

Research Important When It Comes To Life Insurance



Q: How do I know if I need life insurance and how much I should buy?

A: The major reason to buy life insurance is to protect dependents that rely on you for income. Will your spouse or kids miss your income? Do you have debt? Would your life insurance provide help with college expenses if you aren't here?

Additionally, you may want to have life insurance to cover your final expenses, such as burial costs.

If you have decided these needs apply to you, then how much should you get? You need to replace the income that is needed for dependents and would be lost when the paycheck goes away. Add up your assets, review your liabilities and calculate the

amount of insurance that is needed.

There are many resources on the Internet, but be careful where you disclose your personal information. A good website is www.lifehappens.org, sponsored by the Life Foundation, a non-profit organization. It provides basic information about life insurance, calculators to help determine your need for it, and how to get coverage through an agent, at your workplace, or directly via the Internet, mail, or phone.

Determine your need and take action without delay. According to a 2013 study by LIMRA, a worldwide association of insurance and financial services companies, 30 percent of U.S. households have no life insurance at all, 50 percent say they need more life insurance, and only 8 percent said they were very likely to purchase life insurance in the next year. Procrastination is rampant and can cost you.

You can only get life insurance if you are healthy enough to qualify. Sorry for you if you've waited until you have a dreaded disease.

Term life is currently very competitively priced and shopping it can be rewarding. Fully understand the policy you are buying, the rating of the insurance company, and be wary of Accidental Death and Dismemberment Insurance which is limited and not a good substitute for life insurance.

Consult your estate planning attorney, discuss it with your accountant and use a qualified insurance agent. This is a matter of life and death.

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