

New Law Change Increases Insurance Coverage for Veterans

WASHINGTON (Jan. 10, 2012) – Some Veterans covered under the Veterans Group Life Insurance program (VGLI) now have the opportunity to increase their coverage to the current maximum coverage under the Servicemembers' Group Life Insurance (SGLI) program.

“Currently, 70 percent of the Veterans covered under VGLI are under age 60, have less than \$400,000 of coverage, and will greatly benefit from this law change,” said Allison A. Hickey, Department of Veterans Affairs under secretary for benefits.

Under the Veterans' Benefits Act of 2010, enacted on Oct. 13, 2010, Veterans can increase their coverage by \$25,000 at each five-year anniversary date of their policy to the current legislated maximum SGLI coverage, presently, \$400,000.

To date, approximately 21 percent of eligible Veterans have taken advantage of this opportunity, resulting in nearly \$113 million of new coverage being issued.

The VGLI program allows newly discharged Veterans to convert their SGLI coverage they had while in the service to a civilian program. Before enactment of this law, Veterans could not have more VGLI than the amount of SGLI they had at the time of separation from service.

For example, those who got out of the service prior to Sept. 1, 2005, when the maximum SGLI coverage was \$250,000, were limited to \$250,000 in VGLI coverage.

Now on their first five-year anniversary, these Veterans can elect to increase their coverage to \$275,000. On their next five-year anniversary, they can increase the coverage to \$300,000, and so forth.

The additional coverage can be issued regardless of the Veteran's health. To be eligible to purchase this additional coverage, the Veteran must:

- Have active VGLI coverage,
- Have less than the current legislated maximum coverage of \$400,000,
- Request the additional coverage during the 120-day period prior to each five-year anniversary date, and
- Be less than 60 years of age on the five-year anniversary date of his or her coverage.

Eligible Veterans are notified of this opportunity a week before the start of the 120-day period prior to their anniversary date, and twice more before the actual anniversary date.

For more information about VA's Insurance Program or other VA benefits, go to www.va.gov or call 1-800-827-1000. Veterans are also encouraged to visit VA's web portal [eBenefits - Insurance](#).