

VOLUME 7A, CHAPTER 47: “SERVICEMEMBERS’ GROUP LIFE INSURANCE (SGLI) PROGRAM”

SUMMARY OF MAJOR CHANGES

All changes are denoted by **blue font**.

Substantive revisions are denoted by an * symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue, and underlined font**.

The previous version dated February 2014 is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
470501	Incorporated the premium increase of 7 cents per \$1,000.	Revision
Bibliography	Memorandums updated.	Revision

Table of Contents

VOLUME 7A, CHAPTER 47: “SERVICEMEMBERS’ GROUP LIFE INSURANCE (SGLI) PROGRAM”	1
4701 GENERAL	4
4702 COVERAGE	4
470201. Full- and Part-Time Coverage	4
470202. Periods of Coverage	5
470203. Forfeiture of Coverage	5
4703 MARRIED MEMBER’S DESIGNATION OF A BENEFICIARY OTHER THAN THE SPOUSE	5
4704 APPELLATE LEAVE	5
4705 SGLI PREMIUMS	6
*470501. Premium Rates	6
470502. Non-Pay Status	6
470503. Direct Remitters	6
470504. Failure to Make Remittance Within 60 Days	7
4706 REFUNDS	7
4707 EXTRA HAZARD COSTS	7
470701. Cost	7
470702. Payment	7
4708 SETTLEMENT OF SGLI CLAIMS	7
4709 FAMILY COVERAGE UNDER SGLI (FSGLI)	7
470901. Eligibility	7
470902. Spousal Coverage	8
470903. Cost	8
470904. Children’s Coverage	8
470905. Member Married to Member	8
470906. Effective Date	9
470907. Reinstatement or Increase in Coverage	9
470908. Termination of Coverage	9
470909. Refunds	9
470910. Beneficiary	10

Table of Contents (continued)

4710	TRAUMATIC INJURY PROTECTION PROGRAM (TSGLI)	10
471001.	Definitions	10
471002.	Eligibility.....	10
471003.	Limitations	11
471004.	Other Limitations	11
471005.	Exclusion.....	11
471006.	Effective Date.....	11
471007.	Amount of Coverage	11
471008.	TSGLI Premium.....	11
471009.	Termination of TSGLI	12
471010.	Payment of Traumatic Injury Protection Benefit	12
471011.	Taxability	13
471012.	Settlement of Claims	13
471013.	Appeal of Eligibility Determination.....	13
4711	DESIGNATION OF FIDUCIARY OR TRUSTEE UNDER TSGLI.....	14
471101.	Authority	14
471102.	Appointment of Fiduciary or Trustee.....	14
471103.	Authority of Fiduciary or Trustee	15
4712	REIMBURSEMENT ALLOWANCE FOR SGLI PREMIUM DEDUCTION.....	15
471201.	General	15
471202.	Premiums.....	15
471203.	Tax Implication	16
Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time)..		17
*BIBLIOGRAPHY		20

CHAPTER 47

SERVICEMEMBERS' GROUP LIFE INSURANCE (SGLI) PROGRAM

4701 GENERAL

The Servicemembers' Group Life Insurance Program is administered by the Department of Veterans Affairs (DVA). Eligible members, who receive basic pay for 1 or more days per month or members of the Reserves who drill for points are responsible for the payment of SGLI and Family Servicemembers' Group Life Insurance (FSGLI) premiums, unless the eligible member elects to waive coverage. Coverage and premiums are discussed in sections 4702 and 4705, respectively.

4702 COVERAGE

470201. Full- and Part-Time Coverage

A. Full-Time Coverage. Full-time coverage automatically insures eligible members against death in the amount of \$400,000 when a member is performing active duty or active duty for training for an ordered period of more than 30 days, or while on full-time duty as a cadet or midshipman at a Service Academy. All members of the Ready Reserve and National Guard, who are assigned or attached to a unit or position, that may require performing active duty or active duty for training; and will be scheduled to perform at least 12 periods of inactive duty for training annually, also are covered full-time (includes, but not limited to training and retired categories A, B, C, D, F, H, L, P, Q, T, and U). Members may elect coverage for an amount less than \$400,000, in \$50,000 increments, or may elect to waive coverage.

