ISSUE
67
February
2 0 19

The Ziff Agency Monthly

From the Desk of Adam Ziff
The Ziff Agency, LLC

Ph: 212.796.5433
Ph: 949.393.5433
Ph: 941.922.9433
Ph: 305.363.5433
adam@theziffagency.com
www.theziffagency.com

Four Reasons Life Insurance Should Be One Of Your 2019 Financial Resolutions

Life insurance is one of life's least understood financial necessities. By design, it is intended to provide security for people in one of life's most difficult emotional and financial situations: the passing of a loved one. Yet, too often, people view paying for life insurance as an unnecessary precaution or expense.

This misconception is largely due to the lack of American consumer education about life insurance as well as an antiquated industry burdened by outdated processes. The typical process of getting life insurance takes between 10 and 15 weeks and requires in-person medical exams and meeting with a commissioned salesperson incentivized to sell you on a more expensive policy. It's no wonder Americans don't understand life insurance.

But the reality is that life insurance can be a lifesaver in hard times. Here are four reasons to add life insurance to your financial resolutions:

1.) You care about your family

Life insurance is a must when it comes to protecting your family. With the average American's debt totaling upward of $137,000, it's important to consider how your family may pay off debt if something unexpected happened to you.

A term life insurance policy can provide replacement income, ensuring your beneficiaries are financially supported through a policy benefit.

Current News:

Why Older Millennials Need To Start Taking Life Insurance Seriously

This fact might scare most millennials, but we're all going to die someday. It's one of the only certainties in life - along with taxes. However, a recent study by Budget Insurance found that 82% of millennials don't know what life insurance is for - even as they are aging, starting families, and dealing with more complex financial situations.

While most millennials would have never needed to consider life insurance before, it's now time to start taking life insurance and other estate planning more seriously. The great thing is, more companies are starting to take millennials seriously financially - and it's getting easier than ever to get life insurance.

According to Pew Research, 60% of families rely on dual incomes, while 31% of families rely on a single income. Combined, that means 91% of families in the United States need one or both spouses income to survive. And what happens if one (or both) die? That's where life insurance comes into play.

Millennial families have expenses - housing costs, student loan expenses, and more. And while Federal loans are forgiven upon death, many private student loans are not.

(Source: Forbes

2.) You have a mortgage.

A mortgage is likely the largest of your personal expenses. It's important to think of who would have to pay it off if you were no longer around. A life insurance policy can help provide your family with the money needed to pay off mortgage debt, helping to relieve financial stress and the possibility of a loan default or foreclosure.

Mortgage life insurance is a life insurance option that's specifically designed around your mortgage debt and typically offered by a mortgage company. The policy payout is often payable to your mortgage company for the outstanding balance of the mortgage if you pass while the policy is in effect.

3.) You own a small business

Small business owners may not realize the financial impact their death could have on their partners and employees. Life insurance can help lessen that impact. There is actually a specific type of insurance policy for this purpose called key person insurance.

Key person, or key man, insurance is a life insurance policy on the primary people involved with the business.

For small businesses, this typically means an owner or founder but can include a key employee as well. Think about it this way: The people who are covered under this policy are those whose departure would leave the company inoperable. With key person insurance, the company is the recipient -- the beneficiary -- of the insurance payoff when that critical policy owner passes, so the company can continue to survive.

4.) You started a new job

The start of the year is the busiest time of year for job seekers, and one of the key deciding factors for candidates is employer-sponsored benefits. While any growth in the number of Americans with life insurance is encouraging, many only have employer-sponsored life insurance. The issue: this typically isn't enough coverage.

Commonly referred to as group life insurance, this employer-sponsored benefit is attractive because it's affordable, often discounted and easy to qualify for. But what is easy and free rarely is the best option. Group life insurance only covers a fraction of what most people actually need. To best determine what's right for you and your family, try the DIME method -- debt, income, mortgage and education -- to calculate expenses and get a starting amount. The total could include paying off the aforementioned debts, or even your family's entire cost of living.

