#### Department of Veterans Affairs M29-1, Part 1, Chapter 36

**Veterans Benefits Administration June 11, 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 36, Veterans’ Mortgage Life Insurance. VMLI was moved from its previous location in M29-1, Part 1, Chapter 12 to this entirely new Chapter.  ***Notes***:   * **M29-1, Part 1, Chapter 36** has been rewritten in its entirety for 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 36** 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 |
| Adds reference to Servicemembers now being eligible for VMLI coverage due to a change in federal law | Subchapters 36.01 – 36.17 |
| Eliminates references to the program being administered by a private insurance company and to the program being administered by the VA Regional Office in St. Paul, Minnesota as no longer applicable to the insurance programs | Subchapter 36.01 |
| Clarifies the current responsibilities of the VA Insurance Center in administering the VMLI program; adds a reference to the Special Housing Adaptation (SHA) grant as also providing eligibility for VMLI coverage | Subchapter 36.01 |
| Explains the premium and funding structure of the VMLI program | Subchapter 36.01 |
| Eliminates references to housing grants approved or disbursed prior to August 11, 1971 as no longer applicable to the insurance programs | Subchapters 36.02, 36.05, 36.07 |
| Explains the criteria under which an otherwise eligible Servicemember or Veteran will not be automatically insured under the program | Subchapter 36.02 |
| Explains the circumstances under which a Servicemember or Veteran who is eligible may later apply for coverage | Subchapter 36.03 |
| Updates reference to maximum coverage amount as $200,000 due to a change in federal law | Subchapters 36.03-36.04, 36.16 |
| Clarifies the process by which the maximum amount of insurance coverage is calculated | Subchapter 36.04 |
| Clarifies how the effective date of coverage is calculated in a variety of circumstances | Subchapter 36.05 |
| Explains that premiums are based on the 2001 Commissioners Standard Ordinary Mortality Table | Subchapter 36.06 |
| Eliminates language regarding termination of the policy due to discontinuance of the group contract of the insurer administering the program as no longer applicable to the insurance programs | Subchapter 36.15 |

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| **Reason(s) for Change** | **Citation** |
| Explains premium features such as the due date and grace period for payment; explains how insureds must pay premiums via deduction from compensation benefits unless such benefits do not exist, in such cases insureds must pay premiums directly; eliminates reference to the VI&I Fund | Subchapter 36.06 |
| Explains the electronic grant card and current process for notifying individuals of their eligibility to apply for coverage | Subchapter 36.07 |
| Explains how the Insurance Center processes requests for VMLI coverage | Subchapter 36.08 |
| Explains how VA staff process coverage requests when there is not a match between the information submitted by the individual and the information reported by the electronic system | Subchapter 36.09 |
| Explains how the Insurance Center processes premium deductions from VA Compensation benefits each month | Subchapter 36.10 |
| Explains that each insured under the VMLI program will receive a certificate that attests to their status, program benefits, coverage amount | Subchapter 36.11 |
| Explains how VA Insurance will process a change of address notification from an insured in the VMLI program | Subchapter 36.12 |
| Explains how premiums in the VMLI program will be adjusted, including when the processing is due to a prepayment of the premium or an over-deduction of the premium from the insured’s VA Compensation benefit | Subchapter 36.13 |
| Clarifies the amount of benefits payable at time of claim | Subchapter 36.16 |

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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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