 3, or 4) must be indicated in SECTION IV - Additional Instruction of VA Form 29-336 or in the remarks section on forms printed earlier than OCT 2020. If option 2 is selected, the number of monthly installments should be shown. Payments under this option are 36 to 240, in multiples of 12.
- A beneficiary change *cannot* be made by Last Will and Testament. (VA regulations do permit an option selection for government life insurance policies to be made by Will.)
- Principal and contingent beneficiaries should be clearly differentiated on the form. Where the insured lists multiple principal or contingent beneficiaries, their shares should be clearly shown and should always add up to “1” (for example $\frac{1}{2}+\frac{1}{2}$).

Policyholders can now view an image of their most recent beneficiary designation online using the VA Insurance website.

Alternate Beneficiary Legislation

On December 16, 2003, the President signed a law that authorizes the Department of Veterans Affairs to pay National Service Life Insurance (NSLI) and United States Government Life Insurance (USGLI) to a contingent beneficiary or beneficiaries, when the principal beneficiary does not claim the insurance within two years of the date of the insured’s death. The Faster Payments legislation that was signed on December 22, 2022 reduced the time a principal beneficiary has to file a claim to one year.

This means that:

- If the principal beneficiary, who has been named by the insured, does not claim the insurance within one year of the insured’s death, then payment may be made as if that principal beneficiary had predeceased the insured.
- If there is a contingent beneficiary, or beneficiaries, who have been designated by the insured, the insurance may then be paid to the contingent beneficiary or beneficiaries.
- If neither the principal nor contingent beneficiary files a claim for the insurance within two years of the insured’s death, VA is authorized to pay the insurance to another person who, in the judgment of the Secretary, is equitably entitled.
- Once payment is made in this manner, proceeds are not payable to any other individual.

Insured's State of Mind

The following rules apply when completing a beneficiary and option designation:

- **If it appears that the insured does not fully understand their actions or is not acting completely freely**, a statement from the witness or another party who is present will help VA to determine whether the designation is valid. The statement should be submitted to VA with the designation, and should list all pertinent details, including the insured's reason for making the beneficiary designation, if known. Mental illness, drugs or alcohol intoxication can cause lack of full understanding. Other factors such as duress or undue influence can result in the insured not acting freely in making the designation.
- **If an insured is incompetent**, his or her legal representative (guardian, conservator, etc.) may make a beneficiary designation on the insured's behalf with the authorization of a court order. If the designation can be made while the insured is lucid, it should be done in the presence of a physician who should verify in writing that the insured had the capacity to understand the consequences of the action. Although the physician's statement is not required, it will help VA determine whether the designation is valid.
- An insured or claimant can sign by a mark ("X") if:
 - the insured is unable to sign due to physical disability,
 - the insured is of sound mind, AND
 - the "X" is witnessed by two people not named on the designation.

Important Facts

- **One Beneficiary Designation applies to all your policies unless you specify otherwise.**
- **Make sure the distribution of shares equals 1 or 100% (e.g. ½+½ or 50%+50%).**
- **A beneficiary change cannot be made by Last Will and Testament, but a settlement option change can.**
- **No one can order the insured to change their beneficiary, including State Courts or Divorce Orders.**

Online Beneficiary Update

When a Veteran updates their beneficiary through Online Policy Access, a PDF of the Veteran's beneficiary designation will be viewable by the Veteran after submission. Once approved, the policyholder receives an email notifying them that the update has been

accepted and providing them with a link to log in and view and/or print a confirmation of their beneficiary designation from the website.

Online Beneficiary Update gives Veteran policyholders a fast, easy, and secure way to ensure their beneficiary information is up to date so their wishes may be carried out in a quick and efficient manner. This feature is just one more way VBA Insurance Service is enhancing the services provided to our Veterans.

Online Policy Access

Veteran policyholders can access their life insurance policy online at <https://www.va.gov/life-insurance/manage-your-policy/> to view details about their policy including:

- Plan of insurance
- Policy effective date
- Basic and Paid-Up Additional coverage amount
- Premium amount, payment method and due date
- Available loan and cash value
- Current loan balance, effective date and interest rate
- Dividend account balance

They can also view policy documents such as their beneficiary designation, update their beneficiaries and request a policy loan.

How To File A Claim

All death claims for USGLI, NSLI, VSLI, VRI, or S-DVI should be submitted via DocuSign, uploaded through the Insurance website, or mailed to the Insurance Center in Philadelphia:

DocuSign:

Go to <https://www.benefits.va.gov/INSURANCE/resources-forms.asp> and click on 29-4125e

Secure Upload:

<https://www.insurance.va.gov/Home/IDU>

Mailing Address:

Department of Veterans Affairs
Insurance Center
P.O. Box 7208
Philadelphia, Pennsylvania 19101

If the beneficiary is:	He or she must file:
a principal beneficiary	<ul style="list-style-type: none"> • photocopy of the death certificate showing date and cause of death of insured • Claim Form, VA Form 29-4125, <i>Claim for One Sum Payment</i>¹
a contingent beneficiary	<ul style="list-style-type: none"> • death certificates for the insured and principal beneficiary(ies) • Claim Form, VA Form 29-4125, <i>Claim for One Sum Payment</i>¹
a representative of the estate	<ul style="list-style-type: none"> • death certificate(s) • copies of letters testamentary, letters of administration, or a court order of distribution² along with claims from the entitled parties • claim form signed by the executor or administrator of the estate
a minor or incompetent	<ul style="list-style-type: none"> • death certificate(s) • a claim from the next of kin, personal representative (guardian, custodian, etc.) or logical person to receive payment for the minor or incompetent • letters of guardianship, conservatorship, etc. (if any) • address of minor or incompetent

¹If the beneficiary wants monthly payments, he or she should use VA Form 29-4125a for NSLI policies, *Claim for Monthly Payments* instead of the claim forms mentioned above. If a lifetime income option (3 or 4) is selected, the beneficiary's birth certificate (or other official proof of age) must be submitted.

²If the letters or court order are not available, a statement that there will be no administration of the estate, and VA Form 29-541, *Certificate Showing Residence and Heirs of Deceased Veteran*, must be filed.

Note:

- Photocopies of death certificates are acceptable.
- A letter claiming the proceeds may be used instead of a VA Claim Form (29-4125, etc.).
- Award proceeds are encouraged to be paid through Electronic Funds Transfer (direct deposit) due to a Department of Treasury request on reducing paper checks. Claimants should fully complete their claim form and can include a copy of a voided check showing the checking or savings account information along with the transit

routing number, as well as the insurance file number and signature on the form or letter.

- Payment cannot be made if it would cause the insurance to escheat to a State (this happens where there are no heirs to pay so the assets of the estate default to the State).

The following factors should be kept in mind when filing a death claim:

- An insured's Will can be used as evidence that he or she intended a lump sum payment, regardless of when it was executed. The Will does not have to specifically mention the insurance, nor must it be probated.
- Life insurance payments can be directly deposited into a claimant's account. The claimant must provide their checking or savings deposit account number as well as their social security number. Claimants must also provide the name, address, phone number, and the routing transit number for their financial institution. A copy of a voided check listing all information should be included.
- A beneficiary may assign all or a portion of his or her share of the insurance to a restricted class of the insured's relatives.
- For any additional questions on filing a death claim, please call **1-800-669-8477**. (**Note:** If multiple beneficiaries are on file, the call center representative cannot discuss one beneficiary's entitlement to death benefits with another beneficiary.)

