



**Written Statement before the House Committee on Veterans Affairs, Subcommittee on  
Disability Assistance and Memorial Affairs**

Regarding “Examining  
VA Benefits: Pension and Fiduciary, and VA Life Insurance Options”

Presented by Tamra Sipes, National President, Gold Star Spouses of America, Inc.

April 21, 2026

Chairman Luttrell, Ranking Member McGarvey, and distinguished members of the Subcommittee, thank you for the opportunity to testify today on behalf of the members of Gold Star Spouses of America.

Gold Star Spouses of America, Inc. (GSSA) represents surviving spouses of our nation’s fallen servicemembers, individuals whose lives were permanently changed in service to this country. While their spouses wore the uniform, they carried the weight of service at home, and now carry the lifelong responsibility of preserving their legacy while rebuilding their own lives.

The programs administered by the Department of Veterans Affairs (VA) are the foundation of financial stability, access to resources, and, in many cases, a measure of whether a surviving spouse can move forward with dignity and security.

Surviving spouses often navigate grief, financial transition, and administrative requirements at the same time. They are too often left to navigate complex systems without clear guidance, timely information, or processes that reflect the realities of their lives. These are not administrative inconveniences; they directly affect the financial stability, access to benefits, and long-term security of surviving spouses.

GSSA remains committed to ensuring that surviving spouses receive not only the benefits they have earned, but also the clarity and support they deserve. We are proud to continue advocating for our top legislative priorities, including the Sharri Briley and Eric Edmundson Veterans Benefits Expansion Act (H.R. 6047), the Caring for Survivors Act (H.R. 2055 & S. 611), and the Love Lives On Act (H.R. 1004 & S. 410). As we do so, we appreciate the opportunity to share our perspective on key VA benefits that directly impact the lives of surviving spouses across the country.

## Survivors Pension

GSSA members report ongoing confusion regarding the interplay between Dependency and Indemnity Compensation (DIC) and the Survivors Pension. While DIC is the primary benefit for our members, as it is predicated on a service-connected death, many survivors find themselves navigating the Survivors Pension program if service connection is denied or still being adjudicated.

The Survivors Pension is reserved for surviving spouses of wartime veterans whose deaths were not service-connected, provided their income falls below the Maximum Annual Pension Rate (MAPR). For a surviving spouse with no children, the MAPR, set by Congress, is currently \$11,699.<sup>1</sup> This threshold sits significantly below the 2026 Federal Poverty Level of \$15,960 for a single-person household,<sup>2</sup> effectively excluding thousands of survivors who are struggling financially but do not meet this restrictive definition of indigence.

As a result, surviving spouses often spend time completing applications only to learn that their income exceeds the eligibility threshold. Many describe the program as effectively requiring near-poverty to qualify, but this is not clearly communicated at the outset.

GSSA supports efforts to improve transparency in how eligibility is explained. Providing plain-language guidance, including examples of income thresholds and how countable income is calculated, would allow applicants to better assess eligibility before applying. GSSA also recognizes that the VA has taken steps to automatically consider applicants for both DIC and Survivors Pension. While this is a positive development, many survivors remain unaware that this review is taking place and would benefit from clearer communication about how their claims are being evaluated.

GSSA encourages Congress to examine whether the MAPR should be more closely aligned with the Federal Poverty Level to ensure that surviving spouses are not excluded from support despite clear financial need.

## Outreach and Communication

While we appreciate the VA's shift toward "Digital First" communication, this overlooks a significant portion of GSSA's constituency. As of 2023, there are more than 350,000 surviving spouses receiving DIC or Pension benefits,<sup>3</sup> a large percentage of whom are over the age of 65.

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<sup>1</sup> U.S. Department of Veterans Affairs, *Survivors Pension Rate Tables*, effective December 1, 2025, <https://www.va.gov/pension/survivors-pension-rates/>.

<sup>2</sup> U.S. Department of Health and Human Services, "2026 Poverty Guidelines," Office of the Assistant Secretary for Planning and Evaluation, last modified January 2026, <https://aspe.hhs.gov/poverty-guidelines>.

<sup>3</sup> Veterans Benefits Administration, *Annual Benefits Report: Fiscal Year 2024* (Washington, DC: U.S. Department of Veterans Affairs, 2025), 10-12.

