



By Ashley Bunch

No one ever said getting out of the military was easy, and to be frank, it would be a lie to say that it is. Separating from the military might be one of the hardest choices you make, next to joining. When you get out, suddenly all the things that made life easier, seem so much more difficult, and it all becomes the forefront of your thoughts. How will I support myself? How will I support my family? Should I go back to school? How do I get health insurance? How do I find a new job? Will I find purpose again? Will I make it in the civilian world? All of these questions are enough to make even the most level headed and prepared individual a little bit queasy, which we can all understand.

Now, as your ETS date approaches, your biggest fear is that you aren't prepared enough. Then you get an email about your SGLI, wait, I forgot about life insurance, do I need life insurance now that I'm not seeing combat? How do I get life insurance? Who do I get life insurance from? Is it expensive? Again, all are important questions. Luckily, there are plenty of options out there when it comes to life insurance, and the Veterans Group Life Insurance or VGLI is one of those options, which we will discuss here.

What is VGLI?

Veterans Group Life Insurance is what it sounds like, it's [veterans' life insurance](#). It's an option all veterans who were discharged under anything other than dishonorable have an option obtaining. If you used SGLI—which chances are high you did—then you are eligible. If for some reason, you did not have coverage under SGLI, then you would not qualify for VGLI. For veterans that do qualify, when you initially sign-up for coverage, you can only select up to the same amount of coverage you had under SGLI.

For example, let's say you had \$200,000 worth of coverage under SGLI. When you get out of the military, if you elect VGLI for your coverage, you can only get up to \$200,000 in coverage. However, once 5-years have passed, you can increase your coverage by \$25,000, and so on for every 5-years after, for a maximum amount of \$400,000.

You also have the option of selecting less coverage under a VGLI plan compared to what you had with SGLI but in increments of \$10,000.

Do I need life insurance?

Unlike health insurance, life insurance is not for everyone, because not everyone needs it, which leads to your question, "Do I need life insurance?" The answer truly depends on you. There may be a point in your life, where it's a necessity, and then one day you wake up and you simply don't need the coverage anymore.

Let's say, you're 65, all your bills are paid off and there's no one depending on you for financial support, then life insurance may not be needed. Remember, life insurance isn't for you, it's for your family. If you don't want your family having to worry about paying off the rest of your house, your car, paying necessary bills, putting food on the table, your kid's college getting paid off, etc., then having life insurance might be important, but if you don't have to worry about those things, then chances are you don't need it.

However, let's say you're in great health; you're 65 but haven't paid off all your bills. Using VGLI might be a financial burden because it's considerably more expensive than getting life insurance through someone else. If you're 70 or older, your premium rate will also increase. But, if you still have bills and your family is still depending on you for support, life insurance may be necessary. Also, if you're in good health at this age, chances are you can find a better premium rate with a different provider.

Now, let's say you did your 20 years—maybe more, maybe less—in the military, you got out, you're 40 years old, have one kid in middle school, two kids in college, you just purchased a new home, and your spouse stays at home as a result of a physical handicap. In a scenario like this, you are the breadwinner, if you were to pass away, your living spouse would not be able to pay the mortgage, keep food on the table, keep your kids in college, or provide other essentials for him or herself and your kid, who just started the 6th grade. This isn't a scenario any of us wants to picture, but it is always a possibility. This is why life insurance is important. If you want to make sure your family is provided for in your death, life insurance is there to make sure that happens.

Should I get VGLI?

After you've answered the question about needing life insurance, you're left pondering who to get it from. Should you get coverage under VGLI? The answer again, it depends. Have you sustained considerable health issues as a result of your service or are you in great health? Do you smoke, or no? Are you over 60? How you answer these questions can increase or decrease your monthly payment when it comes to life insurance under most providers, and sadly, it can increase your chances of not getting the coverage you need.

