

# Life Insurance Myths

## And Realities

We know it's a big decision to buy life insurance and we understand that there are many reasons why a person may be reluctant to make the purchase. However, many stem from the same basic concerns that come down to five basic life insurance myths. Take a look at the following: it may change your perspective and help you make an informed decision!

### **MYTH 1: I don't need life insurance because I'm single or married with no dependents.**

Even if you don't have a spouse or dependents, life insurance benefits can be used to help your loved ones pay off your debts, like mortgages or private loans, even college loans or even car loans, if you pass away. Some permanent policies allow you to draw from the policy while you're still living!

### **MYTH 2: I don't need life insurance because I'm a stay-at-home parent and draw no income.**

Life insurance for stay-at-home parents is still important, because they likely provide services that could cost tens of thousands of dollars to replace each year. These may include child care, daily transportation, home maintenance and cooking, to name a few. Life insurance benefits may help cover some of these costs.

### **MYTH 3: I don't need life insurance because my children are older and my mortgage is paid off.**

Life insurance still provides benefits to cover daily living benefits for your spouse, an important consideration, especially when it's not unusual for a spouse to outlive their partner by 5, 10 or even 20 years. Would your financial plan, without your insurance, enable your spouse to maintain the lifestyle the two of you have worked so hard to achieve?

### **MYTH 4: I don't need life insurance because I have a policy through my job.**

Typically, an employer-offered life insurance policy isn't portable, so if you leave your job your life insurance protection would likely end. However, if you buy your own, separate life insurance policy, you decide how long you want to be covered. Additionally, with an individual policy, you may be able to get more personalized coverage that fits your financial needs.

### **MYTH 5: I don't need life insurance because I have a large savings.**

Your savings may last through your retirement, but have you thought about final expenses? The national median cost of a funeral with a burial is about \$7,300\*. If you don't have enough money saved when you pass away, your loved ones may have to pay for your funeral costs. Be sure to consider other debts that your loved ones may have to pay off. A life insurance policy's death benefit can help alleviate some of this burden after you pass away.

### **BONUS MYTH:**

#### **I can't afford life insurance.**

Many consumers overestimate the cost of life insurance. Life insurance can be affordable for many people, depending on the type and amount of coverage you're looking for. You can start with a policy that fits your budget, and you may be able to change it to something different as your needs and budget changes.



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