

**SUPPORTING STATEMENT
FOR SGLI 8284,
APPLICATION BY INSURED TERMINALLY ILL
PERSON FOR ACCELERATED BENEFIT 38 CFR 9.14(e)
2900-0618**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.

VA regulations for the Servicemembers' Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) programs authorize accelerated death benefit (Accelerated Benefit) provisions that permit terminally ill policyholders access to the death benefits of their policies before they die. Traditionally, an individual purchases life insurance in order to safeguard his or her dependents against major financial loss due to his or her death. Life insurance serves to replace the lost income of an insured and to provide for his or her final expenses. In recent years, the insurance industry has recognized the financial needs of terminally ill policyholders and has begun offering policies with accelerated benefit provisions. A statutory amendment (Section 302 of the Veterans Programs Enhancement Act of 1998, Pub. L. 105-368, 112 Stat. 3315, 3332-3333) added section 1980 to Title 38, United States Code, which extends an accelerated benefit option to terminally ill persons insured in the SGLI and VGLI programs.

2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.

In 38 CFR 9.14(e), VA requires that a terminally ill person insured under SGLI or VGLI who wants to receive a lump sum payment to the insured prior to the insured's death of a portion of the insurance must submit to Prudential Life Insurance's Office of Servicemembers' Group Life Insurance a completed application for an Accelerated Benefit. The application must be on a form set forth in Sec. 9.14(e) which includes a medical prognosis by a physician stating the life expectancy of the insured person and a statement by the insured of what portion of the insurance he or she requests. Sec. 9.14(e) provides the necessary information on how to obtain an application form entitled "Claim for Accelerated Benefits". The form may be obtained by calling the Office of Servicemembers' Group Life Insurance toll-free at 1-800-419-1473, or by downloading the form from the internet at www.insurance.va.gov. The information is needed to comply with the statutory provisions permitting an insured person who is terminally ill to request payment of a portion of the face value of the insured person's SGLI or VGLI insurance as an Accelerated Benefit.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The use of automated collection techniques is not anticipated.

4. Describe efforts to identify duplication. Show specifically why all similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no duplication associated with this collection of information.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The collection of information has no impact on small businesses or other small entities.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently as well as any technical or legal obstacles to reducing burden.

If VA does not require this information, the Department would have no way of knowing whether or not the insured wanted to receive a lump sum payment prior to his/her death.

7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study and require the use of a statistical data classification that has not been reviewed and approved by OMB.

There are no special circumstances requiring that the collection of information be conducted in a manner inconsistent with the guidelines in 5 CFR Section 1320.6.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to

OMB. Summarize public comments received in response to that notice and describe actions taken by sponsor in response to these comments. Specifically address comments received on cost and hour burden.

The rule for Accelerated Benefits Option for Servicemembers' Group Life Insurance and Veterans Group Life Insurance was published in the Federal Register on March 22, 2018, Volume 83, No. 56, pages 12653-12654. No comments were received in response to this notice.

9. Explain any decision to provide any payment or gift to respondents.

No payments or gifts are provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The information collection conforms to the Privacy Act of 1974 and is subject to the conditions of disclosure contained therein. Our current SORN is *Veterans and Uniformed Services Personnel Programs of U.S. Government Life Insurance—VA (36VA29)*, which was published at 75 FR 65405 in 2010. The most recent publication of SORN 36VA29, which is not final yet, is 83 FR 44407 published on August 30, 2018.

Prudential does not have a system of records recognized by VA nor do we audit or provide oversight for their records maintenance policies, however, we note OSGLI in our current SORN 36VA29 because we share information with them.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

12. Estimate of the hour burden of the collection of information:

- a. Number of Respondents: 88
- b. Frequency of Response: One-time
- c. Annual Burden Hours: 17.6 hours
- d. Estimated Completion Time: 12 minutes
- e. According to the U.S. Bureau of Labor Statistics Average Hourly Earnings, the average hourly earnings of all private sector employees is \$27.16 per hour, making the total cost to the respondents an estimated \$478.02. (17.6 burden hours X \$27.16 per hour). See <https://data.bls.gov/timeseries/CES0500000003>

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

This submission does not involve any record keeping costs.

14. Provide estimates of annual cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

There is no estimated cost to the Federal Government. The information on this form is not collected by VA, we just provide it as a service to our Veterans on our website. The cost of making the form available on our website is negligible as the only cost is the time it takes our webmaster to post updated versions of the form, which is minimal. Once the information is completed by the Veteran, the form is returned to the Office of Servicemember's Group Life Insurance (OSGLI). The information is collected by Prudential's OSGLI, not VA.

15. Explain the reason for any program changes or adjustments reported in Items 13 or 14 of OMB 83-I.

This form is the reinstatement of a currently approved collection. This ICR expired due to a transition in the VA Insurance Service that affected the process for ensuring that expiring VA Insurance ICR's were submitted to OMB in a timely manner. The collection of form changes and training PRA duties to correctly enter revisions exceeded the ICR expiration date.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

There are no plans to publish the results of this information collection.

17. If seeking approval to omit the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We are not seeking approval to omit the expiration date for OMB approval.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB 83-I.

This submission does not contain any exceptions to the certification statement.

PART B

B. Collection of Information Employing Statistical Methods

This collection of information does not employ statistical methods.