

MILPERSMAN 1741-020

GOVERNMENT LIFE INSURANCE

Responsible Office	NAVPERSCOM (PERS-00C)	Phone:	DSN COM Toll Free	882-2501 (901) 874-2501 (800) 368-3202
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MyNavy Career Center	Phone: Toll Free E-mail: MyNavy Portal:	1-833-330-MNCC (6622) askmncc@navy.mil https://my.navy.mil/
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References	(a) 38 U.S.C. (b) BUPERSINST 1001.39F (c) 38 CFR (d) 10 U.S.C.
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1. **Servicemembers' Group Life Insurance (SGLI)**. SGLI is a life insurance policy purchased by the U.S. Department of Veterans' Affairs (VA) from a commercial life insurance company that is available to eligible Service members of the U.S. Navy up to a maximum of \$500,000. The Office of Servicemembers' Group Life Insurance (OSGLI) administers the SGLI Program and is governed by reference (a), sections 1965 through 1980. The Servicemembers' and Veterans' Group Life Insurance Handbook also discusses the program in detail at:
<https://www.benefits.va.gov/insurance/docs/SGLI-VGLI-handbook.pdf>.

2. **SGLI Coverage**. Eligible Service members, as outlined in subparagraphs 2a through 2g, are automatically insured for \$500,000, unless otherwise reduced or declined by the Service members. Additional details about Government life insurance for Reserve members may be found in reference (b). Eligible Service members include:

- a. Service members on active duty in the Active Component.
- b. Navy Reserve members performing active duty, active duty for training (ADT), or inactive duty training (IDT).
- c. Naval Reserve Officer Training Corps (NROTC) midshipmen - fully covered while on training cruises only.

d. Naval Academy midshipmen - covered on a full-time basis.

e. Any Service member deployed to a combat theater of operations.

f. Navy Reserve members (in a pay or non-pay status) who are assigned to a unit in which they may be required to perform active duty or ADT and will be scheduled to perform at least 12 drills annually who are covered on a full-time basis. Entitlement to coverage is affected if a Reserve member becomes medically disabled or is transferred to a unit that is not scheduled to perform at least 12 drills per year.

g. Other members of the Individual Ready Reserve (IRR) - covered only during the period of their ADT.

Note: Per reference (a), reservists who execute active duty orders are automatically covered for the maximum amount. Regardless of previous elections, reservists who wish to reduce or decline coverage must make such elections in the SGLI Online Enrollment System (SOES) after entering onto active duty.

3. **SGLI Online Enrollment System (SOES)**. Service members will make beneficiary designations and coverage amounts using SOES. Service members will conduct actions described in subsequent paragraphs of this article using SOES accessible via the milConnect Web site:

<https://milconnect.dmdc.osd.mil/milconnect/>. Use of the [SGLV 8286](#) Servicemembers' Group Life Insurance Election and Certificate may occur outside SOES under the following circumstances:

a. Service members are unable to access the system due to computer accessibility, limited bandwidth, or system maintenance;

b. Other circumstances in which entry into SOES is not possible. Service members not using SOES should ensure [SGLV 8286](#) is signed, witnessed, and submitted into their official military personnel file (OMPF). If needed, [SGLV 8286](#) may be accessed from Web address:

<https://www.benefits.va.gov/insurance/forms/8286.htm>.

Additionally, Service members who use this option should update their election in SOES as soon as possible.

Note: Inclusion in the OMPF is only required if [SGLV 8286](#) is signed outside the SOES. Coverage and elections made in SOES are retained within SOES and should not be submitted to the OMPF.