Open Program Descriptions

Two of the individual policy programs administered by VA are **open** to new enrollment. They are:

- Veterans' Mortgage Life Insurance (VMLI)
- Veterans' Affairs Life Insurance (VALife)

Veterans Affairs Life Insurance - VALife (Policies prefixed by G)

Public Law 116-315 created a new program of life insurance for service-connected Veterans. VALife provides guaranteed acceptance whole life coverage to service-connected Veterans aged 80 and under at any disability rating level (0-100 percent). Veterans who apply for a new disability rating before age 81 and get their rating for a new condition after turning 81, can also apply for VALife within two years of receiving notification of their disability rating.

VALife has no medical underwriting (Veterans are not required to answer any health questions or have a medical exam) for any disabled Veteran and, for those 80 and under, there is also no deadline to apply. VALife has a two-year waiting period for the full face amount of coverage to take effect. If the Veteran's death occurs within the initial two-year enrollment period, all premiums paid plus interest are paid to the beneficiary. After being enrolled for two years, the full face amount of coverage is payable to the beneficiary.

VALife offers up to \$40,000 in coverage in \$10,000 increments. This is more coverage than most commercially available guaranteed acceptance whole life programs offer. **VALife has a two-year waiting period before the full amount of the policy is in effect.**

Veterans who have S-DVI coverage have the option to stay in the S-DVI program or switch to VALife. Under the law:

- If you apply for VALife between January 1, 2023 and December 31, 2025, you can keep S-DVI only during the initial two-year enrollment period in VALife. After two years, your S-DVI coverage will terminate, and you will receive any cash value your S-DVI policy has at that time.
- If you have S-DVI and apply for VALife after December 31, 2025, your S-DVI coverage will terminate on the day you are approved for VALife.

Policy Provisions for VALife

Payment of Premiums

The premiums for VALife are based on the amount of coverage chosen and age at enrollment, and they will not increase. Insureds have the following options for payment of premiums:

- Monthly deduction from VA Compensation or Pension benefits
- Monthly allotment from military retirement pay
- Automatic monthly deduction from insured's checking account
- Direct payment via pay.gov (monthly or annually)

Guaranteed Values

VALife is a whole life insurance product that builds cash value once the full face amount of coverage takes effect, two years after enrollment. While there is no cash value within the first two years of enrollment, insureds can still access the cash value after two years if their VALife policy lapses or they decide to cancel.

Beneficiary and Option Designations

An insured may select any person, firm, corporation or other legal entity (including his or her estate) as beneficiary, either individually or as trustee. By law, payments are made in a lump sum to the beneficiary(ies).

Online Policy Access

VALife policyholders can access their life insurance policy online at <https://www.va.gov/life-insurance/manage-your-policy/> to view details about their policy including:

- Plan of insurance
- Policy effective date
- Coverage amount
- Premium amount, payment method and due date
- Available cash value

They can also view policy documents, such as their beneficiary designation, update their beneficiaries and make a premium payment.

How to File a Death Claim

To file a claim for VALife Insurance, the beneficiary needs to complete VA Form 29-4125e, Claim for One Sum Payment, and attach a copy of the Veteran's death certificate (note original copies are not required) showing the date and cause of death and any other documentation listed in the chart below. Any documentation required can be attached to the electronic claim form and submitted.

If the beneficiary is:	Then he or she must file:
the principal beneficiary	<ul style="list-style-type: none"> • VA Form 29-4125e, Claim for One Sum Payment signed by the principal beneficiary • Death certificate of insured Veteran
the contingent beneficiary	<ul style="list-style-type: none"> • VA Form 29-4125e, Claim for One Sum Payment signed by the contingent beneficiary • Death certificate of insured Veteran, Death certificate of all principal beneficiaries showing the date and cause of death
a representative of the estate	<ul style="list-style-type: none"> • VA Form 29-4125e, Claim for One Sum Payment signed by the executor or administrator of the estate • Death certificate of the insured Veteran • Letters testamentary, letters of administration, or a court order of distribution <p>If there is no formal administration of the estate, then VA Form 29-541e, Certificate Showing Residence and Heirs of Deceased Veteran and a written statement that there will be no administration of the estate must be submitted.</p>
A minor or an incompetent beneficiary	<ul style="list-style-type: none"> • VA Form 29-4125e, Claim for One Sum Payment signed by the next-of-kin, personal representative (guardian, custodian, etc.) or logical person to receive payment for the minor or incompetent beneficiary • Death certificate of insured Veteran • Letters of guardianship, conservatorship, etc. (if any)

There are 3 ways to send your claim form and documents to the Insurance Center:

File claim electronically online at <https://www.benefits.va.gov/INSURANCE/resources-forms.asp> and click on 29-4125e - This is the fastest and most secure way to send your claim.

1. **Upload Your Documents using our secure web page at <https://insurance.va.gov/Home/IDU>** - This is also a fast and secure way to send your claim.
2. **Mail your documents to the following address:**
 Department of Veterans Affairs
 Insurance Center
 P O Box 7208
 Philadelphia, Pennsylvania 19101

If the VALife insured had their policy for two years or more, the full face amount of coverage will be paid to the beneficiary(ies). If the insured had their policy for less than two years, all premiums paid plus interest will be paid to the beneficiary(ies).

Veterans' Mortgage Life Insurance - VMLI (Policies prefixed by VM)

The VMLI program began in 1971 and was designed to provide financial protection to cover eligible Veterans' home mortgages in the event of death. Effective July 30, 2008, the program was expanded to offer coverage to disabled active duty Service Members and Veterans who suffer from a severe injury. VMLI is issued to those severely disabled Veterans and Service Members who have received grants for Specially-Adapted Housing from VA. These grants are issued to Veterans and Service Members whose movement is substantially impaired because of their disability.

The Veterans' benefits Act of 2010, which was enacted on October 13, 2010, increased the maximum amount of VMLI coverage from \$90,000 to \$200,000. The increase to \$200,000 became effective on January 1, 2012. All Veterans who had VMLI coverage at the time of the increase were able to increase their coverage. The insurance is payable if the insured dies before the mortgage is paid off. VA Insurance pays the amount of money still owed on the mortgage up to \$200,000. The payment is made only to the mortgage lender.

Eligibility

VMLI is available to Veterans or Service members who receive grants for the purchase of Specially Adapted Housing under the authority of title 38, US Code, Chapter 21. Grants are available to Veterans who are entitled to compensation for service-connected, permanent and total disabilities for one or more of the following conditions:

- 1) Loss or loss of use of both legs;
- 2) Blindness in both eyes plus the loss or loss of use of one leg;
- 3) Loss or loss of use of one leg with residuals of organic disease or injury that affects balance or propulsion;
- 4) Loss or loss of use of one leg together with the loss or loss of use of one upper extremity that affects balance or propulsion;
- 5) Severe Burn Injury.

Note: Coverage cannot be issued after age 69.

Coverage Amounts

VMLI coverage decreases as the insured's mortgage falls below \$200,000. This reduced coverage cannot be reinstated. For example, if the insured has a \$250,000 mortgage on his or her home, then:

- The maximum amount of VMLI insurance coverage is \$200,000.

- Coverage will remain at \$200,000 until the mortgage balance goes below \$200,000, at which time the insurance coverage will begin decreasing at the same rate as the mortgage amount.
- As the mortgage balance decreases below \$200,000, the difference between \$200,000 and the mortgage balance is “used up” and cannot be reinstated for that particular home.
- If the home is sold and a new home is purchased, the Veteran becomes eligible once again for the maximum amount of coverage.

