

# Life Insurance Quick Tips

Like savings, investments and homeownership, life insurance is an essential part of a family's financial plan. With the right amount of life insurance, you can help ensure your family is well protected against the uncertainties of life. Choosing the right life insurance can be complicated, but before you begin the process, it is important to understand your needs and the options available. Here are some tips to help you choose the right coverage for you and your family:

- 1. Understand what types of life insurance are available:** It is important that you find out all you can about the types of life insurance coverage available and understand the terminology. CIGNA offers two group coverage types – term and universal life insurance. Term life insurance policies can protect against the loss of a wage earner. Universal life insurance can also provide a way to build up funds for life events such as buying a new house or paying for a child's college expenses.
- 2. Determine the amount of coverage you need:** Just how much life insurance you and your family needs depends on your personal situation. The first step in figuring out how much is right for you is to estimate what your family would need to continue its current lifestyle if you or your spouse passes away. Our life insurance needs calculator at [cigna.com/liam](http://cigna.com/liam) is a helpful tool that will provide you with an estimate of your life insurance needs.
- 3. Find the right type of policy:** Once you have an estimate of how much insurance you'll need, it's time to think about the type of policy that best fits your needs. Employers can offer a variety of different policies, and each offer different options. Some individuals who suffer from a disability might qualify for a waiver of life insurance premium. Those who become ill and are given a prognosis of a year or less to live might qualify for terminal illness benefits, allowing them to receive a portion of life insurance upfront to help pay medical bills.
- 4. Consider buying life insurance for a spouse or child:** While no one ever wants to consider the loss of a loved one, make sure you have enough insurance to pay for funeral expenses and even replace the loss of a spouse's income. Funeral expenses cost on average \$10,000 and as much as \$20,000. Beyond just funeral expenses, the family left behind may need life insurance to help pay bills, maintain daily living expenses or even cover a mortgage or pay for a child's college tuition.
- 5. Ask questions to find the hidden gems:** Before enrolling, you should take the time to ask questions and find out what additional services come with your insurance policy at no additional cost. Employees and family members that have CIGNA life, disability or accident insurance have access to a variety of services, including:
  - **CIGNA's Healthy Rewards® Program<sup>1</sup>** offers discounts on health and wellness programs and services
  - **CIGNA's Will Preparation Program<sup>2</sup>** helps build a will and other important legal documents online as well as provide funeral planning tools and resources
  - **CIGNAssurance® Program<sup>3</sup>** provides financial, bereavement and legal counseling services for beneficiaries
  - **CIGNA's Identity Theft Program<sup>4</sup>** offers extensive resolution services to help work through critical identity theft issues

Visit [cigna.com/liam](http://cigna.com/liam) for more information about life insurance and check with your employer about the coverage available to you.

<sup>1</sup> Some Healthy Rewards programs are not available in all states. If your CIGNA plan includes coverage for any of these services, this program is in addition to not instead of, your plan benefits. A discount program is NOT insurance, and you must pay the entire discounted charge.

<sup>2</sup> CIGNA's Will Preparation Services are provided under an arrangement with ARAG

<sup>3</sup> CIGNAssurance® is not a bank deposit, is not FDIC insured and counseling services are not available under CIGNA Life Insurance Company of New York

<sup>4</sup> CIGNA Identity Theft program is provided under a contract with Europ Assistance USA, Inc.

"CIGNA" and the "Tree of Life" logo are registered service marks of CIGNA Intellectual Property, Inc., licensed for use by CIGNA Corporation and its operating subsidiaries. All products and services are provided exclusively by such operating subsidiaries and not by CIGNA Corporation. Such operating subsidiaries include Life Insurance Company of North America, CIGNA Life Insurance Company of New York, Connecticut General Life Insurance Company and CIGNA Health and Life Insurance Company.

850267 09/11 © 2011 CIGNA. Some content provided under license.

