

# The Ziff Agency Monthly

Don't Have Life Insurance?  
That is *Scary!*



From the Desk of Adam Ziff  
The Ziff Agency, LLC



## Current News:

Over \$7.4 Million  
Located for  
Tennesseans So Far in  
2020 Through Life  
Insurance Policy  
Locator Service

P. 2

The Underwriter's  
Corner P.2

Famous Estate  
Planning Blunders  
Teddy Pendergrass

P. 3

## Infographic:

Financial  
Stats

P. 3

Ph: 212.796.5433

Ph: 949.393.5433

Ph: 941.922.9433

Ph: 305.363.5433

adam@theziffagency.com

www.theziffagency.com

## How COVID-19 Has Highlighted the Need for Life Insurance Benefits

These unprecedented times have left many in a state of financial insecurity and concerned for their financial futures. Unpreparedness for sudden unemployment or the loss of a family's primary wage earner has people scrambling to protect themselves and their families should they be directly affected by this pandemic.

COVID-19 has underscored the importance of protecting one's family with life insurance. For many Americans, the easiest way of obtaining life insurance is through an employer benefit package. An employer's insurance offerings are a core consideration when choosing a job, so it's critical that in addition to comprehensive health insurance, you're also offering robust life insurance options. But just offering life insurance isn't enough anymore — employers also need to educate employees on the benefits of life insurance, detail the specifics of each available plan, and urge them to enroll as a proactive step in protecting their family's financial security.

### What to consider when choosing group life insurance

There are two main types of employer-provided group life insurance: Employer-paid Life and Supplemental/Voluntary Life Insurance. Many employers offer Basic Employer-paid Life and cover part of the premium, but it's also advised to offer Supplemental/Voluntary Life Insurance as well to ensure employees have sufficient coverage to meet their family's needs. Employees who enroll in Supplemental/Voluntary Life Insurance have the cost deducted from their paychecks.



## Current News:

### Over \$7.4 Million Located for Tennesseans So Far in 2020 Through Life Insurance Policy Locator Service

Over \$7.4 million in claim amounts of life insurance benefits or annuities have been located for Tennesseans so far in 2020 via the Life Insurance Policy Locator Service, a free online tool available through the Tennessee Department of Commerce and Insurance (TDCI) and the National Association of Insurance Commissioners (NAIC).

Since its inception in 2016, the national Life Insurance Locator Service has received 227,551 requests nationwide, which has led to 81,349 matches of life insurance policies or annuities with nationwide claim amounts of \$1,028,479,262 being reported by companies through July 31, 2020. In Tennessee, 913 requests have been made in 2020 resulting in the location of \$7,435,665 in claims or annuities — a 34% increase since an earlier report this year.

A recent NAIC survey revealed that many life insurance beneficiaries are unprepared to be a beneficiary. Millions of dollars in life insurance benefits go unclaimed by beneficiaries who cannot find their deceased loved ones' policies or, in some cases, may not even know the policies exist. The online policy locator requests are secure, confidential and free.

(Source: TN Department of Commerce & Insurance)

A comprehensive life insurance plan should also provide resources to help employees and their dependents navigate certain unexpected events or stressful times — the pandemic being a perfect example. Some additional benefits to look out for include counseling, financial and legal consultations, identity theft services, identity theft protection, and tools to help put together wills, power of attorney and other legal documents.

Offering life insurance options that go the extra mile will provide employees with a sense of security and peace of mind, which translates to increased retention for employers.

#### **What to know about continuation of coverage**

To further ease worries brought on by the pandemic, another important aspect to consider when choosing life insurance is a plan's provisions for continuation of coverage. The role of continuation of coverage is simple — to ensure those enrolled in employer-provided insurance are covered for an extended period of time when they're no longer eligible for coverage under the plan.

With many companies forced to downsize or furlough parts of its workforce since the pandemic began, the need for continuation of coverage has become abundantly clear to more employers.

#### **Educate and encourage employees to enroll**

With no clear end in sight for this pandemic, employers should use this as an opportunity to educate employees about the benefits of life insurance and why it's a smart investment. Employers should give new employees detailed information about the available life insurance options upon their arrival and remind current employees of the benefits of their group life insurance throughout the year.

Life insurance is an important part of someone's overall financial wellness strategy, and providing employees with comprehensive options shows that an employer has the best interest and well-being of the employee and their family top of mind. Caring for employees beyond their work product is particularly imperative right now.

(Source: Benefit News)

## The Underwriter's Corner: *Underwriting Q & A*

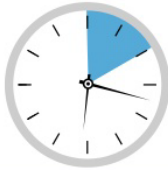
### **How to Convert Term Life to Permanent Life Insurance**

Term life insurance policies typically offer the option to convert them into permanent life insurance policies. Converting a term life policy to a permanent policy is much simpler than applying for a new policy. First, check the language of your policy to see if conversion is an option (it is on most policies).

