

5 LIFE INSURANCE GAME-CHANGERS CONSUMERS NEED TO KNOW IN 2015

Life insurance industry innovations and trends that consumers should capitalize on in the New Year

If you've been putting off buying life insurance or revising your current plan, you're not alone. Many consumers cite high premiums and a glut of red tape among the reasons they shy away from purchasing or modifying a policy. However, over recent years and even months, the life insurance industry has made great strides and is now more consumer-oriented than ever before.

Common barriers and challenges that once blocked shoppers from securing great coverage benefits with ease—and at affordable prices—are a thing of the past. Indeed, amid a handful of game-changing industry innovations, the time to consider life insurance coverage is now. Here's why.

1. NO MEDICAL EXAM NECESSARY

Medical exams have always been a major pain point in the life insurance process. Increasingly, companies are offering policies for lower benefit amounts (like \$400,000 and under) without the need for a medical exam. However, insurance companies do check your pharmacy records to see all medications prescribed in the past five years. While underwriting times for these policies average about three weeks, some companies do offer coverage in just 24 to 48 hours and you can even find instant issue term life insurance.

2. TECHNOLOGY-DRIVEN PRICE DROPS

Today's life insurance rates are down as much as 70 % from their highs in the mid 1990s. This is in large part due to the Internet, which has fostered aggressive competition between insurance companies. New technologies have also made it possible for companies to cut administrative costs and those savings are passed on to the marketplace. If you have an older life insurance policy, there's a good chance you can get a better deal on an updated policy. As with refinancing a home mortgage to take advantage of better rates, it's a good idea to revisit your current policy and see what's available in terms of lower costs and higher benefits.

3. AGEISM IS EXTINCT

Don't make the mistake of thinking that once you're past a certain age, you can no longer get affordable life insurance.



ance. Regulators have revised life-expectancy projections—known as mortality tables—for the first time since 1980. A man who is 40 years old today can expect to live to be 78, not 73, as was the expectation 25 years ago. Because of this, an 80-year-old male can get a 10-year term policy and an 85-year-old can still get a fully underwritten whole life policy.

4. NEW LIVING BENEFITS

New living benefits riders enable you to use your life insurance policies while you are alive. For example, the accelerated death benefit rider allows you to use up to 75% of your coverage amount if you have a terminal illness. The chronic illness rider allows you to use up to 90% of the policy's death benefit if you are unable to perform two of the six daily living requirements of bathing, continence, dressing, eating, toileting, and transferring. This is very similar to a Long Term Care Policy. Companies leading the way for living benefits riders are Transamerica and Protective Life Insurance.

There is also a critical illness rider which allows you to use up to 90% of the death benefit of your policy if you suffered a critical health condition such as cancer, heart attack,

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stroke, a major organ transplant, end stage renal failure, ALS, blindness, or paralysis of two or more limbs.

Life insurance companies realize people are living longer. This is good news for everyone. No longer are great benefits only for the young or for those willing to pay high premiums and jump through multiple hoops. The insurance industry has listened and has responded to the needs of the consumer in order to streamline the application process and deliver benefits that make sense. Now not only can you get life insurance at any age, but you can also enjoy those benefits during your lifetime. It doesn't get much better than that.

5. PAINLESS POLICY PROCUREMENT

Traditionally, if you wanted to buy life insurance, you had to have an in-person meeting with an insurance agent. In

fact, most insurance companies required their agents to be present in order to witness the application. This practice has gone the way of the dinosaur. According to a 2013 study performed by LIMRA and The Life Foundation, fully 50% of consumers preferred buying life insurance without a face-to-face meeting. The industry apparently heard this collective marketplace voice and, today, there is no need to meet with your insurance agent in person. Applications can be filled out over the phone or on the Internet, the entire process is quicker and easier than ever.

To that end, insurance carriers are offering Express or Rapid applications that include time-saving features such as digital applications, the acceptance of digital and voice signatures, and the ability to scan or fax the applications, thus avoiding "snail mail" altogether.

In addition to making the application process simpler and more expeditious, insurance companies are also making it easier and more convenient for consumers to comparison shop and find the policy that best fits their budget. You can research all the insurance carrier's rates online, and some brokers even allow consumers to run rate comparisons

online without requiring them to enter their contact information as part of the process. This model is a bona fide hit, with 80% of the marketplace now researching and running rate comparisons online before purchasing a policy.

For those who put off getting life insurance because of the medical exams, paperwork, price, or pushy salesmen, the good news is that modern industry enhancements have largely alleviated those concerns. Of course, it's imperative for consumers to ensure they are dealing with a reputable A-rated insurance carrier, which they can easily confirm by utilizing online resources like www.ambest.com. This online resource allows consumers to search any insurance company's financial ratings. Taking just a few minutes to do so can make a huge difference in the outcome of the life insurance endeavor.



Brian Greenberg is a multi-faceted entrepreneur currently serving as a founder and executive of multiple online businesses, including serving as president of True Blue Life Insurance. Recognized as one of the most creative people in the insurance industry, Greenberg is in the world's top one percent of life insurance and financial services professionals. He may be reached online at www.TrueBlueLifeInsurance.com.