VMLI Premium Rates

Effective October 1, 2023, VMLI premiums were updated to be based on the 2017 Commissioners’ Standard Ordinary (CSO) Table, the table now commonly used in the insurance industry. This resulted in an average premium reduction of 23 percent for most VMLI policyholders. For those whose premiums would have increased under the new table, VA Insurance kept them at their current premium rate.

VMLI premiums are determined by the insurance age of the Veteran or Service member, the outstanding balance of the mortgage at the time of application, and the remaining length of time left on the mortgage. Veterans or Service members who desire insurance will be advised of the required premium when it is determined.

Premiums must be paid by deduction from the Veteran’s monthly compensation or pension payments, if the Veteran is receiving such payments. If such payments are not being received, the Veteran or Service member may make direct payments on a monthly, quarterly, semiannual, or annual basis to the VA Insurance Center.

Veterans’ Mortgage Life Insurance Premium Calculator

This website feature allows the Veteran to determine the premium they would pay for VMLI coverage. By entering their current age, the remaining number of years left to make their mortgage payments and current mortgage balance this calculator will give an approximation of how much VMLI premiums will cost.

This is only an estimate based on the information provided at that time. VMLI premiums are based on the age of the Veteran, the remaining term of the mortgage, the outstanding mortgage balance, and the amount of VMLI coverage requested. Should the Veteran apply for VMLI coverage, we would ask for mortgage documentation necessary to calculate the exact premium. If the Veteran already has VMLI coverage, then premiums for coverage on a refinanced mortgage would be affected by the amount of insurance entitlement remaining.

Cancellation of Coverage

The insurance will be canceled for any of the following conditions:

- 1) The mortgage is paid in full.
- 2) Termination of the insured's ownership of the property securing the loan.
- 3) The request of the insured to cancel the VMLI coverage.
- 4) Failure of the insured to submit required information.
- 5) The insured stops paying the premiums.

How To File A Claim

The insured Veteran's next-of-kin should notify our office immediately of the Veteran's passing. To process payment, we will need a copy of the death certificate, a payoff statement or monthly account statement showing the balance of the mortgage as of the date of the Veteran's passing, and the mortgage lender address where we will send the payment. It is important to continue to make mortgage payments until the claim has been paid to avoid any late payment penalties or foreclosure actions.

Payment of VMLI Proceeds

The insurance is payable upon the death of the Veteran or Service member ***only to the mortgage holder.***

- No insurance is payable if the mortgage is paid off before the death of the insured or if it was paid off by other mortgage insurance before the VMLI payment is made. This is important to consider if the Veteran or Service member is thinking of purchasing mortgage insurance in addition to VMLI, or if he or she has obtained a mortgage through a state Veterans program that requires them to enroll in the state's insurance program (California and Oregon have such programs). Some mortgage insurance programs will pay the outstanding mortgage balance first and *then* pay any remaining money directly to a named beneficiary. Others, like VMLI, will pay the outstanding mortgage balance only to the mortgage company - no further payments are made. Therefore, if there is duplicate coverage, a Veteran's or Service member's next of kin would be encouraged to contact VA first for the payment of VMLI benefits and *then* file a claim with other programs. However, there is no guarantee of an additional payment even if the VMLI insurance is paid first.
- If title to the property is shared by the Veteran or Service member in any ownership other than joint ownership (such as tenancy in common, or fractional shares), then the insurance coverage is only for the percentage of the title that is in the insured's own name.

Contact Information for USGLI, NSLI, VRI, S-DVI, VALife and VMLI Policies

There are several ways for a policyholder to contact VA about their VA Life Insurance. Policyholders can contact the Insurance Center through a toll-free number, by mail, by e-mail and through the VA Insurance website.

Toll-Free Telephone	<p>1-800-669-8477</p> <p>Customers calling the Insurance Center can speak to an Insurance Specialist or use the Insurance Interactive Voice Response (IVR) System. Insurance Specialists are available 8:30 AM to 6:00 PM (Eastern Time) Monday - Friday (<i>Best days to call are Wednesdays through Fridays</i>).</p>
Online Inquiry System - Ask VA	<p>Customers can send questions through the secure Ask VA (AVA) online tool at https://ask.va.gov/ and a VA representative will respond.</p>
Interactive Voice Response (IVR) System	<p>The Insurance IVR system allows customers using the toll-free telephone number to access their own insurance records 24 hours per day, 7 days per week. The Insurance IVR system provides three basic functions for callers:</p> <ol style="list-style-type: none"> 1. Informational Letters and Forms: By making a touch-tone input, callers can request letters and forms be mailed to them: Beneficiary Designation, Loan/Cash Surrender Application, Premium and Dividend status letter, Loan and Cash Value status letter, and Annual Policy Statement. 2. Policy Information: Callers can hear detailed insurance policy information within three major categories - dividends, loans and cash values, and general policy/premium information. 3. Pre-recorded Informational Messages: Callers also have the option to listen to pre-recorded information after hours and weekends concerning a variety of insurance topics.
General Correspondence	<p>Department of Veterans Affairs Insurance Center-P.O. Box (See Below) Philadelphia, Pennsylvania 19101</p> <p>For correspondence concerning:</p> <ul style="list-style-type: none"> • Beneficiary Designation: P.O. Box 8638 • Death, waiver of premium or VMLI Claims, and S-DVI applications: P.O. Box 7208

	<ul style="list-style-type: none">• Loans and Cash Surrenders: P.O. Box 7327• Premium and Loan/Lien Payments: P.O. Box 7787• All Other Insurance Mail: P.O. Box 42954
E-Mail	vainsurance@va.gov
Website	www.benefits.va.gov/insurance/

Group Policies Supervised by VA

Group Policy programs are administered by a private insurer on behalf of VA through the Office of Servicemembers' Group Life Insurance. These programs are:

- Servicemembers' Group Life Insurance (SGLI) for
- Traumatic Injury Protection (TSGLI)
- Family SGLI (FSGLI)
- Veterans' Group Life Insurance (VGLI)

Supervised Program Descriptions

Servicemembers' Group Life Insurance

The SGLI program provides low-cost group life insurance protection to persons on active duty in the military service, ready reservists, members of the Coast Guard, the Commissioned Corps of the National Oceanic and Atmospheric Administration and the Public Health Service, cadets and midshipmen of the service academies, members of the Reserve Officer Training Corps, and members who volunteer for assignment to a mobilization category in the Individual Ready Reserve. The maximum amount of SGLI coverage for all Service members is \$500,000.

The SGLI program is supervised by VA and administered, pursuant to a group insurance policy, by a private insurance carrier. The branches of service collect premiums from members of each of the uniformed services and forward the funds to VA. VA disburses those funds to the primary insurer for the payment of claims and administrative expenses. SGLI premiums also fund VA's discretionary expenses associated with supervision activities. The SGLI program is entirely self-supporting, except for any costs resulting from excess mortality traceable to the extra hazard of duty in the uniformed services. On July 1, 2019, the monthly SGLI premium rate decreased to \$.06 per \$1,000 of insurance coverage from \$.07 per \$1,000 of insurance coverage. VA periodically reviews premium rates across all programs to retain Veterans and Service members' trust and provide benefits that honors their service.

Eligibility for SGLI

Full-time coverage is available for:

- Active duty members of the Army, Navy, Air Force, Space Force, Marine Corps, and Coast Guard.
- Commissioned members of the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Public Health Service (PHS).
- Cadets or midshipmen of the four United States Service Academies.
- Cadets or midshipmen of the Reserve Officers Training Corps engaged in authorized training and practice cruises.

- Ready Reservists or National Guard scheduled to perform at least 12 periods of inactive training per year.
- Members of the Individual Ready Reserves who volunteer for assignment to a mobilization category.

