



HONOR VETERANS BY HELPING THEM PLAN FOR BRIGHTER FUTURES

Veterans have given much to defend and protect our country. How can you help veteran clients plan for their financial future and understand how their military benefits fit in?

Many Americans have served in the military, and chances are, some of your clients are among them. Honor the veterans in your client list by considering their unique situations and guiding them with the long-term planning that can create confidence in their retirement years. Here are several ideas to consider.

Benefits Unique to Military Service

Military benefits are typically different than benefits available to civilians. From retirement benefits to health and life insurance, to no-cost burial options, these benefits could create more resources for long-term planning and retirement savings.

Retirement Options

Military retirement benefits offer flexibility and the opportunity for a second career. Individuals are eligible for retirement after 20 or more years of active military service, which means they could choose to take a military pension as early as their 40s and potentially embark on a new career. That second career might add income or allow the veteran to pursue an avocation. It may also present additional retirement savings options through

an employer plan. Today's military personnel pay into and receive Social Security retirement benefits alongside military retirement plan pay.

When talking to a client who is a veteran, determine whether he or she served but left the military before retirement eligibility, or is taking military retirement, and what each situation means for planning.

Pension choices at retirement present another area where you may be able to help. A retiree can cover just their own life or their own plus their spouse's life (joint and survivor). Depending on age differences, the joint and survivor option could reduce the payments a little or a lot. For some couples, other planning options, such as taking the single life option and purchasing life insurance, may be more efficient.

Health Insurance Options

TRICARE is the military's health care program for both active-duty military personnel and their families, retirees, and retiree family members. National Guard and Reserve members are also covered. (Veterans who did not retire from the military may have access to health care options through the Veterans Association.)

Insurance products can be issued in all states, except New York, by Pacific Life Insurance Company or Pacific Life & Annuity Company. In New York, insurance products are only issued by Pacific Life & Annuity Company. Product/material availability and features may vary by state.

- Under TRICARE, active duty service members are not charged premiums for coverage and have no out-of-pocket costs. All other beneficiaries pay annual enrollment fees and network copayments.
- TRICARE For Life (TFL) is an option for military retirees that works with Medicare. When services are covered by both insurance programs at providers that take Medicare and at military hospitals, the TRICARE member may pay nothing for health care. They only pay TFL deductibles and health plan costs when a service is covered by TRICARE but not by Medicare.

The availability of TRICARE might considerably reduce expected health care costs while on active duty and in retirement, which could make room for paying for additional care options. Generally, retired military personnel face many of the same challenges here as civilians, including cost of care, availability, and quality of facilities, etc.

Life Insurance

While active in the military, veterans would have had access to Servicemembers' Group Life Insurance (SGLI) and its companion Family SGLI coverage for a spouse and dependent children. These programs should be considered when doing an insurance review. For more information, click [here](#).

Benefits Unique to Military

Military service affords certain benefits not available to civilians, such as:

- **Government-guaranteed VA home loans**—the U.S. Department of Veterans Affairs (VA) offers home loans that are partially guaranteed by the government and obtained from private lenders. These loans offer good terms, but not all sellers will consider financing with VA loans.
- **Burial in national cemetery**—the VA offers no-cost burial, covering the gravesite, headstone, and other necessities including ongoing care of the gravesite.

Both benefits could be cost-effective options for a veteran.

Reach Out to Veteran Clients

For clients who are veterans, what better way to honor them than using your financial planning skills and tools? With knowledge of the military benefits that may make their financial situation different from that of civilian clients, you can help them aim for a confident and more secure future.

Actions You Can Take Right Now

- Thank your veteran clients for their service to our country.
- Review their military retirement pay, Social Security, projected healthcare expenses, and life insurance.
- Evaluate what additional savings and income strategies might be needed.

Additional Resources and Links

[Social Security Analyzer Fact Finder](#)

[Health Care Analyzer Fact Finder](#)

[About Annuities](#)

[Military Pay and Benefits; Military Health Insurance \(TRICARE\)](#)

For more information about retirement planning,
please contact our Retirement Strategies Group at
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