



OFFICE OF
**FINANCIAL
READINESS**

Insurance

Instructor Guide

(Updated June 2025)

Lesson: *Insurance*

This course is expected to take approximately 60 minutes to teach. Through a series of PowerPoint slides, the learners are presented with information about insurance protection. They will learn about the importance of insurance, the different coverages, insurance needs specific to life events, and tips to maximize insurance savings.

Learning Objectives

At the conclusion of this course, learners should be able to:

- Understand the importance of managing risk through insurance.
- Differentiate between various types of insurance coverages and evaluate their benefits and limitations.
- Assess insurance needs according to major life events.
- Identify and implement effective insurance money-saving strategies.

Learning Activities

This lesson contains the following activities:

- Analyze real-life scenarios to identify potential risks.
- Using the worksheet to calculate current life insurance needs.

Content Outline

1. Welcome and Introduction (5 minutes)
 - Welcome
 - Facilitator Introduction
 - Agenda
2. The Importance of Insurance (5 minutes)
 - Risk
 - Managing Risk
3. Types of Insurance (15 minutes)
 - Auto Insurance

- Health Insurance
 - Homeowners / Renters Insurance
 - Life Insurance
4. Insurance Needs for Major Life Events (20 minutes)
 5. Know Your Benefits and Entitlements (5 minutes)
 - Death Gratuity
 - Dependency and Indemnity Compensation (DIC)
 - Survivors' and Dependents' Educational Assistance (DEA)
 - Survivor Benefit Plan (SBP)
 - Social Security
 6. Saving Money on Insurance (5 minutes)
 7. Conclusion (5 minutes)
 - Resources
 - Q&A

Training Materials

- *Insurance* Instructor Guide
- *Insurance* PowerPoint Presentation
- *Life Insurance Calculation* Handout

Using This Instructor Guide

Presenter preparation is the most important part of delivering information. Make sure to familiarize yourself with the content of the lesson so that you can effectively discuss each key point during the training session. Review the material and practice delivering the content ahead of time to feel comfortable covering the material in your own words.

To use this Instructor Guide, review its various parts and components below.

The **Discussion Points** section contains the key points you must present in the training. The information should be presented in the order provided. Use the discussion points as a lesson outline. Avoid reading it word-for-word.





An ***Instructor Note*** provides guidance for the instructor in presenting the discussion points. This section also includes specific instructions on using the media, activities for learners, and references to any other documents or content.



This symbol indicates a handout is associated with the content.

This symbol indicates a discussion activity is associated with the content.

Course Preparation

Being prepared for training promotes organization, projects a positive image, and reduces stress. To ensure you are prepared, review the following:

- *Insurance* PowerPoint Presentation
- References:
 - DoD Instruction 1322.34, *Financial Readiness of Service Members*
 - DoD Instruction 1342.22, *Military Family Readiness*
 - DoD Instruction 1344.07, *Personal Commercial Solicitation on DoD Installations*
- Resources:
 - TRICARE - www.tricare.mil
 - Department of Veterans Affairs - www.benefits.va.gov/insurance/
 - Consumer Financial Protection Bureau (CFPB) - <https://www.consumerfinance.gov/consumer-tools/educator-tools/youth-financial-education/teach/activities/learning-about-insurance/>
 - The DoD Office of Financial Readiness (FINRED) - <https://finred.usalearning.gov/>



- Department of Veterans Affairs Life Insurance Calculator - <https://insurance.va.gov/NeedsCalculator#nc>
- *LIFE Insurance Calculation* Handout
- Flip chart, whiteboard, and writing instruments

Instructor Note: The handouts contain additional information and resources. A digital version may be provided to learners via email before or after the course; printed copies are not required. Ensure you are familiar with resources available in the area. Be prepared to share that information with the learners.

Personalize your lesson. Use the white space on the left side of the page to add your own notes and discussion prompts.

You can fill it with:

- Subject matter
- Detailed/technical information
- Instructional strategies and methods
- Personal experiences
- Examples and analogies

Discussion Points



Slide 1

1. Welcome and Introduction

Instructor Note: Display slide 1 and welcome learners to the *Insurance* lesson.

Say: Welcome to today's lesson on insurance. Today's course aims to help you understand and manage risk using insurance. We'll focus on the various types of insurance and learn how much you may need based on your unique circumstances and life events. But first, let's take a step back and think about why it's important to understand risk and insurance.



