

WHITE PAPER – JUSTIFICATION

EMERGENCY SUBMISSION FOR OMB APPROVAL OF “TSGLI Application for Benefits and TSGLI Appeal Request Form” Forms SGLV 8600 and 8600A

December 22, 2022

By Electronic Submission
The Office of Management and Budget (OMB)
725 17th Street, NW
Washington, DC 20503

Dear OIRA Desk Officer:

VA Insurance Service requests emergency processing of two collections of information, SGLV Form 8600 – Servicemembers’ Group Life Insurance Traumatic Injury Protection (TSGLI) Application for Benefits and SGLV Form 8600A – TSGLI Appeal Request Form by January 31, 2023.

Background

SGLV Forms

The Servicemembers’ Group Life Insurance Program (SGLI) is administered directly by The Prudential Insurance Company of America under a group life insurance contract purchased by the Secretary of Veterans Affairs in 1965. Since that time, these forms have been developed and managed by Prudential as the primary insurer of the program. They had not been subject to the Paperwork Reduction Act (PRA) requirements based on an OMB memorandum to VA in the mid-1980s providing an exemption.

However, based on a review of current laws and updates to the PRA, VA Office of General Counsel, in consultation with OIRA, has recently informed VA Insurance Service that SGLI Program forms are now subject to PRA collection requirements.

TSGLI Year-Ten Review

In January of 2018, VA published a report detailing recommendations to improve the TSGLI Program, based on a three-year comprehensive review of the program initiated at the program’s ten-year anniversary in 2015. This review proposed a range of benefit enhancements as well as processing improvements designed to assist claimant. Additionally, as part of this review, VA conducted a formal analysis of a petition for rulemaking requested under 5 U.S.C. 553. The petition requested VA to include explosive ordnance as a new exception to the exclusions for illness/disease under TSGLI.

Upon the conclusion of the Year-Ten Review, VA engaged in the rulemaking process, publishing a proposed rule in August 2020 and a supplemental rulemaking in early 2021 for an additional comment period for VA's response to the petition for rulemaking. Upon conclusion of the supplemental rulemaking period in 2021, during VA Office of General Counsel's review of the final regulation in 2022, they indicated that the information collections noted above need to be approved collections under the PRA before the final regulation could be published.

Both collections are critical to the TSGLI Program. SGLV 8600, TSGLI Application for Benefits, allows Service members and Veterans to submit claims for benefits to their uniformed service for review and decision. SGLV 8600A, TSGLI Appeal Request Form, allows Service members and Veterans to submit appeals of denials of TSGLI benefits to their uniformed service for review and decision. The forms not only operationalize the program but contain changes implementing the regulatory changes explained above.

Emergency Processing Justification

VA's request for emergency processing of both forms meets the criteria under 5 CFR 1320.13. Specifically, as explained above, without the forms being approved collections, VA's TSGLI Year-Ten Review final rulemaking cannot be published. The benefit enhancements in this final rulemaking provides additional benefits ranging from \$25,000 to \$50,000 to severely injured Service members and Veterans. Existing estimates indicate over a thousand prior TSGLI claimants from 2001 to present may be entitled to additional benefits and up to a few hundred new claimants each year will be eligible for these additional benefits as well. Expediting the collection allows VA to ensure new or additional payments to severely injured Service members and Veterans are not delayed further.

Additionally, the rulemaking petitioner has filed suit against VA in federal court. The suit is being held in abeyance pending final regulation publication. At a recent court status hearing, the federal judge indicated that if the final regulation is not published by March 31, 2023, VA may be required to make an appearance before the district court judge to explain why it has taken VA so long to publish the final regulation and respond to the petitioner.

The use of normal clearance procedures would not only hinder the mission of the agency in providing benefits to Service members and Veterans but would also result in the agency missing a court imposed to deadline for action.

If you have any questions, please contact Kristan Hoffman, Chief, Policy, Procedures and Training at kristan.hoffman@va.gov.

Sincerely,

Karen Naccarelli
Deputy Director, Insurance Service