

109TH CONGRESS  
1ST SESSION

# S. 806

To amend title 38, United States Code, to provide a traumatic injury protection rider to servicemembers insured under section 1967(a)(1) of such title.

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## IN THE SENATE OF THE UNITED STATES

APRIL 14, 2005

Mr. CRAIG (for himself and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to provide a traumatic injury protection rider to servicemembers insured under section 1967(a)(1) of such title.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. TRAUMATIC INJURY PROTECTION.**

4       (a) IN GENERAL.—Subchapter III of chapter 19 of  
5       title 38, United States Code, is amended—

6               (1) in section 1965, by adding at the end the  
7       following:

1           “(11) The term ‘activities of daily living’ means  
2           the inability to independently perform 2 of the 6 fol-  
3           lowing functions:

4                   “(A) Bathing.

5                   “(B) Continence.

6                   “(C) Dressing.

7                   “(D) Eating.

8                   “(E) Toileting.

9                   “(F) Transferring.”; and

10           (2) by adding at the end the following:

11   **“§ 1980A. Traumatic injury protection**

12           “(a) A member who is insured under subparagraph  
13   (A)(i), (B), or (C)(i) of section 1967(a)(1) shall automati-  
14   cally be issued a traumatic injury protection rider that will  
15   provide for a payment not to exceed \$100,000 if the mem-  
16   ber, while so insured, sustains a traumatic injury that re-  
17   sults in a loss described in subsection (b)(1). The max-  
18   imum amount payable for all injuries resulting from the  
19   same traumatic event shall be limited to \$100,000. If a  
20   member suffers more than 1 such loss as a result of trau-  
21   matic injury, payment will be made in accordance with the  
22   schedule in subsection (d) for the single loss providing the  
23   highest payment.

24           “(b)(1) A member who is issued a traumatic injury  
25   protection rider under subsection (a) is insured against—

1           “(A) total and permanent loss of sight;

2           “(B) loss of a hand or foot by severance at or  
3 above the wrist or ankle;

4           “(C) total and permanent loss of speech;

5           “(D) total and permanent loss of hearing in  
6 both ears;

7           “(E) loss of thumb and index finger of the  
8 same hand by severance at or above the  
9 metacarpophalangeal joints;

10          “(F) quadriplegia, paraplegia, or hemiplegia;

11          “(G) burns greater than second degree, cov-  
12 ering 30 percent of the body or 30 percent of the  
13 face; and

14          “(H) coma or the inability to carry out the ac-  
15 tivities of daily living resulting from traumatic in-  
16 jury to the brain.

17          “(2) For purposes of this subsection—

18               “(A) the term ‘quadriplegia’ means the com-  
19 plete and irreversible paralysis of all 4 limbs;

20               “(B) the term ‘paraplegia’ means the complete  
21 and irreversible paralysis of both lower limbs; and

22               “(C) the term ‘hemiplegia’ means the complete  
23 and irreversible paralysis of the upper and lower  
24 limbs on 1 side of the body.

1       “(3) In no case will a member be covered against loss  
2 resulting from—

3               “(A) attempted suicide, while sane or insane;

4               “(B) an intentionally self-inflicted injury or any  
5 attempt to inflict such an injury;

6               “(C) illness, whether the loss results directly or  
7 indirectly;

8               “(D) medical or surgical treatment of illness,  
9 whether the loss results directly or indirectly;

10              “(E) any infection other than—

11                      “(i) a pyogenic infection resulting from a  
12 cut or wound; or

13                      “(ii) a bacterial infection resulting from in-  
14 gestion of a contaminated substance;

15              “(F) the commission of or attempt to commit  
16 a felony;

17              “(G) being legally intoxicated or under the in-  
18 fluence of any narcotic unless administered or con-  
19 sumed on the advice of a physician; or

20              “(H) willful misconduct as determined by a  
21 military court, civilian court, or administrative body.

22       “(c) A payment under this section may be made only  
23 if—

1           “(1) the member is insured under  
2       Servicemembers’ Group Life Insurance when the  
3       traumatic injury is sustained;

4           “(2) the loss results directly from that traumatic injury and from no other cause; and

5           “(3) the member suffers the loss not later than  
6       90 days after sustaining the traumatic injury, except, if the loss is quadriplegia, paraplegia, or hemiplegia, the member suffers the loss not later than  
7       365 days after sustaining the traumatic injury.

8           “(d) Payments under this section for losses described  
9       in subsection (b)(1) will be made in accordance with the  
10      following schedule:

11           “(1) Loss of both hands, \$100,000.

12           “(2) Loss of both feet, \$100,000.

13           “(3) Inability to carry out activities of daily living resulting from traumatic brain injury, \$100,000.

14           “(4) Burns greater than second degree, covering 30 percent of the body or 30 percent of the face, \$100,000.

15           “(5) Loss of sight in both eyes, \$100,000.

16           “(6) Loss of 1 hand and 1 foot, \$100,000.

17           “(7) Loss of 1 hand and sight of 1 eye, \$100,000.

1           “(8) Loss of 1 foot and sight of 1 eye,  
2       \$100,000.