Gain learner attention and interest:

- Share a short story about the lesson's topic.
- Share a surprising fact about the lesson's topic.
- Ask learners to write down one thing they hope to learn from attending the training.

Facilitator Introduction

Introduce yourself by providing:

- Your name
- Your experience with the lesson topic, financial counseling experience, and/or professional/educational background

Instructor Note: Read the disclaimer to the group.

Disclaimer: *The information presented in this lesson does not constitute legal, tax, investment, financial, or other advice. This lesson is intended as an informational resource to assist you in identifying or exploring resources and options for managing your personal financial situation.*

Identify and point out all emergency exits or barricades in the event of an active shooter.



Slide 2

2. Agenda

Instructor Note: Display slide 2. Briefly introduce the lesson topics.

Say: In this lesson, we will cover the following topics:

- The importance of insurance
- Types of insurance
- Insurance needs for life events
- Know your benefits and entitlements
- Money saving tips
- Resources and Q&A





Slide 3

3. The Importance of Insurance

Instructor Note: Display slide 3. Ask learners why it is important to have insurance. A potential answer could include, “*Insurance protects you from an unexpected financial loss resulting from risk.*” Next, ask learners how they define “risk.” Share that risk involves the chance of financial loss and uncertainty.

Say: Great answers, and as you can see, the common theme is protection. Let’s now dive in deeper and discuss risk and how insurance can be an effective method to help manage risk. Insurance helps us manage risk and protects us from financial loss. We face risks every day, and while many amount to nothing, some could result in damage, injury, loss, or liability. There are several ways to manage the various risks that we are all exposed to:

- **Avoid:** One way to do this is to avoid the risk altogether. For example, if you are concerned about the risk of injury, you could avoid purchasing a backyard trampoline.
- **Reduce:** A second way is to reduce the risk. For example, if you are concerned your cell phone may distract you while driving, you might silence the volume or put it in the back seat where you cannot reach it.
- **Retain:** You can also retain a risk. This means that you are willing to pay for a financial loss that may occur. An example would be to not carry vision insurance for your dependents and pay out of pocket if your child needs glasses in the future.
- **Transfer:** You can transfer the risk by purchasing insurance to protect you from losses you cannot afford to cover yourself. You pay a small, known cost – the premium – for the promise that the insurance company will pay for a larger cost of loss that may occur, within certain limits.





Slide 4



4. Insurance Landscape

Instructor Note: Display slide 4.

Activity: Ask learners to share what types of insurance they have heard about. Write the responses on a flip chart and ask what risk the type of insurance protects against. See the list of common types of insurance to the right. Read off any type not mentioned and ask if anyone has heard about it by a show of hands.

Say: There are many types of insurance. Rather than spend time covering each type in detail, we will focus on the most common types that many of you are likely familiar with:

- **Auto:** Protects a person against financial loss if a vehicle is in an accident, damaged, or stolen.
- **Health:** Covers the cost of medical expenses due to illness, injuries, and health conditions.
- **Property:** Homeowners insurance covers a home and its contents in case of damage or theft and can help pay for repairs and replacement. Similarly, renters insurance

Common Types of Insurance

- Auto insurance
- Health insurance
- Homeowners insurance
 - Flood/earthquake
 - Title
- Renters insurance
- Life
- Umbrella
- Accidental Death & Dismemberment
- Medical
- Long-term care
- Disability
- Private mortgage insurance (PMI)
- Guaranteed Asset Protection (GAP)
- Federal Deposit Insurance Corporation (FDIC)
- National Credit Union Administration (NCUA)
- Travel
- Home appliance insurance (aka extended warranty)
- Pet
- Identity theft



Slide 5

covers the cost of replacing stolen, damaged, or ruined items in a rented house or apartment.

- **Life:** Can replace income, pay debts, fund financial goals, provide for funeral arrangements, and fund a legacy, if desired.

5. Auto Insurance

Instructor Note: Display slide 5.

Say: For many of you, your first major purchase may be a car. Auto insurance is an important way to protect your investment. You agree to pay the premium and the insurance company agrees to cover potential losses as defined in your policy. There are several different types of car insurance, and each is priced separately.