Part-time coverage is available for eligible members of the Reserves and Reserve Officers' Training Corp (ROTC) who do not qualify for full-time coverage.

Coverage Amounts

Public Law 117-209 increased SGLI maximum coverage from \$400,000 to \$500,000 effective March 1, 2023. Prior to this date, the maximum coverage amount was \$400,000. This coverage is:

- Automatic at the time of entry into a period of active duty or reserve status.
- Available only in \$50,000 increments up to the maximum insurance amount available.

Members with full-time SGLI may decline coverage or may elect reduced coverage through the SGLI Online Enrollment System (SOES). Part-time SGLI members should complete form SGLV-8286 to make coverage changes. However, if such a member later wishes to obtain or increase coverage, proof of good health will be required.

Note: Reservists called to active duty are automatically insured the maximum insurance amount regardless of whether or not they had previously declined coverage or elected a lesser amount of coverage while on reserve duty.

SGLI Online Enrollment System (SOES)

Service members with full-time SGLI coverage can use the online system, SOES, to manage the amount of SGLI and Spousal coverage and to designate or update beneficiaries. Those with part-time coverage have to complete the paper form SGLV-8286 to make changes to their coverage or beneficiary elections.

To access SOES, members go to www.dmdc.osd.mil/milconnect, sign-in, and follow the link "Benefits - Life Insurance SOES - SGLI Online Enrollment System." Service members can log-in with their CAC or DS Logon, and can check their SGLI coverage and beneficiaries to make sure they are up-to-date.

SGLI Premium Rates

The tables below show premium rates for both full-time and part-time Active Duty and Reservists:

Active Duty/Reservists Full-Time Coverage Monthly Premium* (All Ages)		Active Duty/Reservists Part-Time Coverage Annual Premium* (All Ages)	
Amount of Insurance	Effective July 1, 2019	Amount of Insurance	Effective July 1, 2019
\$50,000	\$3.00	\$50,000	\$3.00
\$100,000	\$6.00	\$100,000	\$6.00
\$150,000	\$9.00	\$150,000	\$9.00
\$200,000	\$12.00	\$200,000	\$12.00
\$250,000	\$15.00	\$250,000	\$15.00
\$300,000	\$18.00	\$300,000	\$18.00
\$350,000	\$21.00	\$350,000	\$21.00
\$400,000	\$24.00	\$400,000	\$24.00
\$450,000	\$27.00	\$450,000	\$27.00
\$500,000	\$30.00	\$500,000	\$30.00

* These premiums do not include the \$1.00 premium for TSGLI coverage. To calculate the total premium that would be due, add \$1.00 to each rate shown (e.g., for \$200,000 of insurance coverage the premium would be \$13 and for \$500,000 of insurance coverage the premium would be \$31, etc.)

Coverage Periods

Full-time coverage is effective:

- Throughout a Service member's period of active duty or qualifying reserve status.
- For a 120-day free period following separation or release from active duty or reserve status.

Part-time coverage is effective:

- Only on the days of active duty or active duty for training and for periods of travel to and from such duty.
- For a free period of 120 days following the Reservist/National Guard active or inactive period during which a disability is incurred or aggravated

SGLI Disability Extension

If a Service member is totally disabled at the time of separation and has full-time SGLI coverage, they can apply to extend the coverage up to a maximum of two years.

Note: *An extension of SGLI due to total disability is not automatic. A Service member must apply to the Office of Servicemembers' Group Life Insurance for the disability extension.*

To be considered totally disabled, you must have a disability that prevents you from being gainfully employed OR have one of the following conditions, regardless of your employment status:

- Permanent loss of use of both hands
- Permanent loss of use of both feet
- Permanent loss of use of both eyes
- Permanent loss of use of one hand and one foot
- Permanent loss of use of one foot and one eye
- Permanent loss of use of one hand and one eye
- Total loss of hearing in both ears
- Organic loss of speech (lost ability to express oneself, both by voice and whisper, through normal organs for speech - being able to speak with an artificial appliance is disregarded in determination of total disability)

SGLI coverage for discharged Service members who are approved for the SGLI Disability Extension is converted to Veterans' Group Life Insurance (VGLI) at the end of the disability period, subject to the payment of VGLI premiums.

It is recommended that members apply for the SGLI Disability Extension within 240-days from discharge so that if they are found ineligible for the SGLI Disability Extension they will be considered for Veterans' Group Life Insurance coverage without any health review. Members who apply for the SGLI Disability Extension after 240-days and who are not approved for the coverage, may not qualify for Veterans' Group Life Insurance if they have serious health problems.

Beneficiary Selection

Insureds can name any beneficiary they choose. If none is selected, then the insurance is distributed, by law, in the following order:

- 1) spouse, or if none, 4) executor of estate, or if none,
- 2) children, or if none, 5) other next of kin.
- 3) parents, or if none,

In an effort to protect spouses of Service members, on September 1, 2005, Public Law 109-80 became effective and requires the member's branch of service to notify a spouse of a Service member if the member chooses not to be insured under SGLI or to be insured for less than the maximum amount. The law also requires the Service member's branch of service to

notify a spouse if the Service member names someone other than their spouse or child as the beneficiary. However, the notification does not include the name of the beneficiary.

Payment of Policy Proceeds

SGLI proceeds can be paid with the affirmative election of one of four payment options:

- Lump Sum Electronic Funds Transfer
- Lump Sum paid via a single check
- Lump Sum paid via the Alliance Account*
- 36 equal monthly installments

*If the beneficiary does not select an option, the insurance will be paid via the Alliance Account.

An Alliance Account is an interest-bearing draft account established in the beneficiary's name with a draft book. The beneficiary can write drafts for any amount up to the full amount of the proceeds. There are no monthly service fees or per draft charges and additional drafts can be ordered at no cost, but fees apply for some special services including returned drafts, stop payment orders and copies of statements/drafts. The Alliance Account is not available for payments less than \$5,000, payments to individuals residing outside the United States and its territories, and certain other payments. These will be paid by check.

Note: Beneficiaries cannot deposit additional funds into the Alliance Account.

Beneficiary Financial Counseling Services (BFCS) provides beneficiaries with free, professional financial advice from FinancialPoint, an independent company whose team of professionals are experts in handling a wide range of financial matters. Beneficiaries can access this service online 24/7 to request a financial plan. They simply enter their information into FinancialPoint's website, and a financial professional will prepare a customized financial plan based on the details provided. They can also call or e-mail to get quick answers to simple financial questions. In-person meetings with financial professionals are also available upon request. These important financial services are available to beneficiaries for two years following claim settlement.

Effective April 1, 2021, BFCS is available for two years from the date the claim is paid. This includes 40 hours of personal counseling over the two years and access to the program's online resources. Beneficiaries already using the services can continue to access an additional 40 hours with a local counselor and use online resources through April 30, 2023.

Online Will Preparation - Effective October 1, 2012, SGLI and FSGLI spousal coverage beneficiaries and TSGLI recipients have access to free Online Will Preparation. The online will preparation service enables beneficiaries to quickly and easily prepare a will without an

attorney. After answering a series of questions, the beneficiary will receive a legal will, valid in all states, ready to print and sign.

Accelerated Benefits Option (ABO) gives terminally-ill SGLI, FSGLI, and VGLI members access to a portion of the death benefits of their policies before they die. This is a one-time benefit only. The member may receive up to 50 percent of the face value of the insurance in a lump-sum payment subject to the following:

- This money will be available in increments of \$5,000.
- A member must have a medical prognosis of life expectancy of nine months or less.
- A member must be mentally competent to apply for the benefit.

