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1.01 GENERAL

- a. Government life insurance had its development during World Wars I and II and the Korean Conflict. The programs include USGLI (United States Government Life Insurance) (World War I), NSLI (National Service Life Insurance) (World War II and later), S-DVI (Service-Disabled Veterans' Insurance), and VMLI (Veterans' Mortgage Life Insurance).
- b. All applications for life insurance have been assigned policy numbers with alphabetic prefixes. These alpha prefixes serve as a ready identification of the program under which the insurance was granted. Descriptions of the programs are listed in M29-1, Part 1, Chapter 1.

1.02 VETERANS' INSURANCE RECORDS

Veterans' Insurance records is a collective term referring to records established to contain all documents, customer service interactions, and information regarding a Veteran's insurance policy with VA. The rules and procedures outlined in this manual govern the establishment, maintenance and movement of records hereafter referred to as insurance records.

1.03 INSURANCE RECORDS

- a. Insurance records include both paper records (retired insurance folders) and electronic records:
 1. A retired insurance folder contains historical documents, such as beneficiary and optional settlement designation forms, award payments, and correspondence. It can be requested through the Insurance system. These requests are handled by Clerical Support. When a request is received in Clerical Support, Clerical Support then requests the folder from the National Archives Records Administration (NARA) Federal Records Center (FRC). Once the folder is received from NARA, Clerical Support provides the folder to the employee. Once an employee is done with the folder, they return it to Clerical Support. Clerical Support will image any noted pertinent historical information and then return the retired folder to NARA, via the station's Records Management Officer (RMO). However, the folder may not be

returned to NARA immediately as Clerical Support waits until they have a full box of retired folders before sending anything to the RMO for return. The RMO sends the box via tracked mail and receives confirmation it has been received by NARA.

2. An electronic record contains key insurance information, which may include the beneficiary and optional settlement designation, the application made by an individual Veteran for insurance and essential correspondence and/or related documents pertaining to the maintenance of the insurance account, claims for disability insurance benefits, all customer interactions with the Insurance Center, and disbursements of funds such as loans, surrenders, refunds and/or award payments. The electronic record also includes policy and award transaction listings.

1.04 STANDARD NOTATIONS ON RETIRED INSURANCE RECORDS

The following applies only to retired physical records no longer housed at the Insurance Center, but in the appropriate Federal Records Center (FRC) operated by NARA.

- a. "Reconstructed Record"-If a folder was reconstructed for any reason this notation was made on the outside of the new folder jacket.
- b. "XC"-This notation was placed on insurance folders to indicate that an insurance death claim had been received for the proceeds of the Veteran's insurance.
- c. "Adjudication Completed"-This notation was placed on insurance folders to indicate that the insurance had matured by death and award action had been completed.
- d. "Retired - Inactive"-This was placed on insurance folders to indicate that the Veteran no longer had insurance protection; therefore, the folder was no longer housed in the insurance files, but in the appropriate FRC, before all folders were retired. The words "Retired-Inactive" were followed by the retiring office name and the retirement year.

1.05 KEY INFORMATION IN ELECTRONIC RECORDS

Electronic records contain a range of notations attached to both images and a historical notes feature. Types of electronic Insurance records, include:

- a. Active Insurance Record- This record opens in the Insurance system and shows current policy and policyholder information. It also includes notations of actions taken and comments left by employees, as well as scanned images of all documents submitted to or sent by the Insurance Center.
- b. Deactivated Insurance Record- This record opens in the insurance system and shows policy and policyholder information, with a flag that states deactivated, in red. Deactivated means that the insurance was no longer in force when Insurance went to a new electronic system in the 1990s. The insurance may have been deactivated at that time for a variety of reasons, including, lapse, payment of a death claim, cash surrender, or insurance not desired. It also includes notations of actions taken and comments left by employees, as well as scanned images of all documents submitted to or sent by the Insurance Center. The record can still be updated with any new information received after deactivation.

- c. No Insurance Record- If there is no electronic record of insurance, a message will appear on the screen in the Insurance system stating there is no record. This message only refers to the electronic recordkeeping system. There may be a paper record at the appropriate FRC.

