

Millennials Most “At Risk” When It Comes To Life Insurance

(NAPS)—The Millennial generation is now the least prepared for unexpected life events due to a lack of adequate life insurance coverage, according to the latest edition of New York Life’s Life Insurance Gap survey. The survey asks Americans to compare how much life insurance they need, based on living expenses and plans for their loved ones, with the amount of life insurance protection they have. Millennials as the most exposed contrasts with 2013 study, which found Gen X under the most pressure.

Millennials with life insurance have a self-reported life insurance gap of \$352,000 in 2018, with enough life insurance protection in place (\$100,000) to cover only 22 percent of their self-reported coverage needs (\$452,000). The Millennial generation’s gap is sharply higher—60 percent greater—than the gap for the general population, which is \$210,000, enough to cover 49 percent of the average estimated need.

In addition, the survey findings illustrate that only 10 percent of Millennials have enough life insurance to cover 100 percent of their needs, which can include mortgages, funding retirements or financing a child’s college education. However, Millennials feel more financially secure than the overall population, with 81 percent saying they feel financially secure versus 76 percent of all respondents.

“While ten percent of Millennials already enjoy the peace of mind that comes from taking a ‘protection-first’ financial planning approach, too many are starting a family or buying a home without access to replacement income if the worst were to happen,” said Brian Madgett, vice president, New York Life. “Life for young families is unquestionably busy and complicated, but there is security and peace of mind in looking beyond today, and knowing their loved ones are protected against future financial shocks.”



Life insurance provides protection that allows for peace of mind.

Additional findings include:

- Despite feeling financially secure, 48 percent of Millennials are stressed about their current level of savings;
- 47 percent are stressed about planning for their future financial needs;
- 40 percent are stressed about their current level of income and saving for their children’s education.
- 44 percent are not financially prepared to deal with the death of a breadwinner
- 42 percent are not financially prepared for the possibility of losing their job.

“Millennials are missing an opportunity to take a ‘protection-first’ approach to financial goals such as saving for retirement or owning a home,” added Madgett. “Without life insurance, even the best laid plans can be ruined by the death of a breadwinner. The good news is that more than two thirds of Millennials, who have the time and opportunity to better prepare themselves, say that having enough life insurance to protect their family is an important goal for them.”

For help planning for your family’s future, you can start research or visit the Agent Locator at www.newyorklife.com.

Survey Methodology: The 2018 study was conducted by Ipsos from June 12-26, 2018 on behalf of New York Life. For the survey, a sample of 1,738 adults between ages 25-70 from the U.S. was interviewed online, in English. This sample includes 1,176 adults who have life insurance and another 562 adults who have no life insurance coverage. To qualify for the survey, respondents had to be married and/or have financial dependents and have an annual household income of at least \$50,000.