

# COMPARING LIFE INSURANCE

All active-duty service members, Ready Reservists and National Guard members are automatically covered by Servicemembers' Group Life Insurance, a government-sponsored program with a maximum benefit of \$400,000. Troops can opt out of SGLI or add to that coverage using private-sector insurers. Upon leaving the military, troops qualify for the companion program, Veterans' Group Life Insurance. How 12 life insurance options compare to SGLI and VGLI.

	SGLI	VGLI	AAFMAA	AFA	AFBA
<b>MONTHLY PREMIUMS</b>					
Age 30, \$400,000	\$29*	\$40	\$18.15	\$26.56	\$32 NS
Spouse age 30, \$100,000	\$5	N/A	\$5.90 NS	\$2.52*	\$8 NS
Age 45, \$400,000	\$29*	\$88	\$18.15	\$57.60	\$32 NS
Spouse age 45, \$100,000	\$13	N/A	\$5.90 NS	\$5*	\$8 NS
Age 60, \$400,000	\$29*	\$432	\$86.20*	\$319.04	\$352 NS
Spouse age 60, \$100,000	\$50	N/A	\$14.20**	\$33.32*	\$88 NS
<b>OTHER FEATURES</b>					
Type of plan	Group term	Group term	Individual term life	Group term	Group term
Eligibility	AD/NG/R Coverage remains in effect for free for 120 days after separation. Members who are totally disabled at separation can apply for up to 2 years of free SGLI coverage from separation.	Recently separated service members*	AD/NG/R, retired; also veterans in AZ, CT, FL, HI, MD, NC, OK, OR, RI, SC, VA	Veteran, spouse/widow or ancestor/lineal descendant of veteran	AD/NG/R, retirees, veterans and spouses
Maximum coverage	\$400,000 member; \$100,000 spouse	\$400,000	\$1 million	\$500,000 until age 65; \$50,000 after age 65	\$400,000, member and spouse
Health exam required?	No**	No, within 240 days of separation	Depends on type of policy and responses to application questions	Yes	For member, no health exam up to 49 for \$250,000 coverage and age 59 for \$100,000 coverage
Is policy portable if individual separates from military or ends membership in organization?	Conversion either to a VGLI term policy or to a permanent plan with a private insurer is guaranteed if done within set time periods.	Yes, lifetime, renewable	Yes	Yes if separates; no if ends membership	Yes
Can the term policy be converted to a permanent insurance policy such as whole life without complete underwriting/health exam?	Yes	Yes	Yes	Yes	Yes
Organization one-year membership dues	None	None	None	45	None
Limitations on aviators, flight crews, others?	No	No	No	No	No
War clause	No	No	No	No	No
Partial premium refunds	No	No	No	Yes	No
Premium/coverage at age 30 rate stays same how long?	To separation or retirement	To age 35, then rises every 5 years to age 75	20 years NS	10 years	20 years, then rises every 10 years to age 70
Premium/coverage at age 45 rate stays same how long?	To separation or retirement	To age 50, then rises every 5 years to age 75	5 years NS	5 years	5 years, then rises every 10 years to age 70
Premium/coverage at age 60 rate stays same how long?	To separation or retirement	To age 65, then rises every 5 years to age 75	5 years	5 years; at age 65, coverage reduced by half or to \$50,000, whichever is less	10 years
Coverage available for child?	Yes***	No	Yes***	Yes	Yes
Company/organization, website	Servicemembers' Group Life Insurance, insurance.va.gov	Veterans' Group Life Insurance, insurance.va.gov	American Armed Forces Mutual Aid Association (formerly Army and Air Force Mutual Aid Association), www.aafmaa.com	Air Force Association, www.afa.org	Armed Forces Benefit Association, www.afba.com

## NOTES

**NS:** nonsmoker  
**AD:** active duty  
**NG:** National Guard  
**R:** Reserve

**PB:** Preferred Best underwriting class  
**PS:** Preferred Smoker underwriting class

\* Includes \$1 for Traumatic SGLI coverage, which provides for payment to severely injured service members and veterans.  
 \*\* Not when entering service; health questions must be answered and exam may be required if initially decline or reduce coverage and want more later. For spouses who are also in the military, the member can apply for Family SGLI coverage for the spouse, but must answer health questions.  
 \*\*\*\$10,000 of coverage free. Includes stillborn children.

\*Leaving military with SGLI coverage

\*Male  
 \*\* Female best rates on 5-year level Term II policies.  
 \*\*\*\$10,000 of child coverage free for level term 1.

Coverage includes free will preparation.  
 \*If service member is insured

Spouse and children eligible for up to \$40,000 toward college degree if member is killed in a combat zone. Emergency death benefit, up to \$15,000, within one business day of notification

Wherever possible, premiums listed are for \$400,000 coverage, the maximum offered under SGLI. Some plans have lower maximums; the premiums listed for those are for that maximum amount. While VGLI doesn't provide spouse coverage, spouses with coverage through SGLI can convert their coverage to an individual permanent plan within 120 days after the service member leaves the military, or other key events.