Insurance Options After Separation From Service

Service personnel separated from active duty and the reserves have the right to convert their SGLI coverage to renewable term insurance coverage offered by the Veterans' Group Life Insurance (VGLI) program or to an individual permanent plan commercial life insurance policy. VGLI insureds may convert their coverage to an individual permanent plan commercial policy at any time.

Members with part-time SGLI coverage may continue coverage under VGLI only if the member has a disability that was incurred or aggravated during service, which renders them uninsurable at standard premium rates. The member should contact OSGLI before the end of the 120-day eligibility period. OSGLI will furnish the necessary information to the member on how to obtain VGLI coverage.

Servicemembers' Group Life Insurance Family Coverage (FSGLI)

Members who have SGLI coverage can also have FSGLI coverage for their spouse and children. Maximum coverage for spouses is \$100,000 or the amount of the Service member's SGLI coverage, whichever is less. Unlike SGLI, premiums for spouse coverage are based on the age of the spouse. All dependent children are insured for \$10,000 at no cost to the member.

Eligibility

Family coverage is available for the spouses and dependent children of active duty, Ready Reserve or National Guard Service members who are insured by SGLI.

Military Member Married to Military Member

All members of the uniformed services who married other members of the uniformed services on or after January 2, 2013 will not be automatically have spouse coverage under Family SGLI, but they can apply for it. Service members with full-time SGLI coverage should use the SGLI Online Enrollment System (SOES) to apply.

If the application for spouse coverage is made within 240 days of any of the following events, the member does not have to answer health questions about the spouse:

- The date of marriage
- The date the civilian spouse became a member of the military (if they don't already have the spouse coverage)
- The date the spouse, who is also a member of the military, separates from service

The member can still apply for coverage on his/her spouse after 240 days from the above events, but will have to submit proof of the spouse's good health to obtain the coverage.

Coverage Amounts

Spouses are covered for up to \$100,000 in increments of \$10,000. However, the spouse's coverage may not exceed the amount of the member's SGLI coverage. For example, if the Service member has \$50,000 of SGLI coverage, then the spouse can only be covered for \$50,000.

Members may decline or reduce the coverage for their spouse utilizing the SGLI Online Enrollment System (SOES). If a member later wants to obtain or increase coverage for their spouse, the member must request coverage in SOES and provide proof of the spouse's good health.

Dependent children are automatically covered for \$10,000 each. Dependent child coverage is provided automatically to members who have SGLI coverage, regardless of whether they have FSGLI coverage for their spouse. **Note:** *The maximum benefit under family coverage for any one child is \$10,000. This means that if both parents are insured under SGLI, the maximum payment upon death of the child is \$10,000.*

SGLI Spousal Coverage Premiums

Premiums for SGLI spousal coverage are automatically deducted from a Service member's pay and will continue to be deducted from pay until the Service member's separation from service or the member declines the coverage. Coverage will continue, at no extra cost, for 120-days following separation from service.

Effective July 1, 2019, premiums for SGLI spouse coverage were reduced for all age groups. This is the fourth reduction in premium rates since the FSGLI program began in 2001. The table below shows the monthly premiums for a spouse based on age and amount of coverage.

Servicemembers' Group Life Insurance - Spouse Coverage Monthly Premium Rates							
Amount of Insurance	Age of Spouse						
	34 & Below	35-39	40-44	45-49	50-54	55-59	60 & Over
\$100,000	\$4.50	\$5.30	\$7.00	\$10.00	\$17.00	\$29.50	\$45.00
90,000	4.05	4.77	6.30	9.00	15.30	26.55	40.50
80,000	3.60	4.24	5.60	8.00	13.60	23.60	36.00
70,000	3.15	3.71	4.90	7.00	11.90	20.65	31.50
60,000	2.70	3.18	4.20	6.00	10.20	17.70	27.00
50,000	2.25	2.65	3.50	5.00	8.50	14.75	22.50
40,000	1.80	2.12	2.80	4.00	6.80	11.80	18.00
30,000	1.35	1.59	2.10	3.00	5.10	8.85	13.50
20,000	0.90	1.06	1.40	2.00	3.40	5.90	9.00
10,000	0.45	0.53	0.70	1.00	1.70	2.95	4.50

Because premiums deducted from the member's pay for spouse coverage are determined from military records, **it is important that the information in the Defense Enrollment Eligibility Reporting System (DEERS) concerning their spouse and children is accurate and up-to-date.** Service members are strongly encouraged to update their personal information recorded in the Defense Enrollment Eligibility Reporting Systems (DEERS). Failure to record a spouse could cause the member to accrue a debt. Spousal coverage premiums are based upon the age of the spouse listed in DEERS.

Note: As child coverage under FSGLI is provided at no cost to the member, registration does not impact coverage. However, at point of claim, this information may be helpful in expediting payment of the claim.

Termination of Spousal Coverage

Coverage for a **spouse** will end 120-days after any of the following events:

- The date the Service member elects in writing to terminate their spouse's coverage.
- The date the Service member elects in writing to terminate their own SGLI coverage.
- The date of the Service member's death.
- The date the Service member separates from service.
- The date of the Service member's divorce from spouse.

Conversion of Spousal Coverage

A spouse may elect to convert his or her coverage to an individual permanent plan life insurance policy with any one of 11 participating commercial insurance companies within 120 days following one of the “termination of family coverage” events listed above. Spouses wishing to exercise this conversion privilege should contact OSGLI at 1-800-419-1473 to obtain information on conversion. There are no conversion options available to children.

Coverage for Stillborn Children

Public Law 110-389, enacted on October 10, 2008, provides coverage for stillborn children as insurable dependents under the FSGLI program. The term member’s stillborn child is currently defined as:

a member’s biological child– (i) Whose death occurs before expulsion, extraction, or delivery; and (ii) Whose– (A) Fetal weight is 350 grams or more; or (B) Duration in utero is 20 completed weeks of gestation or more, calculated from the date the last normal menstrual period began to the date of expulsion, extraction, or delivery.

Termination of Child Coverage

Coverage for a child will end 120 days after any of the following events:

- The date the Service member elects in writing to terminate their own coverage
- The date the Service member separates from service
- The date of the Service member’s death
- The date the Service member’s child is no longer their dependent. A child is considered a dependent if:
 - The child is unmarried and is under the age of 18. This includes all natural-born children, legally adopted children and stepchildren who are members of the Service member’s household.
 - The child is unmarried, between the ages of 18 years and 22 years and is enrolled and pursuing a course of instruction at an approved educational institution.
 - The child is unmarried and becomes permanently incapable of self-support before the age of 18.

Payment of Policy Proceeds

Payments of Family SGLI proceeds are made as follows:

For the death of:	Proceeds are paid to:
A spouse	The Service member
A child of one SGLI participant	The Service member
A child of two SGLI participants	The Service member who was eligible for SGLI coverage the longest, unless the other parent has custody of the child or in the case of a stillborn which is paid to the mother.

It is important to understand that Family SGLI coverage belongs to the SGLI insured member and not to the spouse.

