

Life Insurance—A Safety Net For Women

by *Patty Reiners*

(NAPSA)—Women need to face the fact that many will outlive their husbands, leaving an emotional and financial void. The fact is, 75 percent of American married women will become widows and need to support themselves. Even more concerning, nearly 85 percent of the elderly poor in the nation are female. This doesn't have to happen to you if you have a plan.

Replacement of income is one of the primary reasons to purchase life insurance. However, only 61 percent of Americans have life insurance. With the average American male making more than the average female, women should lead the discussion.

Talk to Your Spouse

Discussing life insurance with your spouse is sometimes a difficult conversation. But it's a conversation that should happen. Sit down and have each person list the things that he or she wants for the family in the future: a larger home, college education for the children, early retirement, etc. Then compare those lists and determine how much you'll need to achieve those goals if your spouse's salary is lost. Over our lifetime, a person's total income can add up to a sizeable sum. This amount would help protect the financial future of those left behind. For example:

- A 40-year-old who earns \$50,000 a year will earn \$1.25 million if she works to age 65. Adding just a 2.5 percent annual inflation factor, the future earnings are nearly \$1.7 million.

How Much Life Insurance?

Once you've started the discussion, then you need to decide how much life insurance to purchase. How much will you need to replace your spouse's future income?

The United States Department of Justice distributed a formula to the surviving family members of



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those lost on September 11. As an example:

- The economic loss of a 30-year-old married individual with two children who was making \$50,000 a year is nearly \$2 million. That calculation goes far beyond the two or three times income that many employers offer as group life insurance benefit.

Some Other Key Factors

Women have several other factors to consider:

- What are your other outstanding debts—from mortgage to credit cards?
- The future costs of your children's education.
- How much will you need to maintain your lifestyle into retirement?

Other Income Sources

Once you have put together your profile, consider any additional income you currently have to help you determine if you need to increase or decrease the amount of insurance you'll need.

A life insurance professional can provide a life insurance policy recommendation based on your current and future financial needs. The best advice—shop around for the lowest possible rates, fees and commissions.

Patty Reiners is a life insurance and annuity professional with Ameritas Direct, the division of Ameritas Life Insurance Corp. To learn more, visit www.ameritasdirect.com.