B. Part-Time Coverage. Part-time coverage is provided for the following members while performing active duty or active duty for training for an ordered period of less than 31 days:

1. Commissioned, warrant, or enlisted members of the Army, Navy, Air Force, Marine Corps and Coast Guard Reserves;
2. Members of the Individual Ready Reserve during 1-day call-ups;
3. Members of the Army and Air National Guard performing duty:
 - a. At rifle ranges for the training of civilians in the use of military arms;
 - b. Required drills;
 - c. Field exercises;
 - d. National Guard Schools;

- e. Small arms competitions; and
- 4. Cadets, or midshipmen of the Senior Reserve Officers Training Corps while attending field training or practice cruises.

The eligible member is insured during the days of actual duty performed and becomes eligible for full-time coverage when the member performs active duty or active duty for training for an ordered period of more than 30 days.

C. Changes in Coverage. A member, which is covered for an amount less than maximum SGLI coverage, may apply later for increased coverage in writing in an amount of up to maximum SGLI coverage with proof of good health.

470202. Periods of Coverage

See Table 47-1.

470203. Forfeiture of Coverage

Any person, guilty of mutiny, treason, spying, desertion, or who, because of conscientious objections, refuses to serve in the Armed Forces of the United States (US), or refuses to wear the uniform of the Armed Forces, forfeits all rights to any coverage. This insurance is not payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the US.

4703 MARRIED MEMBER'S DESIGNATION OF A BENEFICIARY OTHER THAN THE SPOUSE

When a member designates a beneficiary for SGLI coverage other than his or her current lawful spouse or child(ren), or makes an election for reduced or no coverage, the Secretary concerned **will** notify the spouse in writing, that the member has designated another person to receive payment of SGLI, or has made an election for reduced coverage or no coverage. The advisory must be made as quickly as possible or within 30 days from the date of such election. The notification will not include the name(s) of the actual designated beneficiary(ies). A good faith effort to satisfy the requirement to provide notification to the spouse at the last address in the records of the Secretary concerned.

4704 APPELLATE LEAVE

When placed on appellate leave following confinement with total forfeiture of pay and allowances (during which coverage had been properly stopped, see Table 47-1, rule 9), coverage is not reinstated. If appellate leave is followed by a restoration to duty with pay, then coverage is reinstated on the date the member returns to full duty status and continues during the period of excess leave. Coverage is reinstated at the amount in effect on the day prior to its stoppage.

4705 SGLI PREMIUMS

*470501. Premium Rates

Effective July 1, 2014, the premium rates are as follows:

* A. Full-Time Coverage. For members who meet the requirements for full-time coverage, the premium rate is 7 cents per month per \$1,000 of coverage, \$3.50 monthly for each \$50,000, or \$28.00 monthly for \$400,000 of coverage. An additional \$1 is charged each month for Traumatic Injury Protection under Servicemembers' Group Life Insurance (TSGLI). TSGLI coverage is automatic for those insured under basic SGLI and can be declined only by refusing basic SGLI coverage. When a member no longer meets the requirements for full-time SGLI coverage, the member's Service must notify the member of the pending termination of benefits. For rules concerning starting and stopping deductions, see Table 47-1. Monthly deductions are not prorated for partial months of service. Deduct the full monthly premium for any month in which a member is covered for at least 1 day. During months in which coverage amounts change, deduct the full month's premium for the higher coverage rate.

* B. Part-Time Coverage. The premium rate for part-time coverage is \$28.00 per year for \$400,000 of coverage. An additional \$1 charged for TSGLI. The annual premium is collected from the member's pay account during the first period of duty in which the member is in a pay status. Members of the Individual Ready Reserve will be charged \$1.00 for \$400,000 of coverage for 1-day call-ups.

470502. Non-Pay Status

During any month in which a member is assigned to the Ready Reserve of a Uniformed Service, and is insured under a policy of insurance purchased by the Secretary concerned, the Uniformed Service concerned will contribute from the appropriation for active duty pay, the share of the cost attributable to insuring such member under this policy. Any amounts so contributed on behalf of the member will be collected by DoD by deduction from the member's pay or otherwise which may include establishing a debt against the member's pay account, and will be credited to the appropriation from which the contribution was made.

