

SUPPORTING STATEMENT – PART A
FOR SGLV 8284 AND SGLV 8284A
APPLICATION BY INSURED TERMINALLY ILL
PERSON FOR ACCELERATED BENEFIT
2900-0618

Summary of Changes:

- This ICR is being submitted as an “Extension” since there are no changes to the burden or the information collection instruments.
- No comments were received in response to the 60-Day FRN.
- This information collection request (ICR) package includes the VA Forms SGLV 8284 and SGLV 8284A.
- Title: APPLICATION BY INSURED TERMINALLY ILL PERSON FOR ACCELERATED BENEFIT

1. Need for the Information Collection

VA has amended regulations for the Servicemembers’ Group Life Insurance (SGLI) and Veterans’ Group Life Insurance (VGLI) programs to add 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 recent 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. Use of the Information

In 38 CFR 9.14(e), VA would require 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 writing to the Office of Servicemembers’ Group Life Insurance ABO Claim Processing, 290 West Mt. Pleasant Avenue, Livingston, NJ 07039, or 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. Use of the Information Technology

The use of automated collection techniques is not anticipated.

4. Non-duplication

There is no duplication associated with this collection of information.

5. Burden on Small Businesses

The impact on small businesses and other small entities is minimized by using "standard" or data routinely maintained by physicians. The collection of information has been thoroughly analyzed to ensure that all requested data is essential.

6. Less Frequent Collection

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. Paperwork Reduction Act Guidelines

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. Consultation and Public Comments

Part A: PUBLIC NOTICE:

A 60-Day Federal Register Notice (FRN) for the collection published on Friday, August 2, 2024. The 60-Day FRN citation is Vol. 89 FRN 63254.

A 30-Day Federal Register Notice for the collection published on Monday, October 7, 2024. The 30-Day FRN citation is Vol. 89 FRN 81153-81154.

Part B: CONSULTATION:

No additional consultation apart from soliciting public comments through the Federal Register was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

The information collection conforms to the Privacy Act of 1974 and is subject to the conditions of disclosure contained therein. The records are maintained in the system identified as 36VA29 Veterans and Uniformed Services Personnel Program of U.S. Government Life Insurance – VA” as contained in the Privacy Act Issuances, 2011 Compilation.

11. Sensitive Questions

There are no questions of a sensitive nature.

12. Respondent Burden and its Labor Costs

- a. Number of Respondents: 200
- b. Frequency of Response: One-time
- c. Annual Burden Hours: 40 hours
- d. Estimated Completion Time: 12 minutes
- e. VA cannot make further assumptions about the population of respondents because of the variability of factors such as the educational background and wage potential of respondents. Therefore, VBA used general wage data to estimate the respondents’ costs associated with completing the information collection.

The Bureau of Labor Statistics (B:S) gathers information on full-time wage and salary workers. According to the latest available BLS data, the mean weekly earnings of full-time wage and salary workers are \$1,259.20. Assuming a forty (40) hour work week, the mean hourly wage is \$31.48 based on the BLS wage code – “00-0000 All Occupations.” This information was taken from the following website: (https://www.bls.gov/oes/current/oes_nat.htm, May 2023).

Legally, respondents may not pay a person or business for assistance in completing the information collection. Therefore, there are no expected overhead costs for completing the information collection. VBA estimates the total cost to all respondents to be **\$1,259** (40 burden hours x \$31.48 per hour).

13. Respondent Costs Other Than Burden Hour Costs

This submission does not involve any record keeping costs.

14. Costs to the Federal Government

Grade	Step	Burden Time	Fraction of Hour	Hourly Rate	Cost Per Response	Total Responses	Total
9	3	12	.20	\$26.24	\$5.25	200	\$1,050.00
Overhead at 100% Salary							\$1,050.00
5	3	2	0.03	\$17.31	\$0.52	200	\$104.00
Overhead at 100% Salary							\$104.00
4	3	2	0.03	\$15.48	\$0.46	200	\$92.00
Overhead at 100% Salary							\$92.00
Processing / Analyzing Costs							\$2,492.00
Printing and Production Cost							\$54.00
Total Cost to Government							\$2,546.00

Overhead costs are 100% of salary and are the same as the wage listed above and the amounts are included in the total.

Printing and production costs approximates the cost of printing this information collection per year. (Processing/Analyzing Cost total divided by \$54).

Note: The hourly wage information above is based on the hourly 2024 General Schedule (Base) Pay (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/html/GS_h.aspx). This rate does not include any locality adjustment as applicable.

The processing time estimates above are based on the actual amount of time employees of each grade level spend to process to completion a claim received on this form. The within-grade step (3) of each employee represents the average experience of employees within each grade.

15. Reason for Change in Burden

There is no change in respondent burden.

16. Publication of Results

The information is collected for insurance purposes only and there are no plans for publication.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.