However, VGLI can make things a little easier. Let's say you did sustain considerable health issues while you were serving. With VGLI, as long as you apply within 1 year and 120 days of separation from the military and you were discharged with anything other than dishonorable, you qualify. This coverage is called term life insurance, meaning you can increase or decrease your coverage every 5 years. The only requirement is that you be a qualifying veteran, it doesn't matter your health. Your age is also the only determining factor when it comes to your monthly premium, not your gender, not your health, not even if you're a smoker.

Unlike some insurance companies, which require you to get a physical, provide medical documentation and then determine the price based on age, gender, medical history, smoking history, and your physical results, the VA won't prod into your life near as much, at least not if you apply within 240 days of separation—after this, you'll have to answer questions about your health.

Is VGLI Worth the Price?

The price of life insurance can be a reasonable one, especially if you're young and in good health. But, where you might see a bit of concern, is when you reach 60, at least under VGLI

terms, in which case the price may seem completely unreasonable.

Depending on your age and health, the price of life insurance through VGLI can be competitive. Now, this doesn't mean you can't find insurance at a lower price. The real advantage comes if you have health issues, you're a smoker, or you can't get insured elsewhere. Once you're over 60 the price raises considerably, and the competitive part goes out the window, especially if you're over 75. Again, this is a good choice if you can't get life insurance elsewhere because of your current health condition. If you can get \$400,000 worth of coverage at 75 years of age for under \$1,840/month, then it's probably a good idea to look someplace else. Again, make sure you need life insurance, and make sure you need the amount of coverage you're paying for. If you don't have \$400,000 worth of expenses and no one is relying on you for financial support, then maybe you don't need \$400,000 worth of coverage. Maybe, \$10,000 is all you need. So, do the math and elect the amount of coverage that makes sense to you, and then decide if the price is worth it.

Why does the cost of VGLI Increase Drastically at age 75?

There are actually a few reasons VGLI increases so drastically, especially at age 75. The main answer is, the likelihood of you passing during your coverage has increased drastically as well. Just as bad health increases your chances of death, so does age. And if an insurance company is expecting to pay out, they're going to raise the cost of coverage to help ease their own burden. A second reason is that you aren't required to do a physical exam for coverage under VGLI. Because of this, it means they are covering any and all qualifying veterans, and that means their chances of paying out, in general, are much higher.

Therefore, if you want a reasonable price on life insurance at an older age, your best option is to go with a provider who requires a physical exam—assuming you're in good health. This is because they don't cover just anyone. By covering only people who are in a higher bracket of health, they don't have to worry about paying out as much, meaning they can afford to offer lower premium rates. So, if you don't smoke (because smokers pay more) and you aren't out there doing high-risk activities (because you'll pay more there too), then an option outside of VGLI might be a better choice.

Below is the list, per the VA of cost per amount of coverage, based on age:

| Amount of Insurance | Age 29 & Below | Age 30-34 | Age 35-39 | Age 40-44 | Age 45-49 | Age 50-54 | Age 55-59 | Age 60-64 | Age 65-69 | Age 70-74 | Age 75 & Over |
|----------------------------|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------------|
| \$400,000 | \$32.00 | \$40.00 | \$52.00 | \$68.00 | \$88.00 | \$144.00 | \$268.00 | \$432.00 | \$600.00 | \$920.00 | \$1,840.00 |
| 390,000 | 31.20 | 39.00 | 50.70 | 66.30 | 85.80 | 140.40 | 261.30 | 421.20 | 585.00 | 897.00 | 1,794.00 |
| 380,000 | 30.40 | 38.00 | 49.40 | 64.60 | 83.60 | 136.80 | 254.60 | 410.40 | 570.00 | 874.00 | 1,748.00 |
| 370,000 | 29.60 | 37.00 | 48.10 | 62.90 | 81.40 | 133.20 | 247.90 | 399.60 | 555.00 | 851.00 | 1,702.00 |
| 360,000 | 28.80 | 36.00 | 46.80 | 61.20 | 79.20 | 129.60 | 241.20 | 388.80 | 540.00 | 828.00 | 1,656.00 |
| 350,000 | 28.00 | 35.00 | 45.50 | 59.50 | 77.00 | 126.00 | 234.50 | 378.00 | 525.00 | 805.00 | 1,610.00 |
| 340,000 | 27.20 | 34.00 | 44.20 | 57.80 | 74.80 | 122.40 | 227.80 | 367.20 | 510.00 | 782.00 | 1,564.00 |
| 330,000 | 26.40 | 33.00 | 42.90 | 56.10 | 72.60 | 118.80 | 221.10 | 356.40 | 495.00 | 759.00 | 1,518.00 |
| 320,000 | 25.60 | 32.00 | 41.60 | 54.40 | 70.40 | 115.20 | 214.40 | 345.60 | 480.00 | 736.00 | 1,472.00 |
| 310,000 | 24.80 | 31.00 | 40.30 | 52.70 | 68.20 | 111.60 | 207.70 | 334.80 | 465.00 | 713.00 | 1,426.00 |
| 300,000 | 24.00 | 30.00 | 39.00 | 51.00 | 66.00 | 108.00 | 201.00 | 324.00 | 450.00 | 690.00 | 1,380.00 |
| 290,000 | 23.20 | 29.00 | 37.70 | 49.30 | 63.80 | 104.40 | 194.30 | 313.20 | 435.00 | 667.00 | 1,334.00 |
| 280,000 | 22.40 | 28.00 | 36.40 | 47.60 | 61.60 | 100.80 | 187.60 | 302.40 | 420.00 | 644.00 | 1,288.00 |
| 270,000 | 21.60 | 27.00 | 35.10 | 45.90 | 59.40 | 97.20 | 180.90 | 291.60 | 405.00 | 621.00 | 1,242.00 |
| 260,000 | 20.80 | 26.00 | 33.80 | 44.20 | 57.20 | 93.60 | 174.20 | 280.80 | 390.00 | 598.00 | 1,196.00 |
| 250,000 | 20.00 | 25.00 | 32.50 | 42.50 | 55.00 | 90.00 | 167.50 | 270.00 | 375.00 | 575.00 | 1,150.00 |
| 240,000 | 19.20 | 24.00 | 31.20 | 40.80 | 52.80 | 86.40 | 160.80 | 259.20 | 360.00 | 552.00 | 1,104.00 |
| 230,000 | 18.40 | 23.00 | 29.90 | 39.10 | 50.60 | 82.80 | 154.10 | 248.40 | 345.00 | 529.00 | 1,058.00 |
| 220,000 | 17.60 | 22.00 | 28.60 | 37.40 | 48.40 | 79.20 | 147.40 | 237.60 | 330.00 | 506.00 | 1,012.00 |
| 210,000 | 16.80 | 21.00 | 27.30 | 35.70 | 46.20 | 75.60 | 140.70 | 226.80 | 315.00 | 483.00 | 966.00 |
| 200,000 | 16.00 | 20.00 | 26.00 | 34.00 | 44.00 | 72.00 | 134.00 | 216.00 | 300.00 | 460.00 | 920.00 |
| 190,000 | 15.20 | 19.00 | 24.70 | 32.30 | 41.80 | 68.40 | 127.30 | 205.20 | 285.00 | 437.00 | 874.00 |
| 180,000 | 14.40 | 18.00 | 23.40 | 30.60 | 39.60 | 64.80 | 120.60 | 194.40 | 270.00 | 414.00 | 828.00 |
| 170,000 | 13.60 | 17.00 | 22.10 | 28.90 | 37.40 | 61.20 | 113.90 | 183.60 | 255.00 | 391.00 | 782.00 |
| 160,000 | 12.80 | 16.00 | 20.80 | 27.20 | 35.20 | 57.60 | 107.20 | 172.80 | 240.00 | 368.00 | 736.00 |
| 150,000 | 12.00 | 15.00 | 19.50 | 25.50 | 33.00 | 54.00 | 100.50 | 162.00 | 225.00 | 345.00 | 690.00 |
| 140,000 | 11.20 | 14.00 | 18.20 | 23.80 | 30.80 | 50.40 | 93.80 | 151.20 | 210.00 | 322.00 | 644.00 |
| 130,000 | 10.40 | 13.00 | 16.90 | 22.10 | 28.60 | 46.80 | 87.10 | 140.40 | 195.00 | 299.00 | 598.00 |
| 120,000 | 9.60 | 12.00 | 15.60 | 20.40 | 26.40 | 43.20 | 80.40 | 129.60 | 180.00 | 276.00 | 552.00 |
| 110,000 | 8.80 | 11.00 | 14.30 | 18.70 | 24.20 | 39.60 | 73.70 | 118.80 | 165.00 | 253.00 | 506.00 |
| 100,000 | 8.00 | 10.00 | 13.00 | 17.00 | 22.00 | 36.00 | 67.00 | 108.00 | 150.00 | 230.00 | 460.00 |
| 90,000 | 7.20 | 9.00 | 11.70 | 15.30 | 19.80 | 32.40 | 60.30 | 97.20 | 135.00 | 207.00 | 414.00 |
| 80,000 | 6.40 | 8.00 | 10.40 | 13.60 | 17.60 | 28.80 | 53.60 | 86.40 | 120.00 | 184.00 | 368.00 |
| 70,000 | 5.60 | 7.00 | 9.10 | 11.90 | 15.40 | 25.20 | 46.90 | 75.60 | 105.00 | 161.00 | 322.00 |
| 60,000 | 4.80 | 6.00 | 7.80 | 10.20 | 13.20 | 21.60 | 40.20 | 64.80 | 90.00 | 138.00 | 276.00 |