4. **Command Responsibility.** SOES provides a unique opportunity to empower Service members; however, commands still play a crucial role in the education of our Service members. SGLI, Family Servicemembers' Group Life Insurance (FSGLI), and, upon retirement, Veterans' Group Life Insurance (VGLI) provide excellent opportunities for low-cost insurance coverage. Commands must:

a. Ensure Service members are provided necessary information to make the best determinations for coverage and advise them to monitor SGLI premium payments indicated on their leave and earnings statements (LES).

b. Require Service members to review their election in SOES at the following instances:

- (1) Annually,
- (2) Prior to deployment,
- (3) Upon transfer, and
- (4) Upon reporting to a new command.

c. Document any Service member's decision for non-coverage or reduced coverage on [NAVPERS 1070/613](#) Administrative Remarks.

d. Send a letter to the spouse of any Service member per paragraphs 5 and 6, should he or she make an election using [SGLV 8286](#), per paragraph 3. SOES automatically generates the required letter when elections are made in SOES.

e. Establish a command SOES administrator by requesting access through e-mail at soes_admin.fct@navy.mil.

f. Retain all completed [SGLV 8286](#) per paragraph 3, until the Service member is able to make an election in SOES.

g. Ensure reservists accepting active duty orders review their SGLI elections and premiums.

h. Advise non-pay status Service members enrolled in SGLI to review their quarterly electronic bills sent by the Defense Finance Accounting Service and make payments through <https://www.pay.gov>.

5. **Reducing or Declining Coverage.** Service members may decline coverage or request reduced coverage in any increment of \$10,000 by accessing SOES and making such elections. Service members are encouraged to check future LESs to verify the subsequent changes in premiums. If a Service member is married, his or her spouse will be automatically notified, in writing, if he or she elects other than the maximum amount of coverage.

Note: Service members should always check their LES to verify that premiums properly reflect coverage level. In the event of a discrepancy, contact the command pay and personnel administrator (CPPA) or My Navy Career Center Human Resources Service Center.

6. **Designation of Beneficiaries.** Service members may designate any person(s) as his or her beneficiary(ies). If the member is married and designates any individual other than his or her spouse or child, the spouse will be automatically notified in writing (to be done by the command, if the Service member uses [SGLV 8286](#) per paragraph 3). Should multiple beneficiaries be named, SOES will require the member to clearly specify the amount designated for each.

7. **Accelerated Benefit Option (ABO).** If the insured Service member has been certified by a physician as "terminally ill," he or she may elect the ABO under SGLI or VGLI. **The Service member may receive a lump sum payment of up to 50 percent of his or her SGLI or VGLI coverage.** "Terminally ill" is defined as having a medical prognosis of a life expectancy of 9 months or less. Only the insured can apply for payment under the ABO. Accepting this benefit reduces the subsequent amount awarded at death. Details for Service members considering this option are available in reference (a), section 1980, or the VA's SGLI Handbook.

8. **Termination of SGLI**

a. Per reference (a), termination of SGLI occurs on:

(1) The 120th day after separation from active duty or ADT under calls or orders that specify a period of 31 days or

more, unless the Service member returns to an active status in the Navy Reserve, and on the 120th day after separation from a drilling status for members of the Selected Reserve, or non-pay status Service members assigned to a Reserve unit which performs at least 12 drills annually as outlined in subparagraph 2e;

(2) The end of the 31st day of a continuous period of time when the Service member is:

(a) Absent without leave,

(b) Confined by civil authorities under a sentence adjudged by a civilian court,

(c) Confined by military authorities under a sentence by court-martial involving total forfeiture of pay and allowances, or

(3) The last day of the month in which written notice to discontinue coverage is filed.

b. SGLI is forfeited when an insured Service member is found guilty of mutiny, treason, spying, desertion, or refuses (because of conscientious objections) to perform service in the U.S. Military Services, or to wear the uniform of such Services.

c. No insurance will be payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the U.S.

9. **Restoration of SGLI Coverage**

a. Service members who decline or elect to reduce coverage or seek to become insured or increase their coverage must request restoration through SOES. Service members are advised this request may require review and approval at the OSGLI level.

b. Coverage terms are automatically restored if benefit was terminated due to:

(1) Unauthorized absence in excess of 31 days,

(2) Confinement by civilian authorities under a sentence adjudged by a civilian court, or

(3) Military confinement involving total forfeiture of pay.