- **Liability:** Liability coverage pays for your legal responsibility to others for bodily injury or property damage within the policy limits. Auto liability insurance is mandated by law in most states. Each state sets minimum coverage limits for bodily injury and property damage liability. It is written as three numbers. For example, 100/300/50 means \$100,000 in bodily injury coverage per person, \$300,000 in bodily injury coverage per accident, and \$50,000 in property damage coverage per accident.
- **Collision:** Collision insurance is coverage that pays the cost of repairing or replacing your vehicle if it is damaged in an accident, regardless of who is at fault. Collision coverage will pay to repair your vehicle based on the actual cash value, not the replacement cost. It is required by most lenders if your vehicle is financed.
- **Comprehensive:** This coverage pays for damages to your car caused by something other than a collision with another vehicle like a tree fall, fire, or theft. Your insurer will only pay as much as the car was worth when the



event occurred, called the actual cash value and not the cost of a new car, called the replacement cost value.

- **Medical:** Also referred to as medical payments or personal injury protection (PIP). This coverage pays for the cost of treating injuries, rehabilitation and sometimes wages lost by someone injured in an accident. It may also cover funeral costs. This coverage protects you and your passengers, no matter who is at fault.
- **Uninsured or underinsured motorist:** Uninsured motorist coverage protects you or passengers in your vehicle for bodily injury you or your passengers sustain in an accident involving a driver who does not have liability coverage. Underinsured motorist coverage protects you or your passengers in your vehicle for bodily injury you or your passengers sustain in an accident involving a driver who has insufficient insurance to cover your injuries or your passengers' injuries. Uninsured or underinsured motorist coverage may also protect you if you are hit as a pedestrian.
- **Optional:** Other optional insurance coverage may include towing and labor, rental car reimbursement, and GAP coverage. GAP stands for "guaranteed asset protection," and it pays the difference between the car's estimated fair market value and the amount left on your loan if your vehicle is totaled or stolen.

Most states require drivers to purchase a set minimum amount of coverage, and states or localities may require different coverage minimums. It may seem like a good idea to stop there. However, if you want to protect your finances from potential repair bills or litigation, it may be smart to purchase more than the minimum requirement.

Here are a few tips to consider when looking for auto insurance:

- Maintain a good credit history. Most insurers use credit information to price auto insurance policies, so a good credit history can reduce your costs. Pay your bills on



time, do not obtain more credit than you need, and keep your credit balances as low as possible. Review your credit report regularly and correct any errors promptly.

- Shop before you buy. Request quotes from several companies before purchasing a policy to find the best insurance at the best price. Get at least three quotes by calling companies directly or accessing information online. Purchasing auto insurance from an auto dealer may not provide the best value and is generally more expensive.
- Ask about discounts. Insurers may give discounts for added safety features, like antilock brakes, side airbags, and anti-theft devices. Companies may also give bundling discounts to customers who buy two or more types of insurance (e.g., homeowners and auto) or insure multiple vehicles. Finally, companies might provide a discount for those serving or who have served in the military.
- Choose higher deductibles. As with most insurance, the higher your deductible, the lower your premium. When going this route, make sure to have enough money saved to cover the higher deductible.
- Reduce coverage on older cars. Compare your vehicle's actual cash value to the premium cost of collision and comprehensive to help you decide.
- Maintain coverage while on deployment. Some companies will allow continued coverage at a reduced rate while you are deployed. Contact your insurer and let them know your car will be "off the road." If you drop coverage, your rates will likely increase when you reinstate it due to a lapse in coverage. If you have a loan on the vehicle, the creditor will require you to maintain coverage.



Slide 6

6. Health Insurance

Instructor Note: Display slide 6.

Say: Health insurance is crucial in maintaining overall well-being. While on active duty, TRICARE covers health care for you and your eligible dependents. As the sponsor, you're required to



enroll eligible family members in the Defense Eligibility Enrollment Reporting System (DEERS) so they can be covered by TRICARE. Active-duty members must be enrolled in TRICARE Prime, but eligible family members may select other TRICARE coverage options. Contact your local TRICARE office to discuss what coverage best suits your needs.

National Guard and Reserve members and their families may be eligible for TRICARE Reserve Select coverage or TRICARE Prime depending on the sponsor's status. Visit <https://www.tricare.mil/Plans/Eligibility/NGRMandFamilies> for more.

Health care coverage is something you should review throughout your time in the military, and especially when you experience a significant event like marriage, welcoming a new child, or a move. It is especially important to know your options as you prepare to leave military service. Carefully examine your needs and understand the coverage options that are available to you and your loved ones.

Medical bills are one of the leading causes of bankruptcy. Health insurance can help you avoid major out-of-pocket expenses, protecting your health and your finances.