Data suggests that nearly 25% of seniors do not use the internet,<sup>4</sup> meaning a digital-only notification strategy effectively disenfranchises nearly 90,000 survivors from receiving critical updates about their livelihood.

GSSA members have confirmed that many surviving spouses are not effectively reached through digital communication. Some do not have reliable access to online systems, while others are not comfortable navigating VA websites. As a result, survivors may not receive timely or complete information about available benefits or changes that affect them.

GSSA supports expanding the use of direct communication to survivors. For many surviving spouses, particularly those without reliable access to digital platforms, mailed correspondence remains the most dependable and sometimes only source of information about their benefits. The VA's annual benefits letter could provide a consistent point of contact and could be strengthened to include more detailed, survivor-focused information. Clear explanations of available benefits, eligibility requirements, and recent changes would help ensure that survivors are not left unaware of programs they have earned and may depend on for financial stability.

GSSA recommends that the VA adopt a multi-channel communication standard, ensuring that all critical benefit information is delivered through both digital and non-digital methods.

Gold Star Spouses of America also applauds the VA for its decision to return the Office of Survivors Assistance (OSA) to the Office of the Secretary. This long-overdue correction restores OSA to its intended role as a direct advisor to VA leadership on the needs of surviving spouses and dependents, as envisioned in the Veterans' Benefits Improvement Act of 2008. For years, surviving spouses have raised concerns about the marginalization of OSA within the VA's bureaucracy, which has limited its ability to advocate effectively on their behalf. Reestablishing OSA within the Secretary's office has strengthened accountability and created an opportunity to improve how information is communicated to survivors across the VA system.

## **Life Insurance Programs**

GSSA members have also identified concerns related to beneficiary designations and structural differences between VA life insurance programs and civilian policies.

Many servicemembers and their families do not fully understand that life insurance beneficiary designations are separate from a will. A will does not override the named beneficiary. In some cases, servicemembers did not update their beneficiary designation after marriage, resulting in benefits being paid to a parent rather than a surviving spouse. Survivors often believed the will would control distribution, leading to more confusion and unintended outcomes that create financial hardship for spouses at a time when stability is most critical.

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<sup>4</sup> Michelle Faverio, "Internet Use Climbs Among Older Adults," *Pew Research Center*, last modified May 2024, <https://www.pewresearch.org/internet/2024/05/internet-use-among-seniors/>.

GSSA also has concerns regarding limited awareness of the tax-advantaged protections provided under the Heroes Earnings Assistance and Relief Tax (HEART) Act of 2008. This law allows survivors to roll over death gratuity and SGLI payments into a Roth IRA or Coverdell Education Savings Account without being subject to standard contribution limits. However, this must be done within one year of receiving the funds.

Many survivors report they were never informed of this strictly enforced 12-month window. By the time they are able to focus on long-term financial planning, this opportunity for tax-free growth has often expired.

GSSA is exploring legislative options to extend or provide flexibility in the one-year rollover window, recognizing the realities of grief and delayed financial decision-making. In the best interest of the survivor we recommend pursuing a policy that automatically directs the VA to provide the two options to a survivor prior to distribution of funds. They have a choice on whether the funds are put into a Roth IRA or into an Alliance account. This would ensure spouses can fully benefit from this unique tax-advantaged opportunity without requiring immediate action during their first year of profound loss.

Additionally, GSSA is concerned about the growing disparity between VA life insurance programs and private-sector standards, particularly regarding Waiver of Premium provisions.

In the private sector, approximately 85% of group life insurance plans include a provision where premiums are waived if the insured becomes totally disabled.<sup>5</sup> Historically, the VA offered this through the Service-Disabled Veterans Insurance (S-DVI) program. However, with the sunset of S-DVI and the 2023 launch of VALife, this critical safety net has been eliminated for new enrollees.

Historically, the VA offered this through the S-DVI program, which waived all premiums for veterans deemed totally disabled. However, with the sunset of S-DVI and the 2023 launch of VALife, this critical safety net has been eliminated for new enrollees. VALife requires premiums from all veterans, regardless of the severity of their service-connected conditions.

Similarly, veterans transitioned to Veterans' Group Life Insurance (VGLI) find that no such waiver exists, nor has historically, regardless of a 100% P&T (Permanent and Total) disability rating. By removing or failing to include these waivers in modern programs like VALife and VGLI, the VA places a significant financial burden on the most severely disabled veterans and their surviving spouses at the exact moment their earning potential disappears.