470503. Direct Remitters

Each Service must have clearly established programs to identify members who are required to make a direct remittance of premiums. Services must notify members at least 30 days in advance of the date the direct remittance is due. The notice will include the amount of the payment, the date it is due, and the Service's address to which the payment should be sent. The member must make remittance within 30 days from the date of the notice.

470504. Failure to Make Remittance Within 60 Days

When the Secretary concerned determines that a member has failed to make direct remittance within 60 days of the due date, the Secretary concerned will send a "Notice of SGLI Termination" to the member's official address. The notice must clearly state that effective 60 days from the date of such notice the member's SGLI will be terminated. Termination of the insurance may be vacated if, before the expiration of 60 days from the date of the "Notice of SGLI Termination," the member remits all amounts past due for SGLI coverage and can justify the failure to make timely remittance to the Secretary concerned.

4706 REFUNDS

Refunds **will** not be made of amounts deducted before the effective date of any election for reduced or waived coverage. When the Office of Servicemembers' Group Life Insurance (OSGLI) rejects a request for reinstatement of coverage or increased coverage, any increase in premiums withheld pending OSGLI rejection **will** be credited to the member's pay account.

4707 EXTRA HAZARD COSTS

470701. Cost

In addition to a deduction from the member's pay, each Military Service contributes from its appropriations an amount (determined by the DVA) attributable to the extra hazard cost of SGLI. This premium reflects the cost of death claims in excess of the level of death claims that would result from normal peacetime service.

470702. Payment

The Military Services centrally pay the premium for extra hazard costs, along with the member premiums to the DVA.

4708 SETTLEMENT OF SGLI CLAIMS

Death claims are filed with the OSGLI. The order of precedence for payment is the same as prescribed in subparagraph 471010.C. The OSGLI **will** reduce the insurance proceeds by the amount of any member premiums not paid. Effective July 1, 2011, the [***SGLI Form 8283***](#), Claim for Death Benefits, and [***SGLI Form 8283A, Claim for Family Coverage Death Benefits***](#), were updated to reflect electronic funds transfer as a settlement payment option for the beneficiaries.

4709 FAMILY COVERAGE UNDER SGLI (FSGLI)

470901. Eligibility

FSGLI automatically covers spouses and dependent children (insurable dependents) of Uniformed Service members. In order for the spouse and children to be eligible for family coverage, the service member **will** be enrolled in the full-time SGLI coverage. Enrollment for

members of the Uniformed Services is based on dependent information in the Defense Enrollment Eligibility Reporting System (DEERS). For Marine Corps members, enrollment is based on dependent information on the Marine Corps Total Force System (MCTFS).

NOTE: Effective October 10, 2008, coverage was expanded to include the member's stillborn child.

470902. Spousal Coverage

The spouse of an eligible member automatically is covered for \$100,000. Coverage of a spouse, however, cannot exceed the member's SGLI coverage if such coverage is less than \$100,000. For example, if the member's SGLI coverage is \$50,000, then the coverage for the spouse cannot exceed \$50,000.

470903. Cost

The premiums are based on the age and the amount of coverage. The premium rates for the spouse are as follows:

Effective July 1, 2010

Age	Monthly Rate (Per \$1,000)	Monthly Cost (Per \$100,000)
Under 35	\$0.05	\$5.00
35 – 39	\$0.065	\$6.50
40 – 44	\$0.085	\$8.50
45 – 49	\$0.13	\$13.00
50 – 54	\$0.25	\$25.00
55 – 59	\$0.37	\$37.00
60 and Over	\$0.50	\$50.00

470904. Children's Coverage

Each child is covered in the amount of \$10,000 at no cost to the member. The member may not decline coverage or elect to insure any child for less than \$10,000. In the case of a member married to another member, a child may not be insured by more than one member. The child **will** be insured by the coverage of the member whose eligibility for insurance occurred first, except in cases where the senior member does not have legal custody of the child. In such cases, the child **will** be insured under the coverage of the member who has custody of the child.

470905. Member Married to Member

A member married to another member is eligible for coverage under this program. Members who were married on or before January 1, 2013 were automatically enrolled for FSGLI when their marriage was reported to DEERS/MCTFS. Members married on and after

January 2, 2013 who want the FSGLI coverage must complete the FSGLI enrollment documentation through their servicing personnel offices.