Slide 7

7. Property Insurance

Instructor Note: Display slide 7.

Say: Next, let's discuss two types of property insurance: homeowners and renters insurance.

Generally, mortgage lenders require homeowners insurance to cover both your property and personal possessions. A standard homeowners insurance policy, also called an HO5 or "all risks" policy, covers property damage to the home and contents, liability against injuries to others while on your property, and expenses if you are displaced.

Renters insurance is an important aspect of financial protection that is often overlooked. Whether you live on or off your installation or relocate often, renters insurance can provide peace of mind and financial security. It is important to know that a landlord typically has property insurance on the building, but that coverage does not extend to personal property belonging to tenants. If you're renting, it is up to you to make sure your personal items are protected.

It is critical that both renters and homeowners know what is not covered, so make sure to review the policy exclusions. Certain types of damage like earth movement, hurricane, water damage, power failure, neglect, and intentional damage are examples of perils that can be covered under a separate policy. Flood insurance is one of the most common types of additional coverage.

If you live in an area prone to hurricanes, tornadoes, floods, or other natural disasters, take the time to examine what coverages are available and determine what you need. Additional coverage will likely mean increased costs so make sure to consider your spending plan.

You may also want to consider adding a rider to your policy. A rider is an addition to a bigger policy to cover specific items like jewelry, collectibles, sports equipment, or electronics that may not be fully covered under a standard policy. An appraisal may be required to secure this type of coverage.

Property Insurance Tips

- Choose the right level of protection. When shopping, consider more than the cost of coverage. Find the right type of policy, with the proper level of protection, and add any special provisions for valuables such as jewelry, electronics, and other valuables.
- Consider additional coverage. You might also need additional coverage for events such as earthquakes or flooding. Flood insurance is a wise purchase that is



required (and expensive) in high-risk areas but often inexpensive elsewhere. For homeowners, flood insurance is offered under the National Flood Insurance Program and through commercial companies.

- Consider replacement cost coverage. You may want to choose replacement cost coverage, not actual cash value, for comprehensive coverage of your belongings. Actual cash value coverage reimburses you for the depreciated value of your lost property because your used item is worth less than a new version. Replacement cost value reimburses you at a rate equal to what it would cost to replace your lost property today.
- Determine your need for personal liability coverage. An umbrella policy can protect your finances if you are held liable for the losses of others due to your negligence. It may be included in homeowners or renters policies but review your situation and determine the appropriate level of coverage for your needs.
- Take an inventory. Create a list of your possessions and determine whether you have enough insurance coverage. Keep a copy somewhere secure, like in a fireproof safe or at a location outside the home. Photos or videos of each room and its contents will help you to settle a claim in the event of a loss.



Slide 8

8. Life Insurance

Instructor Note: Display slide 8.

Say: Life insurance is a type of coverage that can help you take care of your loved ones after you die. It can be a challenging topic, but having the right coverage in place for your situation can provide peace of mind and security for those you care about. Review your policies and coverage amount on a regular basis. Life events like getting married, divorced, or having a child may change the amount of coverage you need. Make sure your insurance coverage aligns with your wishes and reflects your



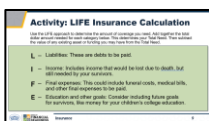
current needs. For example, if you recently divorced, but left your former spouse named as beneficiary, they will continue to be the beneficiary unless you change it. Review your beneficiary designations on a regular basis to ensure they are accurate.

As a Service member, you are automatically covered under Servicemembers' Group Life Insurance (SGLI) for \$500,000 unless you decrease or decline coverage. Family Servicemembers' Group Life Insurance (FSGLI) covers eligible spouses and dependent children if you're covered under full-time SGLI. Spouse coverage is available up to \$100,000 and cannot exceed your coverage; premiums vary by age and coverage is not automatic. Coverage for dependent children is free and automatic for \$10,000 each.

When you leave the military, your life insurance coverage under Servicemembers' Group Life Insurance (SGLI) ends. You have a few options to replace SGLI within a specific time limit. You can:

- Covert it to Veterans' Group Life Insurance (VGLI) within one year and 120 days of leaving the service. If you apply within 240 days after leaving the military, you will not have to submit evidence of good health. The cost of VGLI varies based on age and amount of coverage.
- Convert your SGLI and your spouse's Family Servicemembers' Group Life Insurance (FSGLI) to a commercial policy through the VA.
- Consider Veterans Affairs Life Insurance (VALife) if you have a service-connected disability. VALife offers whole life insurance coverage up to \$40,000. A medical exam is not required. Your premium is based on your age when you apply and remains fixed as long as you keep the policy.
- Apply for coverage with a life insurance company or learn about potential coverage options with your new employer.