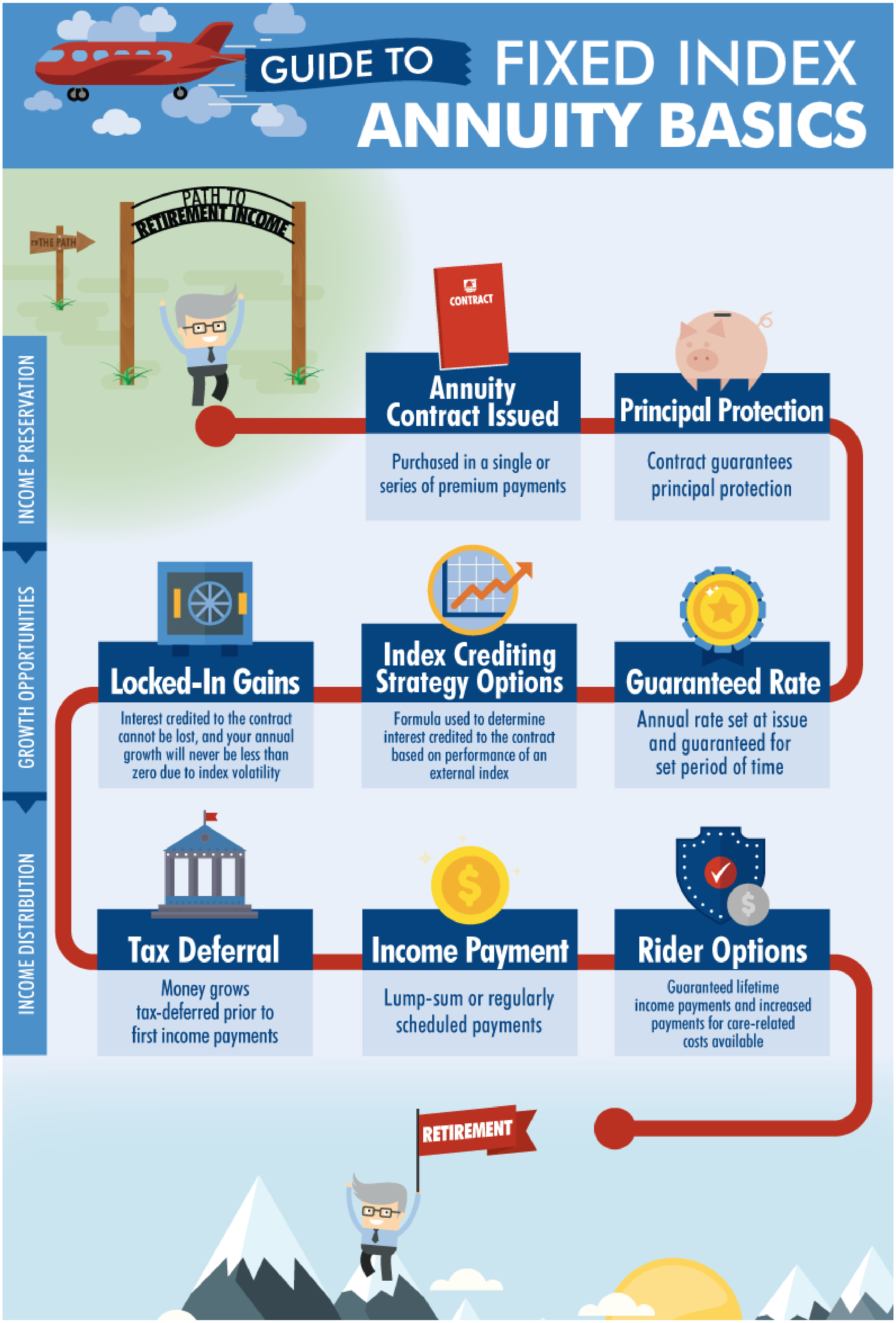
(Source: Forbes)

The Underwriter's Corner: Underwriting Q & A

The Potential of EHRs for Individual Life Insurance Underwriting

The potential is high in the near future for insurers to use EHRs (Electronic Health Records) for underwriting. First, it would improve the quality of underwriting by using verified medical data at the time of the application. Second, it would improve the user experience by reducing the burden placed on the users to answer medical questions. EHRs could drastically reduce the amount of time and energy needed to underwrite a case. The effort required to make this a reality is not trivial, and many insurers are looking for innovative partners to help them achieve this automation rather than driving this research and development work internally

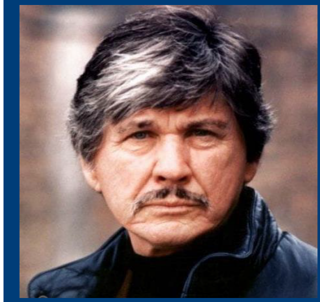
(Source: The Economist)



(Source:American Equity)

INSURANCE 101

Famous Estate Planning Failures



NAME: **Charles Bronson**

DIED: August 30, 2003;

AGE: 81

CAUSE: Pneumonia

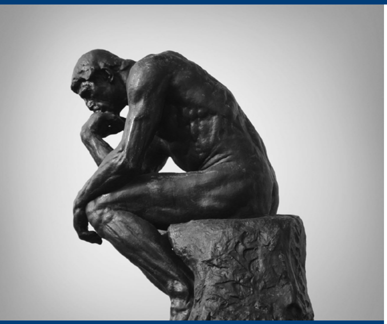
ESTATE BLUNDER:

Causing rifts and resentment by distributing his assets unevenly.

According to his will, Charles Bronson was worth $45 million when he died in 2003. His surviving wife was given $1.6 million plus an $8 million Malibu mansion. Other assets that went to his children included a $5 million Vermont beach house and a $5 million Bel Air mansion.

There was a lot of drama in Bronson's family over his will. His third wife, Kim Weeks, was disappointed for not being left the Vermont beach house. Bronson's son Tony was annoyed that so much was left to Weeks, as he alleged she had banned the family from visiting Bronson on his death bed. The family was also infuriated that so much of Bronson's money was locked up in trust funds. The most money went to Bronson's youngest child, his daughter Zuleika, who got twice as much money as the other members of his family.

(Source: Celebrity Net Worth)



HERE'S A THOUGHT...

"Your flaws are perfect for the heart that's meant to love you."

- Trent Shelton

The Ziff Agency, LLC

www.theziffagency.com

Happy Valentine's Day! Give your Valentine the peace of mind they deserve with Life Insurance!