10. **Extension of SGLI Coverage for Disability.** A Service member with current full-time SGLI coverage and who is considered totally disabled (as defined in reference (c), section 9.1) at the time of separation or release from active duty is eligible for coverage extension. Coverage will be provided for 2 years from the date of separation or release, or to the date the insured ceases to be totally disabled (whichever is earlier), but in no event prior to 120 days after separation or release.

11. **SGLI Part-Time Coverage.** Part-time coverage is provided for reservists who:

a. Are not eligible for full-time coverage and execute a set of active duty orders for less than 31 days. The Service member is fully covered during the active duty timeframe;

b. Perform IDT scheduled in advance. The Service member is covered during the execution of IDT orders;

c. Are en route directly to or from the location of a period of active or inactive duty; or

d. Are NROTC midshipmen while on training cruises.

12. **SGLI-to-VGLI Conversion.** Per reference (a), the conversion privilege is as follows:

a. Service members with full-time SGLI coverage at the time of separation or release are eligible for VGLI in the same or lesser amount held at the time of separation or release, or conversion to an individual policy with a participating commercial company. A Service member electing to convert to VGLI must apply for coverage within 1 year and 120 days of leaving the military. If the member applies within 240 days after separation or release, VGLI is issued, regardless of the Service member's state of health, with coverage made effective on the 241st day. If an application is not submitted within the 240-day period, medical evidence of insurability is required. In this case, VGLI will be effective the date an acceptable application and premium is received by the OSGLI. Service members who are totally disabled at the time of separation may purchase VGLI while remaining totally disabled up to 1 year

following separation. The effective date of VGLI will be at the end of the 1-year period following separation or the date the disability ends, whichever is earlier. See paragraph 16 for additional information regarding VGLI.

b. While insured under part-time coverage, Service members who incur a disability or aggravate a preexisting disability during a Reserve active or inactive period may convert their SGLI coverage to VGLI coverage within the 120-day period following the period during which the disability incurred. Proof of disability must be submitted together with an application and initial premium.

c. Conversion to VGLI cannot be accomplished in SOES. Service members must apply directly to the VA for conversion to VGLI online at: <https://www.benefits.va.gov/insurance/apply-for-vgli.asp> or by mail using [SGLV 8714](#) Application for Veterans' Group Life Insurance. SGLV may be accessed by using the following Web address: <https://www.benefits.va.gov/INSURANCE/resources-forms.asp>.

13. **Financial Counseling**. The VA offers free professional financial counseling through Financial Point. Additional information is available through the VA Web site at: <https://www.benefits.va.gov/insurance/bfcs.asp>.

14. **SGLI Coverage for Retired Reservists**

a. A Service member assigned to the Retired Reserve or eligible for assignment to the Retired Reserve qualifies for coverage under the VGLI Program in increments of \$10,000 up to the maximum coverage of \$500,000, provided that he or she:

(1) Has not received his or her first increment of retired pay;

(2) Has not reached his or her 61st birthday;

(3) Has completed at least 20 years of satisfactory service creditable for Reserve retired pay under reference (d), section 12731, subchapter III; and

(4) Submits a completed SGLV 8714 and the required premium to the following address:

<p>Office of Servicemembers' Group Life Insurance 290 W. Mt. Pleasant Avenue Livingston, NJ 07039-2747</p>

b. Application for this coverage must be made within 120 days from transfer to the Retired Reserve or release from the Selected Reserve.

c. Termination of insurance occurs upon receipt of the first increment of retired pay or 61st birthday, whichever occurs first.

15. **FSGLI**. Family coverage under the SGLI Program became effective 1 November 2001. Program details, including the procedures for filing a claim, are contained in [MILPERSMAN 1741-030](#).