Slide 9



9. Activity: LIFE Insurance Calculation

Instructor Note: Display slide 9. Pass out the *LIFE Insurance Calculation* Handout and go through the activity with the group. Spend five minutes reviewing the worksheet and encourage learners to complete it at home when they have time to consider their financial situation and goals.

Say: SGLI provides essential life insurance coverage, but it may not be enough, especially if you are married with young children at home. To ensure your loved ones are adequately protected, it's crucial to calculate the right amount of coverage for your situation. We'll use the L-I-F-E approach to calculate the coverage you need.

LIFE stands for:

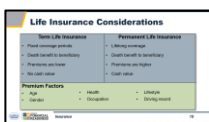
- L – Liabilities: These are debts to be repaid.
- I – Income: Include income that would be lost due to death, but still needed by your survivors.
- F – Final expenses: This could include funeral costs, medical bills, and other final expenses to be paid.
- E – Education and other goals: Consider including future goals for survivors, like money for your children's college education.

Let's follow along with the *LIFE Insurance Calculation* Handout. Determine the dollar amount needed for each category and add them together to calculate total need. Next, calculate the combined value of your existing assets or funding. In short, add up the value of what you own, which could include things like your TSP or retirement savings, money saved in your checking and/or savings accounts, Social Security benefits, and existing life insurance policies. Then, subtract from your total need the combined value of any existing assets and funding.

If this calculation results in a positive number, meaning there is currently more required than available resources, that's the amount of additional insurance necessary to cover your needs or wishes after death.



It may take some time to gather information on your existing assets, accounts, and liabilities. Log in to your account at www.ssa.gov to get a benefits estimate to see how much your family could potentially receive based on your work history. Remember, you don't have to figure this out alone. Work with your installation Personal Financial Manager or Counselor (PFM/PFC) or Command Financial Specialist (CFS) for more support.



Slide 10

10. Life Insurance Considerations

Instructor Note: Display slide 10.

Say: When you're thinking about life insurance, it is important to remember that your need for coverage will change as the circumstances of your life change. Your financial responsibilities, career progression, and family status are all factors to consider. Your need for life insurance may be short or long-term depending on your situation and goals. Your need for life insurance may be minimal if you have no dependents. If you are married and/or have young children, your insurance needs may increase.

Life insurance can generally be divided into two categories: term, also called temporary coverage, and permanent insurance, also called whole life coverage. All insurance purchases are a personal choice, but knowing your current situation can help you identify the type of coverage that fits your specific needs. Let's cover the two types.

Term Life Insurance

Term insurance provides protection for a limited period, the term of the policy. The face amount or death benefit will be paid only if the insured dies while the policy is active. Generally, the period of coverage can be from one to 20 or even 30 years. Premiums generally stay constant throughout the duration of the policy. Some policies may allow you to renew the term or convert it to a permanent policy.



There are a few important considerations to keep in mind when it comes to term life insurance. Generally, term insurance is less costly and can be useful for limited duration needs, like paying off a mortgage, covering educational expenses, or financially supporting young children until they are adults. The cost of life insurance increases as you get older. For example, if all other factors are constant, a policy purchased at 40 will be more expensive than one purchased at 20 because the 40-year-old is statistically closer to the end of his or her life and more of a risk to the insurance company. Term insurance has no cash value, meaning that benefits are not paid if the insured survives past the duration of the policy.

Permanent Life Insurance

Permanent insurance is a broad category of life insurance plans designed to last your lifetime and do not expire, but rather pay a death benefit to your designated beneficiary when you die. Another important feature of this type of policy is the accumulation of cash value. Let's examine how it works.

When you make payments to your policy, part of the premium covers the cost of insurance and administrative fees, while the remainder goes into a cash value account to be saved or invested. The cash value grows based on the policy's interest rate or investment performance. These dollars can be accessed through policy loans or withdrawals but are primarily intended to fund the policy in the future.

Because of this cash value component, permanent insurance is generally more expensive than term. It's important to structure and monitor your permanent policy to ensure the premiums and cash value are adequate to cover the cost of insurance to avoid a lapse in coverage.