## **Fiduciary Program**

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<sup>5</sup> Bureau of Labor Statistics, "Employee Benefits in the United States — March 2025," news release no. USDL-25-1850, September 25, 2025, <https://www.bls.gov/news.release/pdf/ebs2.pdf>.

GSSA has significant concerns regarding recent actions related to the fiduciary program.

At the end of FY2024, the VA identified more than 3,000 beneficiary accounts that needed a fiduciary established and issued letters requiring such, so benefits could continue. Approximately 1,000 of those cases involved dependent children who were living with someone who was not receiving DIC. In many instances, the individuals with whom the children were living were actually biological parents who were not receiving DIC due to remarriage, essentially implying that upon remarriage, a biological parent becomes untrustworthy to manage his or her child's welfare and benefits.

Members have also reported challenges in meeting required timelines. In one case, a surviving spouse was given 30 days to complete all requirements, including interviews, approval, and establishment of a fiduciary account. Her financial institution indicated that the process would take approximately five weeks. She was informed that failure to meet the deadline could result in a determination of noncompliance and loss of benefits.

GSSA members understand the purpose of the VA fiduciary program and support the need for oversight when benefits are paid on behalf of a minor. However, concerns arise in cases where biological parents who were previously recognized by the VA as competent beneficiaries while receiving DIC are suddenly subject to fiduciary requirements solely due to remarriage. These parents have been continuously responsible for the care and well-being of their children, and remarriage alone does not inherently change their capacity or trustworthiness.

The current process can be burdensome and, at times, feels misaligned with the lived reality of these families. GSSA does not seek to eliminate the VA's ability to provide oversight, but instead encourages a more streamlined and proportional approach for biological parents in these circumstances. Options such as a simplified fiduciary designation, reduced administrative requirements, or an annual certification process similar to existing Department of Defense verification practices would preserve accountability while reducing unnecessary barriers. A more efficient process may also reduce administrative workload for VA staff by limiting the need for extensive review and account establishment in cases that present low risk.

A more balanced approach would reinforce trust in surviving families, minimize administrative strain, and allow the VA to maintain appropriate safeguards without disrupting benefits or placing undue burden on those who have consistently acted in the best interest of their children.

GSSA supports clearer guidance regarding when fiduciary arrangements are required, how determinations are made, and what steps beneficiaries must take to comply. Additionally, we would support the development of a streamlined program for biological parents. Timelines should reflect the realities of financial institutions and administrative processing. When timelines do not align with real-world processes, surviving spouses risk being found noncompliant through no fault of their own and may face unnecessary disruption or loss of benefits.

## **Conclusion**

Thank you again for the opportunity to provide testimony today and for your continued attention to the needs of surviving military families. The issues we have outlined are not isolated concerns; they represent systemic challenges that affect surviving spouses across the country.

For many of our members, these programs are essential. When communication is unclear, when timelines are unrealistic, or when eligibility requirements are difficult to understand, the result is not simply frustration; it can mean delayed benefits, financial instability, and unnecessary hardship during an already difficult chapter of life.

There are meaningful opportunities to improve these systems through clearer communication, more accessible processes, and thoughtful policy adjustments that better reflect the realities faced by surviving spouses.

Gold Star Spouses of America stands ready to work with this Subcommittee and the VA to advance solutions that strengthen these programs and ensure they serve survivors as intended.

We owe surviving spouses not only our gratitude, but our commitment to ensuring that the systems designed to support them are clear, fair, and responsive.

## **Gold Star Spouses of America, Inc.**

Gold Star Spouses of America is a national nonprofit organization dedicated to supporting the surviving spouses of military service members and veterans who have made the ultimate sacrifice in defense of our country. Our mission is to provide meaningful support, advocacy, education, and a sense of community for Gold Star families. Through our programs, we work to ensure that the needs of these spouses and their families are heard, addressed, and prioritized by policymakers at the federal, state, and local levels.

GSSA is listed as an approved resource in the National Resource Directory (NRD.gov). GSSA is also recognized by the Department of Veterans Affairs for volunteer opportunities within the department's Center for Development and Civic Engagement.