16. **VGLI**. VGLI is a 5-year renewable term policy which has no cash, loan, paid-up, or extended values. Application, designation of beneficiaries, and settlement options should be made on [SGLV 8714](#). Refer to paragraph 11 for timing requirements regarding application for conversion from SGLI to VGLI.

a. **Eligibility**. VGLI is available to Service members:

(1) Released from active duty or ADT under calls or orders that do not specify a period of 31 days or less;

(2) Of the Ready Reserve insured under SGLI who are separated, retired, or released from assignment;

(3) Assigned to the IRR (must provide orders); and

(4) With part-time SGLI who suffer an injury or disability while in the performance of their duty (to include travel to and from duty location) which renders them uninsurable at standard premium rates.

b. **Conversion**. Service members may convert VGLI coverage to a participating commercial company at any time, provided VGLI premiums are paid-up to the date of conversion.

c. Additional Information. For claim submittal and payment information, effective dates of coverage, and any additional information, refer to the VA Web site at: <https://www.insurance.va.gov/sgliSite/vgli/vgliFaq.htm>.

17. Combined SGLI and VGLI. Service members insured under VGLI who again become eligible for coverage under SGLI (i.e., separated individuals who reenlist for military service) may not exceed the maximum amount of \$500,000 of combined coverage. These Service members may elect to be completely covered under SGLI or (within 60 days after becoming so insured) may convert any or all of the VGLI coverage to an individual private policy. However, Service members die within the 60-day period before converting, VGLI will be payable only in an amount which (when added to the amount of SGLI payable) must not exceed \$500,000.

18. Service-Disabled Veterans Insurance

a. The Service-Disabled Veterans Insurance Program was established in 1951 to meet the insurance needs of certain veterans with service-connected disabilities.

b. To be eligible, Service members must meet the following conditions:

- (1) Been released under other than dishonorable conditions on or after 25 April 1951;
- (2) Received a rating for service-connected disability;
- (3) Be in good health, except for any service-connected conditions; and
- (4) Apply within 2 years of being granted a service connection for a disability.

c. Complete program details and applications can be found on the VA Web site at: <https://www.insurance.va.gov/gli/buying/SDVI.htm>.

19. Spouse Notification. Spousal notification letters are automatically generated through SOES, based on data available in the Defense Enrollment Eligibility Reporting System (DEERS). Should a Service member require emergent actions outlined in subparagraph 3a or 3b, the command must issue the spousal notification letter if the hard copy election form meets the

criteria outlined in paragraphs 5 or 6. Exhibit 1 is a sample letter for use in these infrequent instances.

EXHIBIT 1
SAMPLE SPOUSE NOTIFICATION LETTER
(Use proper letter format)

DEPARTMENT OF THE NAVY
Navy Recruiting District Columbia
1835 Assembly Street
Strom Thurmond Federal Building
Columbia, SC 29201-2480

1770
Ser xx/xxx
July 3, 2021

Mr. Oliver O'Toole
938 Tankerhurst Drive
Waco, TX 55555

Dear Mr. O'Toole:

Our records indicate that you are the spouse of Petty Officer Pauline Williams O'Toole. Per 38 U.S.C., chapter 19, we are notifying you that on July 1, 2011, Petty Officer O'Toole (declined Servicemembers' Group Life Insurance (SGLI)/elected an amount of coverage less than the maximum amount offered under the Servicemembers' Group Life Insurance (SGLI) Program/has designated another/additional beneficiary(ies) under the Servicemembers' Group Life Insurance (SGLI) Program).

By law, your spouse is entitled to make the above election. We are required by the same law to inform you of the decision, but we may not disclose any other particulars, other than those stated above. Your spouse has been made aware that this letter was generated and sent. If you have any questions regarding this letter, please call 1-800-368-3202 or write to the office below:

Navy Casualty Assistance Office (PERS-00C)
5720 Integrity Drive
Millington, TN 38055-6200

C. A. CAPTAIN
Captain, U.S. Navy
Commanding officer

Copy to:
PERS-313