

## LIFE INSURANCE INFORMATION

First, let me say, this was a pain, but hopefully, these points will help you make a decision (I also provided hyperlinks so you can click right to the information).

- I am not giving recommendations – only information
- **YOU HAVE** to call or go online to see what is right for you and your family
- 43 out of every 100 Americans don't have life insurance.
- It can be relatively inexpensive if you don't do drugs, aren't morbidly obese, don't have significant health conditions, don't drink, and don't smoke.
- There are even some online companies that do the comparisons for you, but **MAN**, you will get TONS of calls, it's really better to just get on individual websites and see which rate is better
- **DO NOT LIE about what you do for a living. If you do IT WILL NOT PAY OUT to your loved ones. Not only will they not get the benefits, you also will be wasting a butt load in premiums. BE HONEST. Don't say "construction" as your occupation – TELL THEM WHAT YOU REALLY DO. I know construction is part of it, but you and I both know, the risk is greater.**
- Sometimes, companies match your policy – **SO ASK** about it
- Ask your insurance company that you use for home or auto about life insurance – you might get a discount

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### **NOW...A BARE MINIMUM make sure your coverage allows your family to:**

1. **Cover the cost of burial and headstone** – this is running about \$10K – Cremation is less, this averages approximately \$1100.00, According to the Cremation Research Council. **HOWEVER**, this does not include a traditional funeral service involving viewing of the body before cremation. Consequently, you do not need to spend on a casket and embalming of the body.
2. **Cover any outstanding debt you** have (the house, credit cards, etc.). -Basically make sure that you leave enough that the people left behind can cover any bills where they are **JOINT** with you on an account. If it is just your name on an account, they should be able to let that default with no consequence to their own credit.
3. **Cover some time off work without having to worry about the bills** – Leave them enough that they can rest easy for about six months without having to work. **MORE**, if the person left behind isn't in the workforce (housewives, stay at home mommies, etc.).

If you are able to afford the premium, I would even make sure there is enough to cover them longer than six months, but that's going to depend on what you want to spend in premiums.

Personally, our coverage isn't bad. Is it going to let one of us retire? NO, but it will give us breathing room.

To give you some insight, Ronny is 52, I am 42, and we both smoke, and are in great overall health. Our occupations are NOT high risk, and we generally do not have hobbies that will get us killed. Mine is \$68.80 a month for \$100K of coverage, and Ronny's is \$89.00 with a \$150K of coverage respectively.

Because our rates are not hideous, I plan to up these to \$250K coverage for each of us. Those premiums might hurt a little now, but when one of us kicks, it will be well worth what we spend now.

The next pages cover TYPES of insurance and information I found on the ten best companies, and then some additional notes.

### **Other Kinds of insurance to consider:**

#### Accidental Death & Dismemberment Insurance:

AD&D insurance is "a policy that pays benefits to the beneficiary if the cause of **death** is an accident. This is a limited form of life insurance, which is generally less expensive."

I suppose one could consider this an alternative to life insurance because it is cheaper, but it will only pay out of, as the name implies, you die accidentally. Life insurance covers you regardless of how you pass, barring suicide. If you get life insurance that is wonderful, God love you, I am so proud. Maybe you don't want to spend the extra on AD&D, and you don't have to, but I tell you from experience, that the extra policy made a world of difference to us after Jonce's death. *I didn't even know he had the policy.* Not all companies offer this policy, but you can purchase one outside of your employer through companies like AFLAC, and it's cheap.

## **Types of Life Insurance (I AM NO EXPERT, I suggest making some calls and getting more information on which is best for you and your family)**

*\*YOU HAVE TO MAKE THE CALLS, TO DECIDE WHAT IS BEST FOR YOUR SITUATION.*

*\*NOTE - In many cases, when applying for life insurance, you have to meet with a paramedical professional who will ask health questions, and will also take from a blood and a urine sample (they usually come to your hose to do this and you can schedule a time when you will be home from the road).*

- [Term](#) –
  - Most basic.
  - Pure death benefit only.
  - No cash value.
  - Usually the MOST affordable.
  - You can purchase term life insurance for 15, 20, 25, or 30 years, sometimes longer depending on the company.
  - Premium usually stays the same.
  