3           “(9) Loss of speech and hearing in 1 ear,  
4       \$100,000.

5           “(10) Total and permanent loss of hearing in  
6       both ears, \$100,000.

7           “(11) Quadriplegia, \$100,000.

8           “(12) Paraplegia, \$75,000.

9           “(13) Loss of 1 hand, \$50,000.

10          “(14) Loss of 1 foot, \$50,000.

11          “(15) Loss of sight one eye, \$50,000.

12          “(16) Total and permanent loss of speech,  
13       \$50,000.

14          “(17) Loss of hearing in 1 ear, \$50,000.

15          “(18) Hemiplegia, \$50,000.

16          “(19) Loss of thumb and index finger of the  
17       same hand, \$25,000.

18          “(20) Coma resulting from traumatic brain in-  
19       jury, \$50,000 at time of claim and \$50,000 at end  
20       of 6-month period.

21       “(e)(1) During any period in which a member is in-  
22       sured under this section and the member is on active duty,  
23       there shall be deducted each month from the member’s  
24       basic or other pay until separation or release from active  
25       duty an amount determined by the Secretary of Veterans

1 Affairs as the premium allocable to the pay period for pro-  
2 viding traumatic injury protection under this section  
3 (which shall be the same for all such members) as the  
4 share of the cost attributable to provided coverage under  
5 this section, less any costs traceable to the extra hazards  
6 of such duty in the uniformed services.

7       “(2) During any month in which a member is as-  
8 signed to the Ready Reserve of a uniformed service under  
9 conditions which meet the qualifications set forth in sec-  
10 tion 1965(5)(B) of this title and is insured under a policy  
11 of insurance purchased by the Secretary of Veterans Af-  
12 fairs under section 1966 of this title, there shall be con-  
13 tributed from the appropriation made for active duty pay  
14 of the uniformed service concerned an amount determined  
15 by the Secretary of Veterans Affairs (which shall be the  
16 same for all such members) as the share of the cost attrib-  
17 utable to provided coverage under this section, less any  
18 costs traceable to the extra hazards of such duty in the  
19 uniformed services. Any amounts so contributed on behalf  
20 of any member shall be collected by the Secretary of the  
21 concerned service from such member (by deduction from  
22 pay or otherwise) and shall be credited to the appropria-  
23 tion from which such contribution was made in advance  
24 on a monthly basis.

1       “(3) The Secretary of Veterans Affairs shall deter-  
2 mine the premium amounts to be charged for traumatic  
3 injury protection coverage provided under this section.

4       “(4) The premium amounts shall be determined on  
5 the basis of sound actuarial principles and shall include  
6 an amount necessary to cover the administrative costs to  
7 the insurer or insurers providing such insurance.

8       “(5) Each premium rate for the first policy year shall  
9 be continued for subsequent policy years, except that the  
10 rate may be adjusted for any such subsequent policy year  
11 on the basis of the experience under the policy, as deter-  
12 mined by the Secretary of Veterans Affairs in advance of  
13 that policy year.

14       “(6) The cost attributable to insuring such member  
15 under this section, less the premiums deducted from the  
16 pay of the member’s uniformed service, shall be paid by  
17 the Secretary of Defense to the Secretary of Veterans Af-  
18 fairs. This amount shall be paid on a monthly basis, and  
19 shall be due within 10 days of the notice provided by the  
20 Secretary of Veterans Affairs to the Secretary of the con-  
21 cerned uniformed service.

22       “(7) The Secretary of Defense shall provide the  
23 amount of appropriations required to pay expected claims  
24 in a policy year, as determined according to sound actu-  
25 arial principles by the Secretary of Veterans Affairs.

1       “(8) The Secretary of Defense shall forward an  
2 amount to the Secretary of Veterans Affairs that is equiv-  
3 alent to half the anticipated cost of claims for the current  
4 fiscal year, upon the effective date of this legislation.

5       “(f) The Secretary of Defense shall certify whether  
6 any member claiming the benefit under this section is eli-  
7 gible.

8       “(g) Payment for a loss resulting from traumatic in-  
9 jury will not be made if the member dies not more than  
10 7 days after the date of the injury. If the member dies  
11 before payment to the member can be made, the payment  
12 will be made according to the member’s most current ben-  
13 efiary designation under Servicemembers’ Group Life In-  
14 surance, or a by law designation, if applicable.

15       “(h) Coverage for loss resulting from traumatic in-  
16 jury provided under this section shall cease at midnight  
17 on the date of the member’s separation from the uni-  
18 formed service. Payment will not be made for any loss re-  
19 sulting from injury incurred after the date a member is  
20 separated from the uniformed services.

21       “(i) Insurance coverage provided under this section  
22 is not convertible to Veterans’ Group Life Insurance.”.

23       (b) CLERICAL AMENDMENT.—The table of sections  
24 for chapter 19 of title 38, United States Code, is amended

1 by adding after the item relating to section 1980 the fol-  
2 lowing:

“1980A. Traumatic injury protection.”.

3 **SEC. 2. EFFECTIVE DATE.**

4 The amendments made by section 1 shall take effect  
5 on the first day of the first month beginning more than  
6 180 days after the date of enactment of this Act.

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