

#InsureYourLove



From the Desk of Adam Ziff
The Ziff Agency, LLC



Current News:

CAA 2021 Gives
Life Insurers
Interest Rate
Flexibility

P. 2

The Underwriter's
Corner P.2

Famous Estate
Planning Blunders:
Alan Thicke

P. 3

Infographic:

Doing All You Can to
Protect Your Loved
Ones?

P. 3

Life Insurance Resolutions to Consider for the New Year

Given everything that has happened in 2020, New Year's resolutions for 2021 will likely look different this time. Sure, plenty of people will vow to lose weight—maybe more so thanks to COVID stress eating.

The pandemic also will likely prompt many to resolve to be more financially prepared for the unexpected. A great way to protect yourself, your loved ones and your finances is to have adequate insurance coverage—especially life insurance. So as you look ahead to the New Year, here are some possible life insurance resolutions.

Buying a Life Insurance Policy

Has buying life insurance been one of those things on your to-do list that you just haven't gotten around to doing? An estimated 41 million Americans say they need life coverage but do not have it, according to the 2020 Insurance Barometer Study by LIMRA and Life Happens, industry-funded groups.



If you have loved ones who count on you for financial support, your top resolution should be to get life insurance to protect them if something happens to you.

Do You Have Enough Life Insurance?

Even if you have life insurance, you might not have enough. As life changes so can your life insurance need, and your coverage amount may not be adequate anymore. Resolve to check your insurance policy to verify how much coverage you have, then consider the following:

Ph: 212.796.5433

Ph: 949.393.5433

Ph: 941.922.9433

Ph: 305.363.5433

adam@theziffagency.com

www.theziffagency.com

Current News:

CAA 2021 Gives Life Insurers Interest Rate Flexibility

The big new federal spending package will change the math inside U.S. life insurance policies.

The change will slash a key interest rate used in creating life insurance policies to 2% for 2021, from 4%, and to a variable rate after 2021.

The rate change will increase reserve levels and cash value levels for new life policies, according to Griffith, Ballard & Company.

Drafters added the provision to the Heroes Act bill “to reflect the interest rate environment that has been exacerbated by the current crisis, and ensures that the rates will continue to appropriately reflect economic conditions.” Congressional leaders later bundled the life insurance rate provision, and other Heroes Act provisions, into the CAA 2021 package.

The 2021 CAA also authorizes a second round of \$600 stimulus check for individuals with income that falls below the applicable threshold levels.

Businesses with 300 or fewer employees that have already spent an initial PPP loan are now eligible for a second loan. We’ll continue to see additional guidance with respect to these relief provisions and the PPP loan program well into the 2021 tax year.

(Source: Think Advisor)

• Do you only have a group life insurance policy through work?

If so, the death benefit—the amount the policy will pay to your beneficiaries—likely isn’t enough to cover your loved ones’ needs if it is equal to only one year’s salary. Plus, you likely won’t be able to keep this supplemental life insurance if you leave or lose your job.

• Has your life insurance need changed since you bought your policy?

Recalculate how much life insurance you need now, such as income replacement or covering a mortgage, large debts and college tuition for children. Subtract the assets you have to cover those obligations. The difference between the two is the gap you need to fill with life insurance.

• Evaluate your policy length.

Also take a look at whether your current policy type is going to be able to go the distance for you. Perhaps you have a short term life insurance policy that now seems inadequate. Or perhaps your needs have evolved to a permanent life policy such as universal life insurance.

If your current term life policy is inadequate, you could buy a new, additional policy, or buy a larger new policy and ditch the current one.

Review the Performance of Your Policy’s Cash Value

It’s important to keep tabs on that cash value, especially if you’ve been taking cash value loans or withdrawals. The company’s internal policy fees could lower the cash value enough to cause the policy to terminate. Resolve to ask your insurer or life insurance agent for an in-force life insurance illustration to see how your policy is performing and whether you need to take action to keep it in-force.

Review Your Beneficiaries

The main point of life insurance is to provide a financial safety net for your beneficiaries if something happens to you. But the best laid life insurance plans will go wrong if you don’t have the right people listed as primary and secondary beneficiaries.

Make Sure Your Family Knows About Your Policy

Resolve to inform them that you’ve bought this protection. Beneficiaries don’t need the policy to make a claim. They only need to know the name of the life insurance company in order to initiate a claim.

