

Benefits for Living

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Life insurance products all have one thing in common: they pay the death benefit at the death of the insured. This has been the hallmark for life insurance companies since their creation over 300 years ago.

But times are changing and as insured's life expectancies continue to get longer, their insurance protection needs also change. Historically, life companies have based their business on providing benefits at the time of death, but they are increasingly offering ways to help insureds while they are still alive. This asset class not only pays at death, but now allows for the acceleration of your death benefit to cover the potentially devastating costs of living too long or providing lifetime income.

As individuals age their needs change and the innovative life products in the market today adapt to these changes. Each life stage you pass through presents new needs, challenges and opportunities. Some of these innovative life products help toward accomplishing objectives and conquering goals through the life changes below:

- Premature Death
- Chronic/Terminal Illness
- Longevity

Life insurance has always been there when the insured dies too soon. Recent product offerings now provide living benefits if you become ill, through the tax-free acceleration of the death benefit for chronic, critical and terminal illnesses, and if you live too long by tapping into policies cash values in tax-efficient ways providing guaranteed income for life. Providing living benefits also opens the life insurance market to people without dependents who may not need the death benefit but need the living benefit aspects of the product.

Accelerated Benefits Rider

Consider the following:

- About every 26 seconds, an American will suffer a coronary event, and about every minute someone will die from one.
- On average, every 40 seconds someone in the US has a stroke.
- At age 65, the odds are nearly one in two that you will require nursing home services for at least 2.5 years.

The future is unpredictable and life insurance policies that permit the acceleration of the death benefit for either a chronic, critical and terminal illness provide access to

benefits you can use while you are living. Accelerated benefits riders provide access to the tax-free death benefit, to help cover costs that may be associated with, or incurred due to a chronic, critical or terminal illness. These expenses might include:

- Nursing home care
- Home health care
- Adult day care
- Medical procedures
- Drug therapies
- Quality of life expenditures

Life events such as these can happen at any time. With a policy that provides the ability to accelerate the death benefit, offers more than a death benefit, as it helps insure for life changes.

Guaranteed Income for Life Rider

The fear of outliving retirement income has become a very realistic concern to many who face retirement, and for good reason.

Growing old isn't what it used to be, and in many ways, that is a good thing. People are not only living longer, they have better educations – resulting in better health, higher income, and a higher standard of living in retirement.

But as Americans continue to live longer, a new challenge presents itself: "How do I make sure my retirement income lasts and do not outlive my retirement income?" Policies that have a guaranteed income for life rider, once exercised, guarantees a steady stream of income for the rest of your life – an income stream you cannot outlive.

Life insurance policies that have these types of living benefits riders provide the ability to plan for life's changes all within one policy:

- Income-tax free death benefit
- Tax-deferred build-up of cash value
- Access to the death benefit in the event of a chronic, critical or terminal illness
- Ability to receive guaranteed income for life. 

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