

## NEWS RELEASE

### **Military association supports government efforts to boost troop benefits**

(Overland Park, Kansas) Support for state and national efforts to increase the value of government-sponsored life insurance coverage for the military is coming from one surprising area – an association that also sells a wide variety of insurance products to troops.

USBA (Uniformed Services Benefit Association) is a non-profit organization offering insurance and financial products to active duty as well as retired and former military families. The association, in existence for more than 45 years, currently insures over 200,000 lives and is considered to be one of the largest military groups offering “*no war clause*” insurance plans.

USBA President/CEO, Rear Admiral Larry G. Vogt, US Navy (Ret.) says lawmakers are on the right track with their proposed legislation to raise the death gratuity to \$100,000 from \$12,420 for military personnel killed in combat and combat-related training as well as increase the Serviceman’s Group Life Insurance (SGLI) maximum benefit to \$400,000 from \$250,000. “Absolutely, we support these initiatives being reviewed and more importantly, the motivation behind it,” says Vogt. “We believe these measures recognize the moral obligation every American citizen has to appreciate the sacrifices made by military families.”

While these changes may initially reduce the potential sales of USBA products, Vogt believes USBA has an ethical duty to support such proposed increases, should they come into effect. “As a veteran, myself, I am not going to tell a serviceman to drop his SGLI coverage – these proposed boosts make it a smart decision to have such coverage while in a combat zone.”

The caveat, Vogt points out, is when the soldier looks at the long range picture. “It’s important to remember ALL the reasons for purchasing supplemental financial protection in the first place. Life is about transitions -- children grow up, careers redirect, and lifestyles change.”

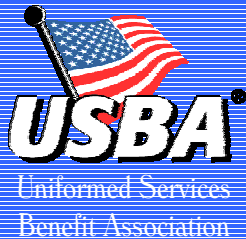
Ultimately, Vogt states, troops will leave the service and lose their SGLI which terminates for military personnel 120 days after separation. “That’s where USBA comes into play because our coverage is portable – servicemembers can take it with them when they leave the service,” explains Vogt. “No reapplying, no converting to a new policy, no risk they won’t be able to get life insurance later on or their spouse may become uninsurable.”

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Vogt says USBA is advising the active duty among their membership to take advantage of whatever government-sponsored life insurance perks might happen as a result of proposed legislation. “If, for instance, you are a member of National Guard, and your state picks up the tab for your life insurance coverage – definitely exercise that option,” he says. “But then, consider purchasing and retaining supplemental coverage as well because it is a sound decision to have something in place today for that time in the future when your active duty is behind you, but your family obligations are still prevalent.”

If a servicemember opts to only have SGLI or state-sponsored life insurance, he or she may encounter sticker shock further down the road when it’s time to go shopping for coverage to replace it. Veterans Group Life insurance (VGLI) is available regardless of health or disability but while it might appear to be the most easily obtainable life insurance option at that point, it may not be the most comprehensive or affordable coverage.

VGLI’s guaranty is what makes it expensive because the insurance is based on a risk pool and most VGLI policyholders are relatively high risk compared to the rest of the population because of health conditions due to a service related event. And that’s another point to keep in mind, Vogt says. “If a service member opts to drop supplemental coverage right now, that person may have difficulty finding affordable life insurance coverage outside VGLI in the civilian world after separation due to these pre-existing conditions,” he points out. “Having a policy that offers portability like USBA’s products solves that challenge.”

USBA is a nonprofit organization providing a variety of low-cost group life insurance plans and other financial services to the Active Duty and Retired Military market as well as Honorably Discharged Veterans, National Guard, Reserves and Federal civilian employees. With over 200,000 insured lives, USBA is one of the largest military associations offering life insurance plans.

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