Life insurance can be complex so make sure you understand the policy's details including premiums, benefits, and any associated fees or administrative costs.

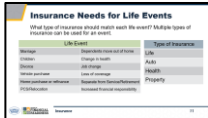


Life Insurance Premium Factors

The cost of your insurance is based on several factors, some of which you can control. Common factors insurance companies consider include:

- **Age:** The number one factor behind the cost of life insurance is the age of the policyholder.
- **Gender:** Next to age, gender is the biggest determinant of pricing. Women generally live longer than men, which means they typically pay premiums for a longer period than men, affording them slightly lower rates.
- **Health:** Your health helps to determine whether you are insurable and at what cost. The carrier may require a medical exam. People with health conditions may face higher insurance premiums. Your family health history may also be a consideration.
- **Occupation:** The cost of life insurance can increase dramatically for those in high-risk jobs like demolition specialists, race drivers, or scuba divers. People with dangerous hobbies can also be affected.
- **Lifestyle:** Certain lifestyle choices, like tobacco or alcohol use, can affect insurance premiums.
- **Driving record:** Insurance companies may review your driving record during the underwriting process by asking you direct questions or accessing your records through the Department of Motor Vehicles.

The cheapest insurance is not necessarily the best. It is a good idea to research the company when buying life insurance. Insurance companies are evaluated and rated based on history, performance, and financial stability. Gather information on the company or agent on your state's insurance commission website.



Slide 11



11. Insurance Needs for Life Events

Instructor Note: Display slide 11. The purpose of this activity is to help learners apply the knowledge they've gained about the types of insurance to common life events. Challenge learners to examine how their insurance needs could change based on the life events listed below. Ask the group which life events they are most interested in and select two or three scenarios from the list for group discussion. Spend 15-20 minutes on this activity.

Say: Life changes all the time. The purpose of this activity is to apply what you've learned about different types of insurance in the course.

We all experience major life events that affect our insurance needs. Making a major purchase, getting married, having children, accumulating assets, transitioning to civilian life, divorce, and retiring are a few examples.

Smart insurance planning begins with a detailed assessment of your current needs, plus review and adjustment when significant life events occur. Some types of insurance, such as health and disability, are provided to you while you remain on active duty. Other types of insurance are your responsibility in part or in full. We will discuss two or three major life events and explore how you can make the best insurance purchasing decision for each one.

Activity: Review the two charts shown on the slide.

Chart 1

<i>Life Event</i>
Marriage
Children
Divorce
Vehicle purchase
Home purchase or refinance
PCS/Relocation



Dependents move out of home
Change in health
Job change
Loss of coverage
Separate from Service/Retirement
Increased financial responsibility

Chart 2

<i>Types of Insurance</i>
Auto
Health
Property
Life

We're not going to cover all the scenarios today, so let's choose two or three that you're most interested in. The goal is for you to think through how your needs will change as you experience changes throughout your life, during and after your time in the military. At the beginning of this section, we talked about several different types of insurance. For today's purposes, we're going to focus on the four types we covered in-depth during the course: auto, health, property, and life. Reviewing your coverage is important when you experience a major life event.

Instructor Note: The life events listed in the chart above are listed below with types of insurance to consider and why.

- **Marriage – All coverages** – Getting married is a significant life event that can affect many types of insurance. Review your homeowners or renters policy to make sure both you and your spouse are covered. Make sure auto policies are updated to cover both drivers. Your new spouse will be eligible for health coverage under TRICARE, but they must be enrolled in DEERS first. Review your plan options to find the right fit for your needs. Lastly, you and your spouse may consider additional life insurance coverage. If you are covered



under Servicemembers' Group Life Insurance (SGLI), your new spouse is eligible for up to \$100,000 of coverage under Family Servicemembers' Group Life Insurance (FSGLI). Premiums vary by age and are deducted automatically from your pay.

