

Understanding Insurance

Have Enough Insurance To Protect Your Family

(NAPSA)—Most American workers have access to life insurance, either through an employer-paid plan or voluntary coverage. Yet millions of Americans have no life insurance coverage—and even those who do usually don't have enough.

Why aren't workers buying more life insurance? According to a recent study by the Life Insurance Marketing & Research Association (Worksite Marketing of Voluntary Benefits: The Consumer Perspective, 2005), some of the reasons are financial: Consumer debt load is up, health care costs are rising and contribution limits to retirement plans have changed.

Other reasons revolve around education and communication, said sales representative David Reid of Colonial Supplemental Insurance, an industry leader in providing life insurance and other benefits to employees at the workplace. "Many employees simply don't know why they need life insurance, how much coverage they need, the different types of life insurance available and whom to trust when making this important decision."

Here are some of the most common misperceptions—and the real truth you should know—about life insurance:

Myth: My employer pays for my life insurance so I don't have to worry about it.

Fact: Employer-paid life insurance is almost always a group policy that only covers employees while they're employed at that company. That means you could be vulnerable if you lose your job or have a break in employment. Individual voluntary life insurance bought at work is a good solution



To protect your family, it's important to have sufficient life insurance to cover expenses and loss of income.

for many people because it's portable, so you can keep the coverage if you change jobs or retire.

Myth: I already have enough life insurance.

Fact: The average family is underinsured by more than \$300,000, according to LIMRA (FastFacts, August 2004).

Myth: I can't afford life insurance coverage.

Fact: There are many types of life insurance available to meet different needs and budgets. Term life plans are often available for a few dollars a pay period. Even a little life insurance is better than none at all.

"The alternative to adequate life protection could be leaving your loved ones to deal with financial problems at an already difficult time," Reid said. "Taking time to review your insurance needs and coverage is one of the smartest things you can do to protect yourself and your family."

Colonial Supplemental Insurance is the marketing brand of Colonial Life & Accident Insurance Company.