For more information on SGLI Family Coverage, please visit our website at: www.va.gov/life-insurance/options-eligibility/fsgli/

How To File A Claim For SGLI or FSGLI

Military Casualty Assistance Offices generally assist beneficiaries with filing death claims and accelerated benefit option claims for SGLI and FSGLI. All claims should be submitted by the Casualty Office by one of the following methods:

By password protected email	osgli.claims@prudential.com
By mail	The Office of Servicemembers' Group Life Insurance PO Box 70173 Philadelphia, PA 19176-0173
By fax	1-877-832-4943

The forms to complete for death claims are:

Program	Claim Form	Where To File
SGLI Death Claim	SGLV Form 8283, Claim for Death Benefits	Casualty Office
FSGLI Death Claim	SGLV Form 8283a, Claim for Death Benefits	Casualty Office

The forms to complete for Accelerated Benefit Option Claims are:

Program	Form	Where To File
SGLI Accelerated Benefits	SGLV Form 8284, <i>Servicemember/Veteran Accelerated Benefits Option</i>	Casualty Office
FSGLI Accelerated Benefits	SGLV Form 8284a, <i>Servicemember/Veteran Accelerated Benefits Option</i>	Casualty Office

Note: If the deceased died while on active duty or while a member of a Reserve or National Guard Unit, the Casualty Office will provide proof of death to the Office of Servicemembers' Group Life Insurance. In all other situations, the claimant must submit a certified copy of the Certificate of Death.

SGLI Traumatic Injury Protection Program (TSGLI)

TSGLI is a traumatic injury protection rider under SGLI that provides for payment between \$25,000 and \$100,000 (depending on the type of injury) to any member of the uniformed services covered by SGLI who sustains a traumatic injury that results in certain severe losses. The premium charged for this coverage is \$1 per month from each Service member insured under SGLI. TSGLI also contains a retroactive provision that provides TSGLI coverage to Service members who suffered a qualifying loss on or after October 7, 2001, through and including November 30, 2005.

Effective November 26, 2008, VA increased the number of traumatic injuries covered under TSGLI and liberalized the criteria for other injuries as a result of an extensive “TSGLI Year-One Review” (YOR) of the program. The YOR regulation added new benefits for uniplegia, limb salvage, facial reconstruction, and partial amputation of the foot and hand. In addition, the qualifying criteria for the degree of severity for burns and the duration of loss of sight were expanded. Another important change was the provision of a benefit for members who are hospitalized for a period of 15 consecutive days as a result of a traumatic injury. Effective December 2, 2011, genitourinary losses were added as a new benefit.

Eligibility for TSGLI

All Service members who have SGLI coverage are automatically covered by TSGLI. It is not optional coverage. TSGLI coverage applies to active duty members, reservists, National Guard members, funeral honors duty, and one-day muster duty.

Note 1: Members with full-time SGLI are covered under TSGLI 24 hours per day, 365 days per year, both on and off duty. Members with part-time SGLI are also covered under TSGLI during periods when SGLI coverage is in full effect. Unlike SGLI, TSGLI coverage does not continue during the 120 days following separation. TSGLI coverage ends at midnight of the day the member separates from service. If a member suffers a traumatic event prior to midnight of the day of separation, they can still qualify for TSGLI payment as long as they incur a scheduled loss within two years of the traumatic event and meet the other eligibility criteria.

Who *is not* covered under TSGLI?

This coverage does ***not*** apply to spouses and children covered under Family SGLI or to those covered under the VGLI program.

How to Apply for a TSGLI Payment

A member who wants to file a claim for the traumatic injury benefit should contact their uniformed service to begin the certification process (go to www.va.gov/life-insurance/options-eligibility/tsgli/ for more information) and use form SGLV 8600 to apply for benefits. Each uniformed service will determine a member’s eligibility for traumatic injury protection benefits and will provide certification for payment to the member.

Coverage Amounts

TSGLI payments will range from \$25,000 to a maximum of \$100,000, depending on the type and severity of injury. Certain losses can be combined up to the maximum payment of \$100,000.

TSGLI Premiums

Premiums for full-time traumatic injury coverage are \$1.00 per month and are deducted from the Service member's pay. Premiums for Reservists or National Guard members with part-time coverage are \$1.00 per year and deducted from the Service member's pay.

Injuries Covered by TSGLI

TSGLI covers certain specific losses at certain payment amounts as listed in the "TSGLI Schedule of Losses" (go to www.benefits.va.gov/insurance/tsgli_schedule_Schedule.asp for this schedule). These losses include the following categories and certain combinations thereof:

- Total and permanent loss of sight, speech, or hearing or loss of sight that lasts at least 120-days
- Amputation of hand (includes loss of four fingers on the same hand or loss of thumb)
- Amputation of foot (includes loss of all toes)
- Loss of four toes on the same foot or loss of big toe
- Limb salvage
- Quadriplegia, paraplegia, hemiplegia, or uniplegia
- Burns (2nd degree or more covering 20% or more of the body or 20% or more of the face)
- Facial reconstruction
- Coma resulting from traumatic injury
- Inability to carry out at least two activities of daily living due to traumatic brain injury or other traumatic injury
- Continuous 15-day inpatient hospital care due to traumatic injury
- Permanent loss of use or anatomical loss of penis or testicle
- Permanent loss of use or anatomical loss of vulva, uterus, ovary, or vaginal canal
- Total and permanent loss of urinary system function

Losses Excluded From TSGLI Payment

The following losses are excluded from TSGLI payment:

- 1) Losses caused by:
 - a) a mental disorder
 - b) a mental or physical illness or disease, unless the illness or disease is caused by

- i. a pyogenic (pus forming, generally from a wound) infection, biological, chemical, or radiological weapon, or
 - ii. accidental ingestion of a contaminated substance.
 - c) attempted suicide,
 - d) self-inflicted wounds,
 - e) diagnostic procedures, preventive medical procedures such as inoculations, medical or surgical treatment, or any complications arising from such procedures or treatment, or
 - f) the member's willful use of an illegal or controlled substance, unless administered or consumed on the advice of a medical professional.
- 2) Injuries sustained while committing, or attempting to commit, a felony.

Veterans' Group Life Insurance (VGLI)

Service personnel separated from service with SGLI coverage have the right to convert their SGLI to renewable term insurance coverage offered by the VGLI program or to an individual permanent plan commercial life insurance policy. VGLI insureds may convert their coverage to an individual permanent plan commercial policy at any time.

Eligibility for VGLI

Full-time coverage is available for the following members who separated from service with SGLI coverage and apply within 1 year and 120 days of the following:

- Full-time SGLI insureds who are released from active duty or the Reserves/National Guard.
- Ready Reservists/National Guard members who have part-time SGLI coverage, and who, while performing active duty or inactive duty for training for a period of less than 31 days, incur a disability or aggravate a preexisting disability that makes them uninsurable at standard premium rates.
- Members of the Individual Ready Reserve (IRR) and Inactive National Guard (ING).

Members are also eligible to apply for VGLI if they had part-time SGLI and suffered an injury or disability on duty that rendered them uninsurable at standard premium rates. This includes travel directly to and from duty.

Coverage Amounts

Effective March 1, 2023, the maximum amount of VGLI increased to \$500,000. VGLI is issued in multiples of \$10,000 up to the legislative maximum but not for more than the amount of SGLI coverage the member had in force at the time of separation from active duty or the reserves.

The opportunity for Veterans to "buy-up" their VGLI coverage is offered under the following guidelines:

- The additional coverage must be requested during the 120-day period prior to the 1-year anniversary and subsequent 5-year VGLI anniversaries of the policy. For example, on the policy anniversary at year-1, year-6, year-11, year-16, and so forth.
- The member does not have to answer any medical questions.
- The total amount of coverage cannot exceed current legislative maximum.
- The member must be under age 60 on the coverage effective date of the increased coverage. The premium rates, beneficiary designations, and the renewable coverage options are the same as those for the current basic VGLI coverage.
- The member's VGLI coverage must be in an active status (i.e., not in pre-lapse/lapse).