- **Children – Life, Health, Auto** – Welcoming a new child into your home is a good time to review your life, health, and possibly auto coverage. As discussed previously, life insurance can help protect those who rely on you financially. Consider your coverage under SGLI and determine if additional coverage is needed. Consider how much spousal coverage you need and know that minor dependents under age 18 are automatically covered at no cost under FSGLI for \$10,000. Enroll your new child in DEERS to ensure coverage under TRICARE. If you're welcoming older children who will be driving, update your auto coverage to reflect your new needs.
- **Divorce – All coverages** – Going through a divorce can mean big changes to your financial situation, and it's important to review all your coverages and make sure they are right for your current situation. Review and adjust auto and property policies so they are in your name only. If you have children, they may continue to be covered under TRICARE until they're 21, or 23 if they're in college. Generally, former spouses are not covered under TRICARE since they are no longer considered eligible dependents. The amount of life insurance coverage or SGLI/FSGLI you may need could change because of your divorce. It is also critical to review your beneficiary designations to make sure they align with your current needs and situation. You may need to disenroll former spouses from TRICARE and FSGLI.
- **Vehicle purchase – Auto, Life** – When you buy a new car, review, and update your auto policy as needed. You may also consider if you need additional life insurance to cover the debt if you pass away before it is paid off.
- **Home purchase or refinance – Property, Life, Auto** – Purchasing a home is a major decision and something you want to ensure is protected by insurance. Homeowners insurance is usually required if you're



buying your new home with a mortgage. Remember, your policy covers not only the structure but also your personal property, up to covered limits and perils. You may also want to review your life insurance coverage to make sure it is sufficient for your current needs. Consider checking your auto coverage, since your home's location can affect your auto insurance rates. Some companies may offer bundle discounts when you have a homeowners policy.

- **PCS/Relocation – All coverages** – Review all your policies and adjust as needed for coverage during your move and at your new location.
- **Dependents moving in/out of the home – All coverages** – Blending families or children growing up and moving away from home can mean changes for your insurance too. Review your auto policy to make sure you and your dependents are covered appropriately. Understand your options for health coverage for your eligible dependents based on their age and seek other coverage if needed. Consider the need for renters insurance for older dependents living away from home while attending college, to protect personal property like expensive laptops and other possessions. Lastly, your need for life insurance could shift depending on financial responsibility for those living in your home.
- **Change in health – Health, Life** – If you or a dependent experience a change in health, review and update your life and health insurance coverages to reflect the change.
- **Job change – All coverages** – Starting a new job is a great time to review your insurance coverage. Your needs and options may change with your new employer, so it is a great time to make sure your policies are up to date.
- **Loss of coverage – All coverages** – There are several reasons why you could lose insurance coverage. Take a step back and evaluate your current needs, and make sure your coverage fits with your current situation.
- **Separate from Service/Retirement – All coverages** – It is a good idea to review all your insurance coverages when you separate from the military or retire. If you move, update auto and property policies so they reflect your current location. Retirees are eligible for continuing



coverage under TRICARE. Those who separate from service may be eligible for temporary coverage under the Transitional Assistance Management Program (TAMP) or through their new employer. VA health care may be an option for coverage as well. Review your life insurance needs and consider the replacement options for SGLI we covered earlier in the course.

- **Increased financial responsibility – All coverages** – Over time, you may find that you own more things and have greater financial responsibilities. Review your auto and life insurance coverage and adjust as needed. Take a close look at your property insurance and consider if your homeowners or renters policy covers the value of your property and possessions. Adjust if you need to.



Slide 12

12. Insurance for Life Events – Top Tips

Instructor Note: Display slide 12.

Say: As you can see, understanding and planning for insurance needs at different life events is crucial since each stage presents unique challenges and opportunities.

Adequate insurance planning not only provides peace of mind but also secures your financial future. Here are some proactive steps to assess and adjust your insurance coverage in the various stages of your life:

- Review and compare your insurance coverage regularly to account for changes in your life.
- Organize your policy documents to ensure you and your family members have easy access to your insurance information when needed.
- Educate yourself about different types of insurance and their benefits and purchase coverage that aligns with your specific needs.
- If you are a member of the Reserves or National Guard, there may be additional considerations for you as you transition to and from active-duty orders.





Slide 13

13. Know Your Benefits and Entitlements

Instructor Note: Display slide 13.

Say: Let's cover a few benefits available for Service members to support loved ones in the event of your death. While these are not all insurance policies, it's important to consider how these benefits could affect your additional insurance needs.

Death gratuity: This is a one-time, \$100,000 lump-sum payment provided to certain survivors of Service members who die while on active duty, active duty for training, or inactive duty for training. It is a tax-free benefit, typically paid within 72 hours. This benefit is intended to help meet the needs of a deceased Service member's family before veteran or survivor benefits begin.

SGLI: The standard coverage for SGLI is \$500,000 unless you decrease or decline coverage. SGLI proceeds are paid to whomever is the named beneficiary at the time of your death. **It is critical that your beneficiary designations are aligned with your current wishes and needs.** Verify and, if necessary, update your beneficiary designations when you experience a major life event.