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2.01 CONFIDENTIAL NATURE OF INFORMATION IN INSURANCE RECORDS

Preservation of record content is a prime consideration of personnel handling Veterans' Insurance records. The information contained in the retired insurance folders or in electronic records is privileged and confidential. VA personnel will not review or discuss information from either source except to the extent required for the performance of their official duties.

2.02 SENSITIVE FILES

- a. Sensitive File Insurance Records will be established and maintained, electronically, in the Insurance system. Sensitive files will be established at different levels, depending on the level of confidentiality required. Sensitive files will include all insurance records of a restricted nature. The Assistant Director, Operations, Division Chiefs, or certain other authorized personnel will be responsible for the safeguarding and release, upon proper request, of all sensitive material.
- b. The sensitive files include:
 - 1. Insured records with sensitivity levels of 6-9 as noted in the table below:

Level of Sensitivity	Insurance Records Including Employees, Veterans or Their Beneficiaries	Authorized Employees
9	The President/Vice President of the U.S.; Members of the Cabinet; U.S. Senators and Members of Congress; U.S.	Under Secretary for Benefits (USB); Deputy USBs; Service Directors; SIPO Director; Directors

	Supreme Court Justices; VA Secretary; VA Deputy Secretaries; VA Under Secretaries; VA Asst. Secretaries; other high-profile individuals; special cases, e.g. witness protection	and Asst. Directors of facilities having jurisdiction over records with a level of sensitivity equal to 9
8	VA Senior Executive Service; Directors and Assistant Directors; Regional Counsel; Div. Chiefs or equivalent; persons of national prominence; Governors; Lt. Governors; Attorneys General of states or commonwealths; locally prominent persons or officials	Facility Directors and assistants; Area Directors; VSC Managers and Assistants; all other Division Chiefs
7	VBA employees; private attorney fee cases	ISOs and AISO, System Security Officers, Supervisory Accredited VSO reps; Private Attorneys; all VA Supervisors with a business need; and 10% of a VBA entities' non-supervisory staff with a business need.
6	VA Employees (other than VBA employees); VSO employees, relative of employee; VA work-study/interns employed at a VBA location. At the Director's discretion, this sensitivity level may also be placed on a Veteran's folder for high-profile claims.	Journey level employees having a business need on a daily basis, not to exceed 25% of a VBA entities' non-supervisory staff; non-supervisory accredited VSO reps.
5	Local Use Determination	Records of employees, relatives of employees, legislatures, and public figures that have VA life insurance. Based on grade/position and job duties.
4	Local Use Determination	Records of employees, relatives of employees, legislatures, and public figures that have VA life insurance. Based on

		grade/position and job duties.
3	Local Use Determination	Records of employees, relatives of employees, legislatures, and public figures that have VA life insurance. Based on grade/position and job duties.
2	Local Use Determination	Based on grade/position and job duties.
1	Local Use Determination	Based on grade/position and job duties.

- 2. With reports from the FBI (Federal Bureau of Investigation)
 - 3. Listed as being missing in action (MIA)
 - 4. Who have an active tax levy from the IRS or VA benefits
- c. All other records which the Director determines should be marked sensitive because of the nature of their content or public interest in the veterans concerned, will be maintained in the Office of the Director.
- d. Employee-Veterans are permitted to see their own records upon request; however, access must be supervised. Requests for information from employees' records will be routed through normal channels.
- e. Representatives of other federal agencies, having been authorized to examine sensitive files through proper identification and certification by a designated VA official, will be required to sign a VA Form 119, Report of Contact, showing the date and time of inspection, identification of the record examined, the purpose of the examination and identification of the representative.
- f. The table above reflects the revised sensitivity levels for the BDN as well as Common Security Services (VETSNET). All sensitive level access requests must be submitted in CSEM, or using the VA-8824e for offices not currently using CSEM, for concurrence and approval by the Station Director, Acting Station Director or Assistant Director. Level 8 and 9 may be given to employees with designated positions as listed in the attachment. Level 7 restrictions are limited to a maximum of 10 percent of non-supervisory staff allowed access. Level 6 access is limited to an additional 25 percent of non-supervisory staff, with the stipulation that such access be given only to journey level employees. Therefore, a total of 35 percent of employees are entitled to Level 6 access and above, to include VR&E employees. Designation of journey level status and business need is a management decision. All other employees should remain at level 0.