- [Increasing and Decreasing Term](#)
  - I am not up-to-date on these, I would ask a professional, but the gist I got was that the death benefit will go down over time. These are known as decreasing term life insurance policies.
  - The premium, however, will usually remain the same
  - With a decreasing term policy, the policy ends when the death benefit reaches zero
  
- [Permanent](#)
  - Doesn't have a time limit like term insurance.
  - Intended to last the remainder of your lifetime (as long as you pay the premium).
  - There are lots of types, so you will need to talk to someone.
  
- [Whole](#)
  - Simplest kind
  - Premiums are locked through life of the policy
  - Good if you need to stick to a budget
  - If you are young and buy it, your premiums will remain the same as you get older
  - Builds cash value that you can use later to maintain premiums or borrow against.

## Universal

- Usually has a death benefit and cash value; to choose how much of his or her premium dollars will go towards the policy's death benefit, and how much will go towards the policy's cash value.
- Similar to Whole Life Insurance

## • Variable

- Permanent coverage
- You can invest the money – but this also means it goes up and down with the equities market
- This one is complicated to me – seek a professional for sure

## • Variable Universal

- Variable Universal life insurance is similar to regular universal life insurance coverage.
- You can invest the cash in their policy into different types of investments such as mutual funds.
- No guaranteed minimum cash value in this type of policy.

## • Survivorship

- Might have a higher premium than some other types of insurance, but sometimes cheaper than two policies.
- Less restrictive underwriting, especially if one is in good health.
- More than one person is covered

## • Final Expense

- Also known as burial insurance
- Usually for those aged 50-85 (some will write a policy for older or younger, you have to ask.
- geared towards those who want to ensure that their loved ones will not be saddled with the high cost of a funeral and other related expenses such as a headstone, burial, flowers, and memorial service
- Underwriting is not as stringent
- Inexpensive
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## • No Medical Exam

- You do not have to have a medical exam or a medical professional do a blood draw
- Usually approved within a day or two
- Premium will be a bit higher

**Ten Best Companies: There are LOTS of companies that sell life insurance, but make sure you CHECK THEM OUT. These listed below are all in great standing. Smaller companies may seem like a deal but you want to check them out, look at reviews, and find out the history on their payouts, etc...**

I did a little research and these appear to be the ten best:

1. [Haven Life](#) – If you want quick coverage
  - a. No medical exam for those that qualify
  - b. Term life insurance only
  - c. Doesn't offer permanent life insurance
  - d. Least hassle and faster than most other companies
2. [Banner Life](#) – HIGH RISK (medical and otherwise – might be a good choice for climbers)
  - a. Usually term and universal life policies
3. [AIG](#) – Depending on the size of the company you work for, the rates might be different
  - a. Good for folks carrying extra weight
  - b. Largest provider of insurance
  - c. Offers term, whole, universal, index universal, and variable universal life insurance
  - d. You can get term in policies that range from 10-30 years
4. [Prudential](#) –
  - a. Good for chewing tobacco users (they don't charge an increased rate like they do for smokers)
  - b. Offers term and permanent coverage. The permanent coverage includes universal, indexed universal, variable universal, and survivorship universal life insurance.
5. [MetLife](#)
  - a. Offers term, whole life, universal, variable, and survivorship plans.
  - b. Offers a simplified issue term life insurance option whereby there is no medical exam required for underwriting
  - c. Good option for those who have health related issues, or who fear needles and wish not to undergo a blood test for underwriting purposes
6. [Voya Financial](#)
  - a. Offers term life, universal life, indexed universal life, variable universal life, and survivorship policies
7. [Mutual of Omaha](#)
  - a. Offers term, whole life, universal life, and accidental death.
  - b. Website is really good and helps you decide how much coverage you need and calculators to tinker with to get a good idea of your needs
  - c.

8. [Genworth Financial](#)
  - a. Offers term life, whole, guarantee universal, and index universal life plans
  - b. Has had some policy rate increases recently
  - c. You can get term in policies that range from 10-30 years
  
9. [New York Life](#)
  - a. Includes term, whole life, universal life and variable life.
  
10. [Transamerica](#)
  - a. will issue 30 year term polices up to age 58. Most companies will not issue a 30 year term policy on a person seeking life insurance who is over 50

**Other Notes:**

1. If you are Military, I keep getting told [USAA](#) is the best, so I would check that out first.
2. [AAA](#) has also been mentioned as a good provider with good coverage amounts at good rates.