470906. Effective Date

Family coverage under SGLI is effective with regard to dependents of a member on the latest of the following dates:

- A. The date member enrolled in SGLI;
- B. In the case of the spouse, the date of marriage; or
- C. In the case of the child, the date of birth. If a child is not a natural child of the member, then the date in which the child acquires status as dependent of the member.

470907. Reinstatement or Increase in Coverage

The member must complete the [SGLI 8286A, Request for Family Coverage](#) to increase or reinstate FSGLI if coverage was previously reduced or declined. Proof of good health is required. If the good health requirement is met, then the effective date of reinstatement or increase of coverage is the date the application is received by the member's branch of service.

470908. Termination of Coverage

Family coverage under SGLI will stop:

- A. On the last day of the member's SGLI coverage;
- B. On the earliest date of 120 days after:
 - 1. The date of an election made in writing by the member to terminate the coverage (a premium is due for the month in which the election is received; no further premiums are due);
 - 2. Date of the member's death;
 - 3. Member separates from the Service; or
 - 4. Termination of the dependent status as an insurable dependent of the member.

470909. Refunds

See section 4706.

470910. Beneficiary

The member is the primary beneficiary for family coverage. For the settlement of a claim, refer to section 4708.

4710 TRAUMATIC INJURY PROTECTION PROGRAM (TSGLI)

471001. Definitions

The following definitions are applicable only to this section.

A. Traumatic Event. A traumatic event occurs during the application of external force, violence, chemical, biological, or radiological weapons, or accidental ingestion of a contaminated substance causing damage to a living being. A traumatic event *does not* include cases involving adverse reactions to vaccinations, surgical trauma, or adverse outcomes of medical procedures.

B. Traumatic Injury Protection. Traumatic injury protection provides for the payment of a specified benefit amount to a member insured by SGLI who sustains a traumatic injury directly resulting in a scheduled loss.

471002. Eligibility

The TSGLI under the auspices of the SGLI program provides payments to severely injured members who suffer a scheduled loss as a direct result of serious trauma incurred under conditions in subparagraph 471001.A, such as loss of an arm or leg. If a member suffers more than one such qualifying loss as a result of traumatic injury from the same traumatic event, then payment **will** be made for a single loss providing the highest payment. This monetary assistance helps the member and his/her family through an often long and arduous treatment and rehabilitation period. In order for a member to be eligible for TSGLI benefits, the member must meet the following requirements:

A. Be a member of the Uniformed Services and insured by SGLI under paragraph 470201 on the date of the traumatic event. For this purpose, the member will be considered a member of the Uniformed Services until midnight on the date of termination of the member's duty status in the Uniformed Services that established eligibility for SGLI, notwithstanding an extension of SGLI coverage under Table 47-1;

B. Must suffer a scheduled loss (e.g., an arm, a leg) as a direct result of a traumatic injury and no other cause;

C. Must survive a period of not less than 7 full days from the date of the traumatic injury. The 7-day period begins on the date and Zulu (Greenwich Meridian) time of the traumatic injury and ends 168 full hours later; and

D. Must suffer a scheduled loss (e.g., an arm, a leg) within 2 years of the traumatic injury occurred.

471003. Limitations

A benefit will not be paid if a scheduled loss is due to a traumatic injury caused by:

- A. The member's attempted suicide, while sane or insane;
- B. An intentionally self-inflicted injury or an attempt to inflict such injury;
- C. Medical or surgical treatment of an illness or disease; or

D. Willful use of illegal or controlled substance, unless administered or consumed on the advice of a medical doctor.

471004. Other Limitations

A benefit will not be paid for a scheduled loss resulting from:

- A. A physical/mental illness or disease, whether or not caused by a traumatic injury, other than a pyogenic infection or physical illness or disease caused by biological, chemical, or radiological weapons or accidental ingestion of a contaminated substance; or
- B. A mental disorder whether or not caused by a traumatic injury.

471005. Exclusion

For the purposes of this section, if the member is insured under SGLI only as an insurable dependent of another service member, then the insurable dependent **will** not be considered a member insured under TSGLI.

