

PSD JACKSONVILLE
STANDARD OPERATING PROCEDURES

SERVICEMEMBERS' GROUP LIFE INSURANCE (SGLI)

Reference: (a) DODFMR, Volume 7A, Chapter 47
(b) MILPERSMAN 1741-020

Point of Contact: Customer Service Section

Information:

By law, active duty and reserve personnel are automatically insured for \$400,000.00 with a monthly premium payment for that coverage. A service record entry is required when a member elects reduced or declined coverage, and/or is likely to be survived by a family member or parents, and designates some other person (friend, etc).

The service members' Group Life Insurance Election and Certificate (SGLV 8286) designates the recipient of benefits in the event of a service member's death. A copy of the SGLV 8286 is filed in the member's service record on microfiche at COMNAVPERSCOM along with the Record of Emergency Data (NAVPERS 1070/602) Page 2. A copy of the SGLV 8286 should also be given to the member.

If the member does not specify an SGLI beneficiary, life insurance benefits are paid according to 38 U.S.C. Sec. 770; sometimes to the dismay of the survivors. Consider the following scenarios:

- A sailor, legally separated from a spouse, unexpectedly dies. The insurance is paid to the estranged spouse because the divorce was not yet final and the sailor failed to update the SGLI form.
- A sailor, divorces a spouse who was designated as the beneficiary on the SGLV 8286. This same sailor remarries and updates the Page 2, but does not submit a new SGLV 8286. The service member subsequently dies and the ex-spouse is paid the SGLI proceeds.

The only way a previous election can be canceled is by completing a new election form.

Family situations are varied in our society. Service member are encouraged to consult with the Legal Services Office if they have questions about SGLI designations and beneficiaries. Indicating "By Law" on the SGLI form should immediately change it.

MEMBER RESPONSIBILITY

- Verify and update your SGLI beneficiary upon marriage, divorce, when a child is born, if a family member dies, or if you are transferring or reporting to a command.

- To increase coverage from a previous elected reduced or declined amount, fill out a new SGLV 8286 and forward it to detachment via your CPC.

- If restoring SGLI or increasing the amount of coverage, complete a Request for Insurance (SGLV 8285). This is a different SGLV form and forwards it to detachment via your CPC.

CPC RESPONSIBILITY

- Ensure members are aware of the importance of SGLI beneficiary designations and encourage them to review and update both their SGLI election and Page 2 immediately upon marriage or divorce; when a child is born; if a family member dies; or when transferring from or reporting to a command.

PSD RESPONSIBILITY

- Assist member in completing SGLV 8286 and SGLV 8285, if necessary. If a member designates friend and/or elects to reduce or decline coverage, prepare Administrative Remarks (NAVPERS 1070/613) Page 13 entry as required.

- Verify SGLV 8286 and/or SGLV 8285 for correctness and distribute as required.

- Complete pay system entry to increase/decrease amount deducted from monthly pay if applicable.