#### Department of Veterans Affairs M29-1, Part 1, Chapter 19

**Veterans Benefits Administration May 19, 2019**

**Washington, DC 20420**

#### Key Changes

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| Changes Included in This Revision | The table below describes the changes included in this revision of Veterans Benefits Insurance Manual M29-1, Part 1, Chapter 19.  ***Notes***:   * **M29-1, Part 1, Chapter 19** has been rewritten in its entirety for the purpose of improving clarity and readability. Any substantive changes are itemized in the table below. * Minor editorial changes have also been made to * improve clarity and readability * add references * update incorrect or obsolete references * update obsolete terminology, where appropriate * reorganize/relocate content within **M29-1, Part 1, Chapter 19** so that it flows more logically * reassign alphabetical designations to individual blocks, where necessary, to account for new and/or deleted blocks within a topic * update the labels of individual blocks and the titles of sections and topics to more accurately reflect their content, and * bring the document into conformance with M29-1 standards. |

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| Reason(s) for Notable Change | Citation |
| Clarifies that a five-year level premium term (LPT) policy may under certain circumstances be exchanged for a special endowment policy at age 96 policy | Subchapter 19.01 |
| Eliminates language regarding term and permanent plans in the USGLI program as no longer applicable to the insurance programs | Subchapter 19.01 |
| Clarifies the type of permanent plans that are not available to S-DVI insureds when the issue age of the permanent plan is age 70 or older | Subchapter 19.01 |
| Clarifies the type of permanent plans that are not available to VSLI insureds when the issue age of the permanent plan is age 71 or older; also clarifies that under the VRI program certain policies are not available at specific ages | Subchapter 19.01 |
| Explains that after NSLI limited payment life contracts are paid up, the insured may exchange the plan for one with a higher or lower reserve; eliminates language regarding USGLI limited payment life contacts as no longer applicable to the insurance programs | Subchapter 19.01 |
| Eliminates language regarding requirements for changing to USGLI policies of higher or lower reserve values as no longer applicable to the insurance programs | Subchapter 19.02 |
| Explains the procedure for processing applications for a change in plan if the applicant indicates he is totally disabled; also explains the procedure for processing applications for a change in plan to a higher reserve value when the applicants indicates he is not totally disabled | Subchapter 19.03 |
| Clarifies that an application for a change in plan with a lower reserve value must be submitted on the premium due date; eliminates language regarding change of plan for USGLI policies as no longer applicable to the insurance programs | Subchapter 19.04 |
| Explains that a lien cannot be established for the difference in reserve value; also eliminates language regarding change in plan for USGLI policies as no longer applicable to the insurance programs | Subchapter 19.05 |

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| **Reason(s) for Change** | **Citation** |
| Clarifies that the term NSLI program refers to NSLI, S-DVI, VSLI, and VRI policies; eliminates language that is no longer relevant to the due date required for the submittal of comparative health statements; | Subchapter 19.02 |
| Clarifies that the term NSLI program refers to NSLI, S-DVI, VSLI, and VRI policies | Subchapter 19.03 |
| Eliminates reference to an application being forwarded through military channels as no longer applicable to the insurance programs; | Subchapter 19.06 |
| Explains the medical evidence required of applicants who request a change in plan with a lower reserve value and an effective date later than 31 days after the application submission | Subchapter 19.06 |
| Eliminates language providing consideration for a change of plan to a higher reserve value effective date on a range of dates as those date options are no longer available | Subchapter 19.06 |
| Clarifies that lapsed insurance must be reinstated before it can be exchanged for a different permanent plan and can be for less than the original insurance amount | Subchapter 19.07 |
| Clarifies that a permanent plan may be reduced if it has been in force between 3 and 12 months; also clarifies the circumstances under which a permanent plan cannot be reduced, but can be divided into separate contracts | Subchapter 19.07 |
| Explains that a division, reduction, or reinstatement of insurance must occur before a change of plan request can be processed | Subchapter 19.07 |
| Clarifies that if the insured requests a reduction, division, or reinstatement as well as a change of plan, the reduction, division or reinstatement will be processed, even if the insured withdraws the request for a change of plan | Subchapter 19.08 |
| Eliminates reference to an application being forwarded through military channels as no longer applicable to the insurance programs | Subchapter 19.08 |
| Clarifies that an outstanding loan, greater than the maximum loan value of the new policy, must be reduced at the time of the change in plan from a higher to a lower reserve value using existing reserve credits | Subchapter 19.10 |
| Clarifies that a change in plan may be made by the insured’s power of attorney or his VA-appointed fiduciary | Subchapter 19.11 |
| Eliminates subchapter regarding modified life at age 60 changed to modified life at age 30 NSLI plans as no longer applicable to the insurance programs | Subchapter 19.13 |

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| Rescissions | None |

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| Authority | By Direction of the Under Secretary for Benefits |

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| Signature | Vincent E. Markey, Director  Insurance Service |

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