471006. Effective Date

All members covered by the SGLI program will be automatically covered under TSGLI. Members must decline SGLI coverage in order to cancel TSGLI.

471007. Amount of Coverage

Members who suffer a loss from a traumatic injury are eligible to receive monetary compensation of not less than \$25,000 and not more than \$100,000.

471008. TSGLI Premium

Deduct a monthly premium of \$1.00 in addition to SGLI premium from the member's pay the month the member's SGLI coverage begins. There is no cost for TSGLI coverage for a

member while performing funeral honors and muster duties.

471009. Termination of TSGLI

A. TSGLI coverage terminates at midnight of the last day of the month that the member is no longer covered under SGLI or at midnight of the date of the member's separation from service, whichever occurs first.

B. TSGLI coverage is not in effect during the 120-day post-separation period or during the 2-year SGLI disability extension.

C. TSGLI cannot be converted to Veterans' Group Life Insurance or commercial coverage.

471010. Payment of Traumatic Injury Protection Benefit

The payment of traumatic injury protection benefit **will** be paid to the member who suffered the scheduled loss except under the following circumstances:

A. If the member is legally incapacitated, then the member's legal guardian; agent or attorney acting under a valid Power of Attorney will be paid the benefit on behalf of the member.

B. If no guardian, agent, or attorney is authorized to act as the member's legal representative, then a military trustee who has been appointed **will** be paid the benefit on behalf of the member. The military trustee will report the receipt of the traumatic injury benefit payment and any disbursements from that payment to the Department of Defense per subparagraph 471103.D.

C. If a member who is eligible for payment of TSGLI benefits dies before payment is made, then the beneficiary or beneficiaries will be paid the benefit in the following order of precedence:

1. Beneficiary designated by the member in writing, if the designation is received by the Military Department concerned before the member's death;

2. Surviving spouse;

3. Children and their descendants, by representation. The term "children" includes the following:

a. Legitimate Children;

b. Legally Adopted Children;

c. Illegitimate Children. The illegitimate child of a female

member is an eligible beneficiary. An illegitimate child of a male member is an eligible beneficiary only if:

- (1) The member acknowledged the child in a writing signed by the member;
- (2) The member has been judicially ordered to contribute to the child's support;
- (3) The member has been, before his death, judicially decreed to be the father of such child;
- (4) Proof of paternity is established by a certified copy of the public record of birth or church record of baptism showing that the insured was the informant and was named as father of the child; or
- (5) Proof of paternity is established from service department or other public records, such as school or welfare agencies, which show that with his knowledge the insured was named as father of the child;

Note: A stepchild is not an eligible beneficiary unless adopted by the deceased member.

4. Father and mother in equal parts or, if either is dead, then the survivor;
5. Legal representative of the deceased member's estate; or
6. Person entitled under the law of the domicile of the deceased member.

471011. Taxability

All benefits paid under any law administered by the DVA are exempt from taxation. SGLI is a benefit administered by the DVA; therefore, all benefits paid are not taxable. If an overpayment occurs and the overpayment is not returned, then the benefit may be taxable.

471012. Settlement of Claims

The member must complete Part A of the Application for TSGLI Benefits Form, sign and submit the form to his/her Service representative for review and certification. Once the claim is approved, the Service representative will forward the claim to OSGLI for payment.

471013. Appeal of Eligibility Determination

To appeal the denial of a claim for TSGLI benefits, an appeal of eligibility determination must be submitted in writing by the member or member's legal representative, or by the

beneficiary or the beneficiary's legal representative, within 1-year of the date of the denial of eligibility. The appeal must be submitted to the office of the Uniformed Service identified in the decision regarding the member's eligibility for the benefit.

4711 DESIGNATION OF FIDUCIARY OR TRUSTEE UNDER TSGLI

471101. Authority

The Secretary concerned, in consultation with the Secretary of Veterans Affairs, will develop a process for the designation of a fiduciary or trustee of a member of the Uniformed Services who is insured against traumatic injury under section 4710. The trustee will receive payment for a qualifying loss under section 4710 in the event that the member becomes medically incapacitated or experiences an extended loss of consciousness.