Amounts available for this additional VGLI "buy-up" coverage:

- If the coverage amount is less than \$475,000, the insured can purchase an additional \$25,000 of VGLI coverage. Amounts less than \$25,000 are not allowed if coverage is less than \$475,000.
- If the coverage is more than \$475,000, the insured can purchase the amount that increases the coverage to \$500,000.

VGLI Renewal or Conversion

VGLI coverage renews automatically as long as premiums are current.

Rather than renew, a member also has the right at any time to convert VGLI to an individual permanent plan life insurance policy with any one of 11 participating private insurance companies. The member can convert their VGLI in \$10,000 increments. Conversion means that the company is obligated to sell the member a policy at standard rates, without regard to their health status.

How Separating Service Members Are Notified About VGLI Eligibility

Generally, separating Service members receive a series of mailings about their eligibility for VGLI following separation from service. The mailings are as follows:

- 1st Mailing: A postcard is mailed to separating Service members (soon after separation through 60-days after separation) with information for applying online.
- 2nd Mailing: A letter is mailed to separating Service members fourteen days after the first mailing.
- 3rd Mailing: A second postcard is mailed to separating Service members 180 days from separation
- 4th Mailing: A second letter and full application (with health questions) is mailed to separating Service members 55-weeks (about a one year and a month) from separation.

Notifications are mailed to the address shown on the member's DD Form 214 or equivalent separation orders. ***It is the member's responsibility, however, to apply within the time limits, even if they do not receive an application in the mail.*** Separating Service members who do not receive a mailing should apply using the instructions below.

How To Apply For VGLI Coverage

Veterans can apply for VGLI coverage through the VGLI Online Access portal on the VA Insurance website. The Veteran is walked through each step of the application process, from retrieving data automatically if OSGLI already has it on file, to presenting medical questions, if necessary, which can be completed online. Applications are evaluated instantly, and the Veteran is informed that his or her coverage is approved pending receipt of payment, and if required, proof of SGLI coverage. To apply online, go to the VA Insurance website, www.benefits.va.gov/insurance/. Under "I WANT TO" at the top right of the page, click the link "Apply for VGLI/Convert SGLI to VGLI." Scroll down the page to the "How do I get these benefits?" section and select one of the links to apply.

Payment of Premiums

Once a VGLI application is approved, the OSGLI will send the member a certificate of coverage and will begin billing the member monthly. There are several options available for the payment of premiums. A premium discount is available for some of these options.

Frequency of Payment	Methods of Payment Available	Premium Discount Rate
Monthly	VGLI Auto-Pay recurring deduction from checking or	No Discount
	Allotment from military retirement pay	
	Deduction from VA compensation payments	
	Check	
	On-demand deduction from credit card	
Quarterly	Check	2.50% Discount
	On demand deduction from credit card	
Semi-annually	Check	3.75% Discount
	On demand deduction from credit card	
Annually	Check	5.00% Discount
	On demand deduction from credit card	

VGLI Premium Rates

VGLI premium rates are determined by age group and amount of insurance. VGLI is available in \$10,000 increments.

Sample rates are shown below:

VGLI Monthly Premium Rates							
Age	Amount of Insurance						
	\$500,000	\$400,000	\$300,000	\$200,000	\$100,000	\$50,000	\$10,000
29 and younger	\$35.00	\$28.00	\$21.00	\$14.00	\$7.00	\$3.50	\$0.70
30 to 34	\$45.00	36.00	27.00	18.00	9.00	4.50	0.90
35 to 39	\$60.00	48.00	36.00	24.00	12.00	6.00	1.20
40 to 44	\$80.00	64.00	48.00	32.00	16.00	8.00	1.60
45 to 49	\$105.00	84.00	63.00	42.00	21.00	10.50	2.10
50 to 54	\$165.00	132.00	99.00	66.00	33.00	16.50	3.30
55 to 59	\$300.00	240.00	180.00	120.00	60.00	30.00	6.00
60 to 64	\$495.00	396.00	297.00	198.00	99.00	49.50	9.90
65 to 69	\$735.00	588.00	441.00	294.00	147.00	73.50	14.70
70 to 74	\$1,130.00	904.00	678.00	452.00	226.00	113.00	22.60
75 to 79	\$2,140.00	1,712.00	1,284.00	856.00	428.00	214.00	42.80
80 & Over	\$2,250.00	1,800.00	1,350.00	900.00	450.00	225.00	45.00

Cost of additional VGLI coverage

Insureds wishing to increase their coverage can purchase an additional \$25,000 of VGLI coverage. The premium rates are the same as those for basic VGLI.

Monthly VGLI Premium for Additional Coverage	
Age	Cost Per \$25,000
29 and under	\$1.75
30-34	\$2.25
35-39	\$3.00
40-44	\$4.00
45-49	\$5.25
50-54	\$8.25
55-59	\$15.00
60 and over*	N/A

*The insured must be under age 60 at the time he/she reaches the 1-year or five-year anniversary date.

- If coverage is \$475,000 or less, an additional \$25,000 of coverage can be purchased.
- Amounts less than \$25,000 are not allowed if the current coverage is less than \$475,000.

Beneficiary Selection

Any **beneficiary** can be named. If none is selected, the insurance is distributed, by law, in the following order:

- 1) spouse, or if none,
- 2) children, or if none,
- 3) parents, or if none,
- 4) executor of estate, or if none,
- 5) other next of kin.

Please note: A Divorce Decree cannot compel change in the named beneficiary. If a Trust is named, simply listing the name of the trust does not *create* the trust, the member needs to establish the Trust *before* naming the trust as beneficiary.

Payment of Policy Proceeds

VGLI proceeds can be paid with the affirmative election of one of four payment options:

- Lump Sum Electronic Funds Transfer
- Lump Sum paid via a single check
- Lump Sum paid via the Alliance Account*
- 36 equal monthly installments

If the beneficiary does not select an option, the insurance will be paid via the Alliance Account.

* The Alliance Account is not available for payments less than \$5,000, payments to individuals residing outside the United States and its territories, and certain other payments. These will be paid by check.

Beneficiary Financial Counseling Services (BFCS) is a benefit that provides free financial advice to a beneficiary upon the death of a Service member or Veteran, or to a Service member upon receipt of a Servicemembers' Group Life Insurance Traumatic Injury Protection payment or a spousal coverage payment under FSGLI.

Accelerated Benefits Option (ABO) gives terminally-ill SGLI and VGLI policyholders access to the death benefits of their policies before they die. This is a one-time benefit only. The member may receive a portion of the face value of the insurance in a lump-sum payment subject to the following:

- Terminally ill insureds will have access of up to 50 percent of the face amount of their coverage during their lifetime.
- This money will be available in increments of \$5,000.
- An insured must have a medical prognosis of life expectancy of nine months or less.

Online Policy Access

VGLI members can access their account information online by going to <https://www.va.gov/life-insurance/manage-your-policy/> and clicking on Find your policy through Prudential. First-time users can create an account by entering their Last Name, Social Security Number and Control Number. After submitting this information, they then have the opportunity to create their own User ID and Password. The member will then have access to his/her Veteran's Group Life Insurance record. With an online account, Members can:

- View and verify account information, such as status of their coverage, payment and billing information, and beneficiary information.
- Update personal information, such as address and name changes
- Update policy information, including beneficiary designation and coverage amount changes
- Pay premium online via electronic check, credit card, or electronic funds transfer from their bank account
- Sign up for VGLI Auto Pay to have premium deducted each month from their bank account
- Veterans whose coverage has lapsed due to non-payment of premiums can apply online to have their coverage reinstated.