2.03 PROTECTION OF ORIGINAL PHYSICAL RECORDS AGAINST DEFACEMENT

Physical records, prior to being scanned for storage in the Insurance system by Clerical Support, will not be stamped or marked in any manner other than those prescribed in VA procedures, nor will numbers or marks of any kind be placed on records or documents in a manner that will obliterate or deface any part of the contents. Extreme care will be exercised in using stamp impressions, staplers and perforators, and in making comments, notations or underscoring. Under no circumstances will any VA record or document in temporary custody of VA, which is to be returned to the sender, be *crumpled* or *marred*.

2.04 ARCHIVING AND/OR DESTRUCTION OF PAPER RECORDS

After physical records have been properly scanned for storage in the Insurance system, they will be handled in accordance with the VBA Records Control Schedule (RCS). The RCS is a document that identifies types of records, and provides retention and disposition authority and timeframes. If a record can be destroyed, per the RCS, it must be in accordance with the procedures outlined in VBA Directive 6300. Insurance specific guidelines can be found in VBA Directive 6300 Appendix B.

2.05 INSURANCE RECORDS MAINTAINED IN INSURANCE PROGRAM MANAGEMENT DIVISION

There are no physical records stored or maintained in the Insurance Program Management Division (IPMD). Electronic records are stored on a shared drive, accessible only to authorized personnel.

2.06 FREEDOM OF INFORMATION ACT (FOIA) AND PRIVACY ACT (PA) GUIDANCE

- a. FOIA and PA are two laws that guide whether VA can release information.
 1. Freedom of Information Act – provides individuals rights to access Federal agency records, except to the extent those records are protected from release by a FOIA exemption or special law enforcement exclusion.
 2. Privacy Act – balances the government’s need to maintain information about individuals with the rights of individuals to be protected against unwarranted invasions of privacy.
 3. Insurance policy for FOIA and PA is based on VA Directive 6300, VBA Handbook 6502, VA Handbook 6300.3. Employees should review these policies as well as any additional Insurance-specific policy to determine the appropriate process for handling requests for release of records before releasing the records. If needed, employees should seek guidance from their supervisory chain and the Insurance FOIA and/or Privacy Officers.

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3.01 TERMINAL DIGIT FILING SYSTEM

Insurance records are identified according to the numerical system known as the "Terminal Digit Filing System." The fundamental principle of this system consists of dividing the numbers into groups which are read from right to left. The two numbers on the extreme right are called "primary" digits; the two numbers to the left of the primary digits are called "secondary" digits; the remaining numbers are referred to as "final numbers." The number V17104628 would be broken down as:

Final Numbers	Secondary Digits	Primary Digits
V1710	46	28

The file numbers are automatically assigned by the Insurance system.

3.02 FILE PREFIX ORDER OF PRECEDENCE

a. The following list shows the file number prefixes in their order of precedence. It may be used as a guide when it becomes necessary to determine which policy number is the file number when multiple prefixes are shown on the folder.

1. FV
2. FRS
3. FRH
4. FH
5. FJ
6. FK

b. Policies prefixed by the letters W, JR, or JS are never used as file number prefixes.

3.03 DOCUMENTS IN ELECTRONIC AND PAPER RECORDS

a. Electronic Records

1. When documents are received by the Insurance Center, they are barcoded using the terminal digit system noted in 3.01 and then scanned directly into the Insurance

system. The scanned document images are sorted into different folders, which can be opened in the electronic record with which it is associated. The folders are as follows:

- a) B&O: All Beneficiary Designation forms.
- b) 292 (Incoming/Outgoing): All correspondence to and from the insured on existing policies, except for Veterans' Mortgage Life Insurance (VMLI). This includes items like address changes, Tcap, reduced paidup requests, and any manually generated correspondence with the insured.
- c) 292 (Loan/Cash Surrender): All Loan and Cash Surrender applications (formal and informal) and system generated loan or cash surrender approval or denials.
- d) 295 (Incoming/Outgoing): All correspondence to and from a beneficiary of an insurance policy.
- e) Power Of Attorney: All Power of Attorney documents.
- f) 295 (Award Maintenance): Any correspondence for a running award, including direct deposit and address changes and income verifications.
- g) 297 (Incoming/Outgoing): All correspondence to and from the Veteran regarding applications for insurance benefits.
- h) 297 (Applications): All applications for insurance benefits, except for VMLI. This includes paper and online applications.
- i) 297 (VMLI): All correspondence and applications to and from the Veteran regarding VMLI.
- j) Email: Emails received and replied to by VA Insurance. This does not include IRIS inquiries or emails within the VA Insurance system.
- k) Controlled Correspondence: Incoming and outgoing correspondence to and from Congressional representatives, White House, Secretary of Veterans Affairs, other cabinet level agency correspondence, or other high-level VA officials.
- l) 295 (Outreach): All correspondence to and from recently separated Servicemembers with Servicemembers' Group Life Insurance at separation who are part of VA Insurance's outreach efforts.

b. Paper records

1. Paper records received in Clerical Support are barcoded using the terminal digit system noted in 3.01 and then scanned and stored in the Insurance systems as noted in a. After being scanned, some of these paper records are stored, some are shredded, and others are returned to the sender.

- a) Imaged and Sent to National Archives and Record Administration (NARA)

- 1) Paper that shows an Insurance Beneficiary Designation are maintained for 50 years by NARA. These records are imaged, boxed, and sent to NARA after ten boxes are filled (approximately every 12 weeks):
 - i. Informal and Formal Beneficiary Option and Designation forms
 - ii. S-DVI Applications
 - iii. Supplemental S-DVI Applications
- b) Imaged and Returned Upon Request
 - 1) The following documents are imaged and the original is returned to the insured or beneficiary upon request:
 - i. Any document requested returned when received
 - ii. Death Certificates
 - iii. Marriage Certificates
 - iv. Birth Certificates
 - v. Any other original source documentation
- c) Immediate Destruction
 - 1) Envelopes, postal address cards, and return mail on active insureds are not imaged. They are shredded on the official shredding day after receipt.

NOTE: Return mail on active insureds is not imaged because of the return mail process whereby "bits" are placed on the active records to prevent further mail from going out on the record when return mail is received.
- d) Imaged and Shredded
 - 1) Any document that is not categorized under a-c. These documents are imaged and placed in a box identifying it as not required for NARA retention. Shredding occurs only once a box has been filled and retained for at least 30 days.

3.04 ACCESS TO ELECTRONIC RECORDS

- a. To gain access to the electronic records, the following process must be followed:
 1. A secretary or a supervisor must submit a request by use of the following forms:
 - a) VICTARS/ITS (Form 29-8824c)
 - b) BDN (Form 20-8824)
 - c) CSS (Form 20-8824e)
 - d) Time Sharing (Form 9957)
 - e) SDC (MVS/TSO)
 - f) LAN Access

- g) Special Features (VICTARS accesses)
- 2. Once the request is submitted, it will either go immediately to Internal Controls (if requested by the supervisor) or it will go in the supervisor's Pending Approval box. After the supervisor approves the request, it will go to Internal Controls.
- 3. Internal Controls must approve the request. Once approved, it is sent to the Office of the Director. If denied, Internal Controls returns it to the supervisor for action.
- 4. The Office of the Director reviews the request. Once approved, it is sent to the Information Technology Staff. If denied, the Office of the Director returns it to the supervisor for action.
- 5. The ITS then creates the new user account.

3.05 WORKFLOW PROCESS

- a. When documents are received, they are identified and barcoded before being scanned into the Insurance system, the barcode contains data that identifies if and what type of task should be created in the workflow system.
- b. Once the document is scanned, a clerk will commit the images and the system will sort the images and associate the documents with the appropriate electronic insurance record.
- c. When the system associates the documents, it may create a workflow task depending on the data in the barcode. If a task is created, it is automatically assigned by terminal digit to the appropriate employee.
- d. Imaged documents will appear on the appropriate records, usually soon after imaging, and begin to assign workflow tasks as appropriate. The employee can then view and access the electronic folder and associated documents for all assigned tasks through the Insurance system on their personal workflow list. The workflow list tracks the age of the task.
- e. If a document was scanned without a barcode, it will generate for action and a clerk will manually index the document to the appropriate pending image(s). This ensures the image is manually associated with the appropriate electronic record.