Survivor Benefit Plan (SBP): SBP provides eligible beneficiaries with a monthly payment, referred to as an "annuity." This government-subsidized program is free while the Service member is on active duty or while on eligible Guard or Reserve orders. Should a Service member die in the line of duty, their entitlement is calculated as of that date and the SBP annuity will be paid monthly for the rest of the survivor's life or until they become ineligible. At retirement, a Service member may choose to continue coverage under SBP. Find out more at <https://militarypay.defense.gov/benefits/survivor-benefit-program/>

Other benefits and entitlements: The military will pay the cost of a basic funeral and provide transportation for family members. If married, the surviving spouse will be provided a no-cost final



move and receive Basic Allowance for Housing (BAH) or permission to live in installation housing for 12 months. Additionally, the military will disburse any accumulated leave or arrears in pay.

Social Security: Benefits may be available for your surviving spouse and children, depending on your work history and the age of the children. Eligibility rules are complex. Log in to your account at ssa.gov to learn more about the potential benefits that may be available to you and your loved ones.

Benefits Provided by the VA:

Dependency and Indemnity Compensation (DIC): DIC is a tax-free, monthly benefit generally payable to a surviving spouse, child or parent of a Service member who dies while on active duty or a veteran who died from a service-related injury or illness.

Survivors' and Dependents' Educational Assistance (DEA): A child or spouse of a veteran or Service member who has died, is captured, missing, or has disabilities may be eligible for assistance to help pay for school or job training through the DEA program, also called Chapter 35. DEA can be used for college, career training certificates, apprenticeships, and on-the-job training.



Slide 14

14. Saving Money on Insurance

Instructor Note: Display slide 14. Engage learners by asking about what they've done to save money when buying insurance. Use the list on the slide to prompt discussion.

Say: Let's discuss a few tactics you can use to save on your insurance costs.

- **Shop around and compare carriers.** Be sure to review coverage, policy benefits, financial rating, and reputation of the company, not just the premium cost. For more in-depth information, visit your state department of insurance website.

- **Bundle coverage.** Insurance carriers may offer a discount if you have multiple lines of insurance with them (e.g., autos and renters).
- **Build and maintain your credit rating.** Having good credit usually results in a lower cost of insurance.
- **Ask about discounts.** Some auto insurers may offer a military discount or a good student discount if your teenage driver maintains good grades. Additionally, taking a defensive driving course can also lower costs.
- **Consider increasing your insurance deductible.** This can save you money on your premiums but proceed with caution. Make sure you have enough money saved in your emergency fund to cover your deductible and any increased out-of-pocket expenses.
- **Increase your home's safety features.** Consider fire safety measures like smoke detectors, sprinklers, and extinguishers. Installing an alarm system may also help you save.



Slide 15

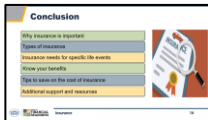
15. Sources of Help

Instructor Note: Display slide 15. Familiarize yourself with the resources available at the websites listed below.

Say: Insurance can be complicated. The good news is that you don't have to figure it out on your own. Resources are available online and in person to help you understand and access the right coverage for you.

- Websites:
 - The Office of Financial Readiness (FINRED)
<https://finred.usalearning.gov/Planning#Insurance>
 - Milspouse Money Mission – Insure Your Family
<https://www.milspousemoneymission.org/insure-your-family/>
 - Coast Guard Support (CGSUPRT)
<https://www.cgsuprt.com/>
- Additional support and assistance:
 - Personal Financial Managers, Personal Financial Counselors, or Financial Readiness Program





Slide 16

- Specialists at your local military and family support center
- Command/Unit Financial Specialist (for Navy, Marine Corps, and Coast Guard)
- Installation legal office
- Military aid and relief societies

16. Conclusion

Instructor Note: Display slide 16.

Say: As you can see, understanding and securing different types of insurance is crucial for protecting your financial future and that of your loved ones. Insurance is not just a safety net for unexpected events, it is a planning tool for managing risk and ensuring stability. Prioritizing insurance can help you build a resilient financial foundation. In today's course, we covered:

- Why insurance is important
- Types of insurance
- Insurance needs for specific life events
- Knowing your benefits
- Tips to save on the cost of insurance
- Additional support and resources

Does anyone have any final questions about the information we covered today?

Thank you for your participation!