VGLI Web Chat Feature

VGLI Web Chat allows VGLI policyholders to interact in real time with a Customer Service Representative online. To start a VGLI Web Chat session, VGLI members are required to sign in to their VGLI Online account and click “Chat Now” on the “Contact Us” page. Additional features of VGLI Web Chat include scheduling a call with a Customer Service Associate, requesting information on premium options and premium reduction, as well as other account actions, such as paying a bill or updating beneficiaries.

How To File A Claim For VGLI

All claims should be submitted to the Office of Servicemembers’ Group Life Insurance (OSGLI) by one of the following methods:

By mail	The Office of Servicemembers’ Group Life Insurance PO Box 70173 Philadelphia, PA 19176-0173
By fax	1-877-832-4943

The form to complete for death claims is:

Program	Claim Form	Where To File
VGLI Death Claim	SGLV Form 8283, Claim for Death Benefits	OSGLI

The form to complete for Accelerated Benefit Option Claims is:

Program	Form	Where To File
VGLI Accelerated Benefits	SGLV Form 8284, <i>Servicemember/Veteran Accelerated Benefits Option</i>	OSGLI

Contact Information for SGLI, FSGLI and VGLI

If you are looking for information about the SGLI, FSGLI and VGLI programs and cannot find answers to your questions on the Insurance website, you can call, e-mail or write to the Office of Servicemembers' Group Life Insurance (OSGLI). OSGLI administers the SGLI, FSGLI and VGLI programs, including the processing and payment of claims. OSGLI can be reached at:

Toll-free telephone	1-800-419-1473
General Correspondence	The Office of Servicemembers' Group Life Insurance PO Box 41618 Philadelphia, PA 19176-9913
E-mail	Death and Accelerated benefit claims: osgli.claims@prudential.com All other inquiries: osgli.osgli@prudential.com
Toll-free fax	Death and accelerated benefits claims: 1-877-832-4943 All other fax inquiries: 1-800-236-6142
New VGLI Applications and VGLI Reinstatements	OSGLI PO Box 41618 Philadelphia, PA 19176-9913
Accelerated Benefits Options	OSGLI PO Box 70173 Philadelphia, PA 19176-0173
Non-toll-free telephone (To contact OSGLI from overseas)	973-548-5699
Non-toll-free fax (To contact OSGLI from overseas)	973-548-5300
Website	www.benefits.va.gov/insurance

Contact Information for TSGLI

Questions about the status of claims filed for TSGLI should be directed to the appropriate uniformed service TSGLI office which can be found on page 1 of the TSGLI form at

<https://www.benefits.va.gov/INSURANCE/forms/SGLV-8600.pdf>.

Servicemembers' Civil Relief Act - SCRA

Important!

SCRA does not apply to SGLI, Family SGLI and VGLI insurance policies described in this booklet. This provision applies to commercial policies and VA's only role is to make eligibility determinations for applicants.

History of the Servicemembers' Civil Relief Act

Congress and state legislatures have long recognized that military service can often place an economic and legal burden on Service members. The Soldiers' and Sailors' Civil Relief Act of 1918 was passed to protect the rights of Service members while serving on active duty. Service members were protected from such things as repossession of property, bankruptcy, foreclosure, or other such actions while serving in the military. This Act remained in effect until shortly after World War I when it expired. The Soldiers' and Sailors' Civil Relief Act of 1940 (SSCRA) was passed to protect the rights of the millions of Service members activated for World War II. The SSCRA has remained in effect until the present day and has been amended many times since 1940 to keep pace with the changing military. In December 2003, Congress passed legislation renaming SSCRA as the Servicemembers' Civil Relief Act (SCRA). The SCRA updates and strengthens the civil protections enacted during World War II.

Eligibility for Protection of Life Insurance Coverage under SCRA

Under SCRA, VA will protect from default for nonpayment of premiums up to \$500,000 of commercial life insurance for Service members called to active duty. The protection provided by this legislation applies during the insured's period of military service and for a period of two years thereafter. The following are conditions for eligibility for protection:

- The policy must be whole life, endowment, universal life, or term insurance.
- The policy must have been in force on a premium-paying basis for at least six months at the time the Service member applies for benefits and prior to the date of the insured's entry into military service.
- Benefits from the policy cannot be limited, reduced, or excluded because of military service. Policies for which an additional amount of premium is charged due to military service are not eligible for protection under SCRA.

How to Apply for Protection of Life Insurance Coverage under SCRA

- The Service member must apply for protection of their life insurance by filing VA Form 29-380 "Application For Protection Of Commercial Life Insurance Policy" with his/her insurance company and forwarding a copy of the application to VA.
- Service members can access this form by clicking on this link: [About VA Form 29-380 | Veterans Affairs](#).

- The Secretary of Veterans Affairs shall determine whether a policy is entitled to protection under SCRA and shall notify the insured and the insurer of that determination.

Benefits and Limitations of SCRA Life Insurance Protection

Once the Service member has applied for protection of their life insurance policy and VA determines that the policy is eligible for protection under SCRA:

- The Service member is still responsible for making premium payments. However, the policy will not lapse, terminate, or be forfeited because of the Service member's failure to make premium payments or to pay any indebtedness or interest due during their period of military service or for a period of two years thereafter.
- The right of the Service member to change their beneficiary designation or select an optional settlement for a beneficiary is not affected by the provisions of this Act.
- Premium payments are only deferred, not waived. During this period, the government does not pay the premiums on the policy but simply guarantees that the premiums will be paid at the end of the Service member's period of active duty.
- A Service member cannot receive dividends, take out a loan, or surrender the policy for cash without the approval of VA. (Dividends or other monetary benefits shall be added to the value of the policy and will be used as a credit when final settlement is made with the insurer.)
- If the policy matures as a result of the insured's death, or any other means, during the protected period, the insurance company will deduct any unpaid premiums and interest due from the settlement amount.

Termination of Period Under SCRA

The Service member has up to two years after their military service terminates to repay the unpaid premiums and interest to the insurer. If the amount owed is not paid before the end of the two years, then:

- The insurer treats the unpaid premiums as a loan against the policy.
- The government will pay the insurer the difference between the amount due and the cash surrender value (if the cash surrender value of the policy is less than the amount owed.)
- The amount the United States government pays to the insurance company under the SCRA becomes a debt due the government by the insured.
- If the policy matures as a result of the insured's death, or any other means, during the protected period, the insurance company will deduct any unpaid premiums and interest due from the settlement amount.

VA Insurance Website

Information about all VA Life Insurance programs can be found on our website at www.benefits.va.gov/insurance. This includes all forms, links to Online Policy Access, contact information, online training and additional resources.

Life Insurance Needs Calculator

This interactive website feature helps Veterans determine if they have enough life insurance to meet their family's needs. VA's Life Insurance Needs Calculator provides Veterans with an estimated amount of life insurance necessary to support their survivors.

The calculator suggests the amount of life insurance the Veteran should have by using the following information input by the Veteran:

- **Current assets** (these include such things as investments, bank accounts, savings bonds, social security benefits, retirement funds, etc.)
- **Net income survivors will need** (the annual income that will provide the standard of living desired for survivors minus the annual income available to survivors)
- **Financial obligations** (these include such things as car loans, credit card debt, funeral/burial expenses, children's educational expenses, mortgages, etc.)

To use the calculator, go to <https://insurance.va.gov/NeedsCalculator>.

Note: VA's Life Insurance Needs Calculator does not include every financial situation that may affect a Veteran. The calculator should be used as a guide only and is not a substitute for a financial planner. Financial information is not saved or transmitted to VA.