| | | | | | | | | | | | |
|---------------|------|------|------|------|-------|-------|-------|-------|-------|--------|--------|
| 50,000 | 4.00 | 5.00 | 6.50 | 8.50 | 11.00 | 18.00 | 33.50 | 54.00 | 75.00 | 115.00 | 230.00 |
| 40,000 | 3.20 | 4.00 | 5.20 | 6.80 | 8.80 | 14.40 | 26.80 | 43.20 | 60.00 | 92.00 | 184.00 |
| 30,000 | 2.40 | 3.00 | 3.90 | 5.10 | 6.60 | 10.80 | 20.10 | 32.40 | 45.00 | 69.00 | 138.00 |
| 20,000 | 1.60 | 2.00 | 2.60 | 3.40 | 4.40 | 7.20 | 13.40 | 21.60 | 30.00 | 46.00 | 92.00 |
| 10,000 | 0.80 | 1.00 | 1.30 | 1.70 | 2.20 | 3.60 | 6.70 | 10.80 | 15.00 | 23.00 | 46.00 |

Pros and Cons of VGLI

Pros

- Cost effective for the younger generation of veterans, especially if in poor health
- Older generation of veterans in poor health are eligible, even when most companies won't provide coverage
- No proof of good health required if applied for within 240 days of separation
- You can increase your coverage by \$25,000 every 5 years, up to \$400,000

Cons

- Expensive for the older generation of veterans in good health
- Doesn't require a physical exam, therefore lower prices can be found with other provider
- Not always the best option if you're in excellent health
- You can only enroll up to the amount of life insurance you were covered for under SGLI (after 5 years you can increase the amount)

To recap, VGLI is available for all qualifying veterans of any health condition. Depending on what your current health looks like and how old you are, should determine if this is a good option for you. If you're older and have poor health, the steep prices of VGLI might be your only reasonable offer, especially if you can't get covered elsewhere. Simply remember, if you want to apply without having to answer questions about your health you must apply within 240 days of separation from the military. And if you aren't supporting anyone financially and all your bills are paid off, you might not need life insurance at all.

Ashley Bunch dedicated over 10 years to the USAF as a Security Forces member. Prior K-9 Handler, turned writer, she is now an avid blogger for [RE Factor Tactical](#). With her skills, she sims to write content dedicated to helped service members and veterans.

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