Next, check the term conversion period—the time frame during which you can convert. Some companies will allow policyholders to convert at any point during the term of their policy. But many will limit the conversion period. For example, the conversion period on a 20-year term policy might be limited to the first 10 years the policy is in force.

Then contact your insurance agent or company to ask to convert your policy. You won't have to take a life insurance medical exam or go through the underwriting process. In most cases you'll simply fill out a questionnaire, and your new permanent policy will be issued within a few days.

(Source: Forbes)



Every day for the next 20 years, another 8,000 baby boomers will turn 65. That's roughly **one person every 10 seconds**.

Nine of ten adults aged 65 years and older say they have taken **at least one prescription drug** in the last 30 days.



29% of all American workers have **less than \$1,000** saved for retirement.



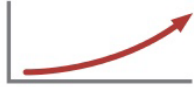
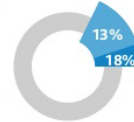
American workers are **\$6.6 trillion short** of what they need to retire comfortably.



**One out of every six** elderly Americans is already living below the federal poverty line, according to the U.S. Census Bureau.

Only about 13% of all Americans are **65 years of age or older**.

By 2030, that number will **soar to 18%**.



Between 1991 and 2007, the number of Americans between the ages of 65 and 74 that filed for **bankruptcy increased an astonishing 178%**.



From a recent survey, **74% of American workers expect to have to work** even though they are "retired."

**One out of three working Americans** does not have retirement savings beyond Social Security.



As of 2011, the average monthly Social Security benefit was \$1,179. Couples who each earn this amount have an **annual retirement income of \$28,296**.



The average American spends **20 years in retirement**.



To **raise a child** from birth to the age of 18, costs an average of **\$241,080**.



**\$326** — The amount parents spend each month on out-of-pocket expenses for their **child with special needs**.

**88% of parents** who have children with special needs have **not set up a trust fund** to preserve eligibility for benefits such as Medicaid and Supplemental Social Income.



# INSURANCE 101

## Famous Estate Planning Failures



**NAME:** Teddy Pendergrass

**DIED:** January 20, 2012

**AGE:** 59

**CAUSE:** Colon cancer

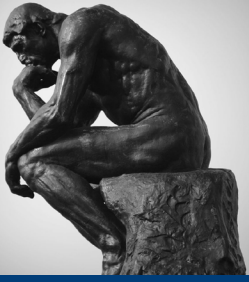
**ESTATE BLUNDER:** Not keeping a copy of his will with a nominated executor or attorney

R&B legend Teddy Pendergrass sang in the Harold Melvin & the Blue Notes 1972 hit "If You Don't Know Me by Now" that "we only act like children when we argue, fuss, and fight."

But that message seems to have been lost on Pendergrass' family members fighting over his will in court. The legal battle over Pendergrass' estate has been raging since his death in 2010 and has now entered the phase of fighting over attorney fees.

In her original lawsuit, his widow, Joan Pendergrass, claimed the late singer's son forged a will that left him the sole beneficiary of his father's estate. She also alleged Pendergrass II's lawyer, Holman, knew the will was a forgery.

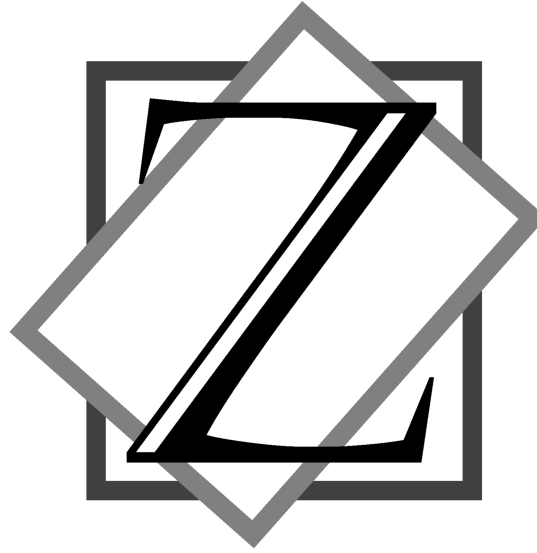
This most recent development comes in the offshoot case filed by Pendergrass' widow against his son to recover \$850,000 in costs from the fight over Teddy Pendergrass' will in state court.



## HERE'S A THOUGHT...

*"Magic is really simple,  
all you've to do is want  
something and then let  
yourself have it."*

*- Angie Cromwell*



The Ziff Agency, LLC

[www.theziffagency.com](http://www.theziffagency.com)

*Stay Safe this Halloween and  
#InsureYourLove*

*Make sure your family is protected  
and have your **Life Insurance**  
reviewed today!*