471102. Appointment of Fiduciary or Trustee

If a member is legally incapacitated and has no legal guardian, agent, or attorney acting on his or her behalf, then a fiduciary or trustee may be appointed to act on the member's behalf. The authority to appoint military trustees has been delegated to the Director, Defense Finance and Accounting Service (DFAS) Cleveland.

A. The fiduciary or trustee appointed by the Director, DFAS Cleveland, has the authority to receive, expend, and account for monies received from the military and, specifically under this section, TSGLI benefits. The trustee must use the monies received for the benefit of the incompetent member.

B. All applications to appoint a trustee and related documentation should be submitted to:

Defense Finance and Accounting Service
Retired Pay Department
P.O. Box 998021, Room 1579
Cleveland, OH 44199-8021

C. The Director, DFAS Cleveland may designate one of the following persons as trustee for an incompetent military member if the trustee is 21 years of age or over:

1. Lawful spouse (not subject to age requirement);
2. Children:
 - a. Legitimate Child; or
 - b. Adopted Child;
3. Father and mother;

4. Head of an institution, if member is a patient; or
5. Any other person or persons if in the best interest of the member.

471103. Authority of Fiduciary or Trustee

The fiduciary or trustee:

A. Will submit a Department of Defense Form 2827, Application for Trusteeship, as verification of appointment as trustee of the member;

B. Has the ability to gain access to the Prudential's Alliance Account after providing written confirmation of his or her appointment of fiduciary or trustee by DFAS;

C. Can access the Prudential's Alliance Account and choose how to disburse the member's TSGLI benefit payment. The designated trustee must furnish a suitable bond when the amount received may exceed \$1,000. The required bond must have as the surety, a company approved by the US Government and is in an amount stipulated by the Director, DFAS Cleveland. If a bond is required, then only the premium fee charged by the bonding company may be paid from funds received on behalf of the member. Other expenses incurred when securing the bond will not be paid with member funds; and

D. Must provide an annual accounting of any disbursements, including the TSGLI payments, to the Director, DFAS Cleveland. The report must show all funds received all expenditures made on behalf of the member and a statement of the condition of the trustee's account at the time the report is submitted. Upon request, the trustee may be required to provide receipts, cancelled checks, voucher accounts, savings account passbook, and other supporting financial documents of the trustee account.

4712 REIMBURSEMENT ALLOWANCE FOR SGLI PREMIUM DEDUCTION

471201. General

The Secretary concerned will pay an allowance to a member of the Armed Forces based on the SGLI premium of the SGLI coverage held by a member while serving in the theater of operations for Operation Enduring Freedom (OEF) or Operation Iraq Freedom (OIF) at any time during the month. In order to qualify for this allowance, a member must be deployed outside of the US and serving in the theater of operations for OEF or OIF and have SGLI coverage.

471202. Premiums

The reimbursement is the monthly premium for the first \$150,000 of SGLI coverage plus the cost for TSGLI of \$1.00, which is automatically extended to any member covered under the SGLI program. The allowance is equal to the SGLI premium for the SGLI coverage the member elected, not to exceed \$400,000 plus TSGLI of \$1.00. The member must complete an [SGLI Form 8286, SGLI Election and Certificate](#) to increase or decrease SGLI coverage. See

the following example to determine the amount of the allowance.

Example: A member deployed in August 2014 to the theater of operations for OEF/OIF chooses to retain coverage of \$400,000. That member's August 2014 premium would be \$28.00 (\$3.50 for \$50,000 of coverage times 8, plus \$1.00 for TSGLI). If a member chooses to retain coverage of \$400,000, then the allowance reimbursement would equal the premium of \$28.00.

471203. Tax Implication

The premium amount for the first \$50,000 of coverage is excluded from taxable income. Therefore, and based on the example in paragraph 471202, the member's taxable amount is \$24.50 (\$28.00 less \$3.50). The \$24.50 amount may also be excludable from taxable income if the amount is earned while serving in a Combat Zone Tax Exclusion area. For officers, however, the exclusion of the allowance from taxable income is subject to application of the monthly maximum Combat Zone Tax Exclusion. Also, see paragraph Chapter 44, paragraph 440102.

