#### Department of Veterans Affairs M29-1, Part 6, Chapter 16

**Veterans Benefits Administration March 19, 2020**

**Washington, DC 20420**

#### Key Changes

|  |  |
| --- | --- |
| Changes Included in This Revision | The table below describes the changes included in this revision of Veterans Benefits Insurance Manual M29-1, Part 6, Chapter 16.***Notes***: * **M29-1, Part 6, Chapter 16** 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 6, Chapter 16** 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.
 |

|  |  |
| --- | --- |
| Reason(s) for Notable Change | Citation |
| Eliminates references to the USGLI program as outdated and no longer applicable to the insurance programs; clarifies that an updated beneficiary designation must be signed by the insured prior to forwarding to VA; if a policy is payable to the estate, provides reference to M-29-1, Part 6, Chapter 14 for additional information | Subchapter 16.01 |
| Explains that determinations pertaining to the testamentary capacity of the insured will be made via a Request for Rating/Administrative Decision Memo (VA Form 2105); clarifies that standards for determination of testamentary capacity for insurance purposes are located at 38 CFR 3.355; updates and explains the procedures for how insurance staff should review cases in which a question of the insured’s testamentary capacity exists; clarifies that a record of the rating agency’s decision should be imaged to VA systems in case of an appeal to the Board of Veterans Appeals (BVA) or to federal district court; eliminates language pertaining to insurance processes and forms that are no longer applicable to the insurance programs  | Subchapter 16.02 |
| Eliminates language pertaining to NSLI policies maturing prior to August 1, 1946 or to USGLI policies as no longer applicable to the insurance programs  | Subchapter 16.03 |
| Clarifies that Insurance will generally accept a change of beneficiary from a court-appointed representative of an incompetent insured, if accompanied by a specific court order authorizing the designation change; explains that a death claim case will be developed to determine if the court order was submitted by the court-appointed representative if that representative made the last beneficiary designation change; explains that a court order authorizing a beneficiary change will be submitted to VA Regional Counsel for review; explains that in cases in which a change of beneficiary was not submitted with a court order, the claim will be paid in accordance with the last valid beneficiary designation of record  | Subchapter 16.04 |
| Clarifies the factors that should be considered when determining if an insured was subject to fraud, duress, coercion, or undue influence when making a change of beneficiary designation; clarifies that the standard for determining if the designation change is valid requires examination of whether the influence was sufficient to affect the free will of the insured; explains that the undue influence may take the form of either physical or mental coercion that affects the free will of the insured  | Subchapter 16.05 |
| Eliminates prior Subchapters 16.06-18.08 as no longer applicable to the insurance programs | Subchapter 16.06, 16.07 and 16.08 |
| Clarifies that beneficiary designation changes received after the death of the insured may still be accepted as valid, if there is evidence of the insured’s intent and a documented affirmative act to assert his intent; explains that documents may be accepted after the death of the insured from the insured’s agent, if the documents were properly executed prior to the insured’s death  | Prior Subchapter 16.09/New Subchapter 16.06 |

|  |  |
| --- | --- |
| **Reason(s) for Change** | **Citation** |
|  |  |
|  |  |
|  |  |

|  |  |
| --- | --- |
| Rescissions | None |

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

|  |  |
| --- | --- |
| Signature | Timothy Sirhal, Acting DirectorInsurance Service |

|  |  |
| --- | --- |
| Distribution | LOCAL REPRODUCTION AUTHORIZED |