3.06 COMPLETE SEARCH FOR LOST RECORD

- a. A complete search will consist of searching:
 - 1. Electronic VA Insurance System (using all identifying information available) - Conducted by Policyholder Services (PSD) or Death Claims (DCD).
 - 2. SHARE/BIRLS (Beneficiary Identification and Records Locator Subsystem) – Conducted by the Imaging Unit after request from PSD or DCD.
 - 3. Federal Archives Records Centers - Request made by Imaging Unit.

- b. After conducting a complete search for an insurance record, and the record cannot be found, the Imaging Unit should inform the PSD or DCD requestor and place a note in the VA Insurance System that the original folder cannot be located.

Chapter 4 - Requisition, Charged-Out and No Record Folders

Chapter deleted as obsolete and no longer relevant.

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Chapter 5 - Retirement and Recall of Inactive Insurance Folders

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5.01 GENERAL

- a. All paper folders were retired to the appropriate Federal Records Center (FRC) in 1999. VA Insurance conducted the retirement in accordance with Records Control Schedule VB-1, Part 1-Field.
 - 1. The retired paper folders included policy information, correspondence, and beneficiary information.
 - 2. VA created an electronic record from the information in the retired paper folder for all active insureds at the time of retirement. Before retirement, the Beneficiary and Option Designation Form from each retired paper folder was scanned and stored to the electronic folder.
 - 3. Inactive records at the time of the retirement were sent to the appropriate FRC without creating an electronic record or scanning any documents into VA systems. VBA systems contain retired records locations for retrieval, as necessary.
- b. Retirement and recall procedures as outlined in the Records Control Schedule, VB-1, Part 1-Field will be followed.

5.02 LOCATION OF RETIRED INSURANCE RECORDS

- a. All V, H, RH and RS folders retired by the St. Paul and Denver VA centers are maintained in separate groups at the following address:

Federal Records Center
 General Services Administration
 7358 South Pulaski Road
 Chicago, Illinois 60629

- b. Most K, V, H, RH, RS and J folders retired by the Philadelphia VA Center are located at the following address:

Federal Records Center
 Facility – 01
 14700 Townsend Road
 Philadelphia, PA 19154

NOTE: Insurance records archived in 1963 were destroyed under the authority of title 36 of the Code of Federal Regulations. These records were no longer active because of lapse due to non-payment of premiums, cash surrender, matured endowment policy, or death claims proceeds issued.

c. All K, T, N, V, H, RH and RS Premium Record Cards are located at the following address:

National Personnel Records Center #061
(Civilian Personnel Records)
General Services Administration
111 Winnebago Street
St. Louis, Missouri 63118

Requests for these record cards should be made using the following process:

1. Complete VA Form 29-5714 "Requisition - Photocopy PRC/Folder Request Temporary Charge".
2. Fax the form to the National Personnel Records Center at 618-935-3042/3032.
3. Wait 2-3 weeks for a reply. If no reply in that time frame, make a second request.

5.03 REQUESTS FOR RETIRED PAPER FOLDERS

Management of all paper folders that are recalled from the FRC are controlled by Clerical Support.

- a. Requests for retired folders are processed by Clerical Support. Insurance Specialists who need a retired paper folder send a request to Clerical Support through the Insurance System. The Clerical Support Staff obtains the location of the retired paper folder and other necessary information needed, such as the year retired, accession number, and box number.
- b. To request the folder, the Clerical Support Staff must access a National Archives website, www.arcis.gov. This is the Archives and Records Centers Info System website.
- c. Clerical Support keeps a log of all retired paper folder requests made, which includes when it was received and when it is returned.
- d. Once a retired paper folder is received from a FRC, Clerical Support gives it to the requesting Insurance Specialist.
- e. When the Insurance Specialist is finished with the paper folder, they return it to Clerical Support.
- f. Clerical Support retains all retired paper folders until there are enough to fill a standard issue FRC box (a one-foot cube) to send to the appropriate FRC location.
- g. Once a box is full, Clerical Support gives it to the Records Management Officer (RMO) who mails it back to the FRC. The RMO keeps track of when the box was sent and when it was received by the FRC.