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time)

R U L E	A	B	C
	When a member required to perform duty described in section 4702, or paragraphs 580106, 580107, or 580702	then the effective date of	and SGLI deduction (note 1)
1	enters such duty	coverage is the first day of entry on such duty (note 2). Maximum basic coverage is automatically in effect until the member elects reduced coverage or waives coverage (note 3)	starts the month of the date of entry.
2	resumes the obligation or reenters on such duty in the same Uniformed Service the day following termination of such period of obligation (note 4)	coverage (excluding elections of reduced or no coverage) is continuous (note 5)	continues at the appropriate rate.
3	elects a reduced amount of coverage after entry on such duty	coverage is the first day of the month following receipt by the Uniformed Service of the member's election, entered on SGLI Form 8286 or, if applicable, DA Form 41 (note 6)	starts in the reduced amount the first day of the month following receipt of the member's election. For deduction refunds, see section 4706.
4	applies for increase or reinstatement of coverage after entry on such duty	coverage is the date of receipt by the Uniformed Service of the application with evidence of good health (note 7)	starts the month of the date the application is received by the Military Service.
5	elects not to be covered (declines or cancels) after entry on such duty	termination is the first day of the month following receipt by the Uniformed Service of the member's election, entered on SGLI Form 8286 (note 6)	stops at the end of the month in which the member's election is received by the Military Service. For deduction refunds, see section 4706.
6	is covered full-time and is separated and does not reenter active duty or immediately resumes part-time coverage	termination is 120 days after separation (note 8)	stops at the end of the month of separation.
7	is covered on a part-time basis and qualified period of duty ends	termination is the day active duty or active duty for training ends, or the hour inactive duty ends (notes 3, 9 and 10)	see paragraph 580706.
8	is a member of a Reserve Component not covered on a full-time basis and is called to extended active duty, Active Duty for Special Work, or mobilization	coverage is the first day of active duty (maximum basic coverage is automatic unless a member applies for reduced or no coverage).	

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time)
(Continued)

R U L E	A	B	C
	When a member required to perform duty described in section 4702, or paragraphs 580106, 580107, or 580702	then the effective date of	and SGLI deduction (note 1)
9	is covered full-time and is Absent Without Leave, confined by civil authorities under a sentence adjudged by a civilian court, or confined by military authorities under a court-martial sentence involving total forfeiture of pay and allowances	termination is at the end of the 31st continuous day of such status (note 11)	stops at the end of the month in which the 31st day of such status is reached.
10	forfeits rights to SGLI under the provisions of section 4702 and paragraph 580708	termination is the end of the day before the date of conviction, refusal to perform service, or refusal to wear the uniform (note 12)	stops at the end of the month in which coverage is terminated.

NOTES:

- Members in an excess leave status normally remain eligible for coverage. (See section 4704 for the appellate leave exception.) Establish monthly premiums in such cases as deductions against member pay accounts or collect as cash according to procedures of the Military Service concerned.
- First-time enlistees in the Selected Reserves are eligible for coverage on the date of enlistment when assigned to a Ready Reserve unit, regardless if they are or are not required to participate in periods of inactive duty training and have not yet been called to their initial active duty period. This does not apply to delayed entry active duty enlistees.
- Elections made by Reserve Component members continue in effect during continuous obligation to perform duty in the same Uniformed Service. Reserve Component members are not required to reelect or reapply for their desired level of coverage each time they perform duty. For the exception, see rule 8.
- A new period of coverage begins and new elections must be submitted when a member resumes an obligation to perform duty or reenters on duty in the same Uniformed Service more than 1 day following termination of previous obligation; or when a member assumes an obligation to perform duty and enters on duty in a different Uniformed Service at any time. A member entering active duty after a break in service is automatically covered by the maximum basic coverage, until the member elects otherwise, even though the member may have converted former SGLI coverage to an individual policy following last discharge or release from active duty. A former member, insured under the Veterans Group Life Insurance (VGLI) Program, who declines SGLI coverage solely to maintain VGLI coverage, upon termination of VGLI, will be automatically insured under maximum basic coverage if the member otherwise is qualified.

