

HELP KEEP CLIENTS IN GOOD FINANCIAL HEALTH



Give clients the opportunity to review their life insurance coverage.

Life changes, and so do life insurance policies.

WHY CONDUCT A LIFE INSURANCE CHECKUP?

Clients regularly review financial goals, but often forget to update their life insurance coverage. Financial and family situations change over time, and life insurance coverage should be reviewed periodically to keep up with those changes.

PROSPECT CHECKLIST



Good candidates for an insurance checkup are individuals who have had recent life or financial changes. Here are a few questions to ask clients that can help guide your review:

- Recently married or divorced?
- New baby?
- Recent death of a spouse or child?
- Purchased a home?
- Has/have the policy/policies ever been reviewed?
- Is the client currently a business owner?
- Does the policy have an outstanding loan?
- Has the client recently started or sold a business?
- Has the client recently received an inheritance?
- Does the client support anyone with special needs or an elderly family member?
- Has there been a change in employment or salary?
- Have any children left or returned to the household?

THREE SIMPLE QUESTIONS

The following questions will help clients determine if their current coverage is still adequate, estimate how much life insurance they may need today, and consider alternative payment options to their beneficiaries.

- If you died today, how much money would your family need to cover the funeral, any medical bills, and other immediate expenses?
- How much financial assistance would your family need each month if you passed away, and for how long?
- Do you need to structure regular payments or distributions of the death benefit to your beneficiaries?

OTHER IMPORTANT AREAS TO EXPLORE WITH CLIENTS

- Do existing life insurance policies coincide with current needs?
- Whether term policy premiums are about to increase
- Whether the client's long-term life insurance needs require a permanent policy
- Is there a need for more flexibility in the client's life insurance policy?
- Is the client interested in additional features such as a Long Term Care Rider or living benefits?

5 STEPS TO CONDUCTING A LIFE INSURANCE CHECKUP

- 1 Collect copies of current policy(ies).
- 2 Determine face amount, cash value, annual premium, surrender period, amount of any outstanding loans, and ownership and beneficiary information.
- 3 Follow Prospect Checklist to see if any life changes affect the amount of coverage desired.
- 4 Follow worksheet to determine how much coverage is currently desired. (Include amounts needed for checklist items in worksheet.)
- 5 Compare the worksheet results to coverage in existing policy(ies) to identify options for supplemental, conversion or replacement policy(ies).

For Financial Professional Use Only. Not for Use With the Public.

110125R2

© 2020 Transamerica Corporation, Inc.

