



SECRETARY OF THE ARMY
WASHINGTON

10 APR 2015

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Directive 2015-23 (Recoupment of Out-of-Service Debt, Non-Pay Status Servicemembers Group Life Insurance)

1. References:

- a. Title 38, United States Code, Section 1969.
- b. Department of Defense 7000.14-R (Department of Defense Financial Management Regulation (DoD FMR)), Volume 7A (Military Pay Policy - Active Duty and Reserve Pay), Chapter 47 (Servicemembers' Group Life Insurance (SGLI) Program), September 2014.
- c. DoD Instruction 1215.13 (Reserve Component (RC) Member Participation Policy), May 11, 2009.
- d. Army Regulation (AR) 135-91 (Service Obligations, Methods of Fulfillment, Participation Requirements, and Enforcement Procedures), 1 February 2005.
- e. AR 140-10 (Assignments, Attachments, Details, and Transfers), 15 August 2005.
- f. AR 600-4 (Remission or Cancellation of Indebtedness), 7 December 2007, Incorporating Rapid Action Revision Issued, 29 April 2009.
- g. AR 600-8-1 (Army Casualty Program), 30 April 2007.

2. The purpose of this directive is to establish a uniform policy to recoup payment and terminate SGLI for Soldiers who have been determined to be unsatisfactory participants.

3. Reference 1a requires the Army to collect from each individual any amount contributed on his or her behalf toward insuring that individual. Therefore, DoD policy is to seek reimbursement from Soldiers who are not receiving pay for the cost of the coverage provided to that Soldier (reference 1b).

4. To ensure compliance, Reserve Component Soldiers determined to be unsatisfactory participants (in accordance with references 1c through 1e) and who accumulate debt for unpaid SGLI premiums may be discharged or separated from the

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Selected Reserve or reassigned to the Individual Ready Reserve and have their SGLI terminated. Notification will be as follows:

a. Each unexcused absence notification (reference 1d) will state that accumulation of nine or more unexcused absences in a 12-month period or failure to report for or complete annual training may result in discharge or separation from the Selected Reserve or reassignment to the Individual Ready Reserve, termination of SGLI and a debt to the Government with subsequent recoupment of unpaid SGLI premiums.

b. Upon the commander's determination that a Soldier is an unsatisfactory participant and the initiation of removal procedures (through discharge, separation from the Selected Reserve or reassignment to the Individual Ready Reserve), the command will send a "Notice of SGLI Termination" to the Soldier's official address. The notice must clearly state that the Soldier's SGLI will be terminated effective 60 days from the date of notice. It will further include the current amount the Soldier is in arrears for unpaid SGLI premiums as of the date of the notification, a statement that the arrearage amount may not include the final payoff amount, information about where to remit payment, payment due date and warning that recoupment action may be initiated. Commanders may include this language in the letter notifying a Soldier of a determination of unsatisfactory participation (reference 1d).

c. Unpaid SGLI premiums should be submitted to the Defense Finance and Accounting Services (DFAS). DFAS is responsible for collecting the unpaid SGLI premiums and for notifying Soldiers of SGLI indebtedness owed after separation. The DFAS debt notification letter will provide Soldiers appropriate repayment information via online payment or manual check repayment. If DFAS has notified a Soldier of a SGLI debt, the Soldier can direct questions to DFAS as follows:

By Mail:
DFAS-IN
Debt and Claims
Department 3300 (ATTN: Customer Care Center)
8899 East 56th Street
Indianapolis, IN 46249-3300

By Email:
oosdebt@dfas.mil

By Phone:
1-866-912-6488, Option 1

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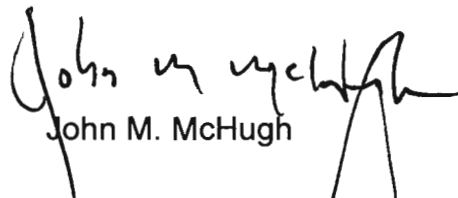
Soldiers should submit the unpaid premium with a letter that includes the Soldier's full Social Security number and/or account number listed on the DFAS debt notification letter confirming that the payment is intended to satisfy outstanding SGLI premiums. DFAS has full authority to proceed with appropriate debt collection actions. Unpaid SGLI debts could result in negative credit bureau reporting and U.S. Department of Treasury reporting and offset.

5. All necessary and reasonable action will be taken to collect outstanding debts for SGLI premiums from the final pay of separating Soldiers. The Deputy Chief of Staff (DCS), G-1 Reserve Component will report all unpaid debts of separating Soldiers to the Office of the DCS, G-1 Compensations and Entitlements Division monthly.

6. Any deviation from this policy or request for debt forgiveness must be processed in accordance with reference 1f and formally requested as an exception to policy. Requests should be sent to the Office of the DCS, G-1; Director of Plans and Resources Directorate (DAPE-PR); 300 Army Pentagon; Washington, DC 20310 for approval.

7. The policy in this directive is effective immediately.

8. The DCS, G-1 is the proponent for SGLI (reference 1g) and will incorporate the provisions of this directive into the next update of reference 1d as soon as practicable. This directive is rescinded upon publication of the revised regulation.


John M. McHugh

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