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full-Time and Part-Time)
(Continued)

5. Any previous election for less than \$400,000 is canceled. Maximum basic coverage is automatically in effect unless member again chooses a reduced amount.
6. For members covered on a part-time basis, an election for reduced or no coverage is effective at the end of the last day of the duty period being performed. If the election is made outside a duty period, then the reduced or waived coverage is effective when the election is received by the Military Service.
7. Increase or reinstatement of coverage is contingent upon written application by the member on SGLI Form 8286, Request for Insurance, and approval by the OSGLI.
8. In the case of members totally disabled on the date of separation from such duty, the insurance will cease 1 year after the date of separation or on the date the insured ceases to be totally disabled, whichever is earlier, but in no event prior to the expiration of 120 days after separation.
9. Part-time coverage is in effect only on the days of active duty, active duty for training, and while remaining overnight immediately before the commencement of inactive duty training, or while remaining overnight between successive period of inactive duty training, at or in the vicinity of the site of the inactive duty training, if the site is outside reasonable commuting distance from the member's residence and, including periods of travel to and from such duty.
10. Coverage continues for 120 days after the period of duty if the member, during that duty period, incurs or aggravates a disability and the disability renders the member uninsurable at standard premium rates according to good health standards approved by the VA and as determined by the OSGLI.
11. Members carried in an AWOL or confined status, except for an offense listed in section 4703, remained eligible for coverage. Insurance terminated under the provisions of rule 9, together with any elections made, will be automatically reinstated as of the date the member is restored to duty with pay. Start premium deductions at the appropriate rate on the month of the date the member is restored to duty with pay.
12. Members restored to duty under conditions, which, in effect, result in a remission of sentence may apply for reinstatement of coverage under rule 4.

*BIBLIOGRAPHY

CHAPTER 47 – SERVICEMEMBERS’ GROUP LIFE INSURANCE (SGLI) PROGRAM

4701 – GENERAL

38 CFR Part 9

4702 –COVERAGE

470201

38 U.S.C. 1968(a)(2)

4703 – MARRIED MEMBER’S DESIGNATION OF A BENEFICIARY OTHER THAN THE SPOUSE

38 U.S.C. 1967(f)

4704 – APPELLATE LEAVE

OSGLI Memos, October 31, 1988, and
March 24, 1989

4705 – SGLI PREMIUMS

- * 470501 [Under Secretary of Veterans Affairs Memo, March 18, 2014](#)
- 470502 [Office of the Assistant Secretary of Defense Memo, September 1, 1998](#)
- 470503 [OUSD \(P&R\)\(MPP\) Memo, March 28, 2003](#)
- 470504 [DVA Memo March 27, 2006](#)
[DVA Memo March 13, 2008](#)
[OASD\(FMP\)\(MPP\) Memo, September 1, 1998](#)

4708 – SETTLEMENT OF SGLI CLAIMS

38 CFR 9.20

4709 – FAMILY COVERAGE UNDER SGLI (FSGLI)

- 470901 38 USC 1965(10)(c)
- 470903 [OUSD \(P&R\)\(MPP\) Memo, March 28, 2003](#)
[DVA Memo April 21, 2006](#)
- 470905 38 U.S.C. 1967
[Public Law 112-239, section 642, January 2, 2013](#)

4710 TRAUMATIC INJURY PROTECTION UNDER SGLI

471001	38 U.S.C. 1967 OUSD Memo, November 23, 2005 38 U.S.C. 1980A
471002	38 CFR 9.20(f)
471010.B	37 U.S.C. 602
471010.C	38 U.S.C. 1970(a)
471011	38 U.S.C. 5301

4711 DESIGNATION OF FIDUCIARY OR TRUSTEE UNDER TSGLI

471101	OUSD (P&R)(MPP) Memo, March 05, 2010 38 U.S.C. 1980A
471102	37 U.S.C. 602 DoD FMR, Volume 7B, Chapter 16
471103	38 U.S.C. 1970(a)

4712 REIMBURSEMENT ALLOWANCE FOR SGLI PREMIUM DEDUCTION

471202	37 U.S.C. 437 OUSD(P&R) Memo, April 17, 2006
471203	26 U.S.C. 79 26 U.S.C. 134

Table 47-1

Note 5 VA Handbook, Chapter 4, paragraph 4.01