(Source: Forbes.com)

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

COVID-19 Accelerates No-Exam Trend in Life Insurance

Big data will play a prominent role in life insurance this year.

Interest in coverage has surged during the pandemic, but for many people, social distancing mandates took the life insurance medical exam off the table. As consumers look for quick, noninvasive ways to buy policies, insurers have turned to accelerated underwriting, a process that uses algorithms instead of exams to evaluate applicants.

While accelerated underwriting isn’t new, more than a third of life insurers have expanded it due to the pandemic, according to a study by the Society of Actuaries. And no-exam life insurance appeals to many people. “They want it to be fast and easy,” says Gina Birchall, chief operating officer for the life insurance trade group LIMRA.

Accelerated underwriting can help you get life insurance quickly online, but there are caveats. What you gain in speed, you may lose in flexibility and price.

Insurers now typically check your prescription drug history and data from the MIB Group, an information-sharing service for insurers. Companies may also consider non-medical data, such as your credit history, driving record and shopping habits. Algorithms then combine these data points to quickly determine eligibility and cost of coverage. This data can be tricky to dissect, but industry experts expect the trend to continue to grow.

(Source: Daily Journal Online)

Doing All You Can to Protect Your Loved Ones

You want the best for your family. But have you explored all your options for sheltering them from life's storms?

ARE AMERICAN FAMILIES PREPARED FOR THE UNEXPECTED?

20%
of life insurance policy owners feel they don't have enough coverage.¹

68%
of American adults do not have a will or trust in place.²

37%
of American adults don't have some type of life insurance.³

MAKING SURE YOU'RE COVERED



1 in 3

Americans worry their spouse's life insurance coverage isn't enough.⁴

Spouses who think their partner needs more life coverage by generation:⁴

42% Millennials
36% Gen Xers
21% Boomers

(Source: Pacific Life)

INSURANCE 101 Famous Estate Planning Failures



NAME: Alan Thicke

DIED: December 13, 2016

AGE: 69

CAUSE: Aortic aneurysm

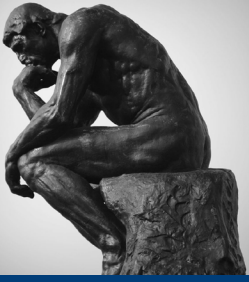
ESTATE BLUNDER: Signing a living trust that conflicted with his prenuptial agreement.

Alan Thicke collapsed while playing hockey with his son Carter back in December, 2016. He passed away in the hospital later that day, having suffered a sudden aortic dissection. Not long after the entertainer's death, a rather publicized disagreement arose between his late wife and his two oldest sons, pop singer Robin and actor Brennan.

Alan had a living trust, signed in the year of his death, which seems to conflict with certain provisions and property designations set forth in a prenuptial agreement signed by Thicke and wife Tanya Callau Thicke prior to their 2005 marriage.

Thicke's sons accused Tanya of attempting to invalidate the prenuptial agreement so that she'd be entitled to a higher share of estate assets and have the right to retain possession of the couple's California home. They battled in court for over a year before reaching a settlement.

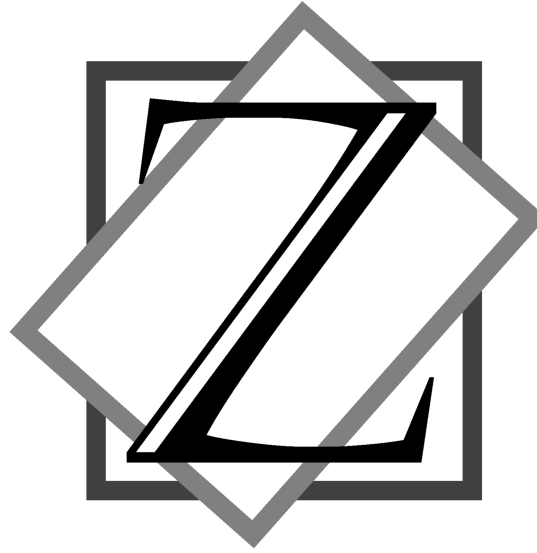
(Source: CNN Entertainment)



HERE'S A
THOUGHT...

"Wishing You
a Safe, Happy and Healthy
New Year"

- The Ziffs



The Ziff Agency, LLC

www.theziffagency.com

Stay Safe this New Year and

Keep Your Resolutions!

#ProtectYourFamily

#InsureYourLove

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