

5 THINGS TO KEEP IN MIND

When Buying Life Insurance



Contemplating life insurance? Do your research before you buy. Here are a few things to think about when planning for your life insurance needs.

1) Weigh your options.

Many employers offer life insurance as part of their benefits package — but there can be a few down sides. Oftentimes, a workplace plan is tied to your salary and may not offer enough coverage. Plus, if your job situation changes, you may lose your coverage. This can leave families without the protection they need.

Keep this in mind: you have options. And, you can have as many policies, and as much coverage, as you want.

2) Compare policies.

As with any purchase, you want to make sure that you are getting the most value for your hard-earned dollar. Use these questions to help you narrow down your options:

- Do they offer the coverage amount I need?
- Are the coverage amounts tied to my salary?
- Are the premiums affordable?
- Can I get coverage for my spouse or dependent(s)?
- Can I make changes at any time as my needs change?
- Do I need to have a physical exam or get blood work done?
- Does the policy cover things like acts of war and terrorism?

3) Research the life insurance company.

If you are looking at different companies, check their track record. Are they well known? What do

your friends have to say about them? Look for a reputable company.

You should also factor in advantages like the ability to contact customer service if you have questions about your policy, or in the unfortunate event that your family needs to receive the death benefit. While customer service may seem like a minor component now, it can be critical in a crisis.

4) Make sure you get enough coverage.

An estimated [48 percent of households](#) are underinsured. Determining the amount of coverage you need should be a priority before shopping for life insurance. Use an [insurance calculator](#) to evaluate your insurance needs and determine how much coverage you need. Ask yourself these questions:

- Does anyone depend on you financially?
- How much of the family income do you provide?
- How will your family pay for expenses in the event of your death?
- What does my current policy offer or lack?

You want to make sure that you buy enough life insurance to cover the financial effects of an unexpected or untimely death.

5) Review your policy every few years.

Your stage of life may affect your needs. Did you start a family? Take on more loans? Review your policy every few years to keep up with changes in your income and needs.

Life insurance planning is not easy, but these 5 things will help you make an informed decision.