

# Life Insurance Review

## Why Review Your Clients Life Insurance?

Life insurance reviews are an important component to an overall solid financial plan. The timing of a review is best done on a regular interval but is especially important when certain life events happen such as marriage, divorce or when you have children. It is not only important to review the ownership and beneficiary arrangements but also the efficiency and overall value of the policy. This review kit identifies situations when a review may be needed. We provide key questions, tools and insight on how to perform a quality policy review.

## How We Can Help?

- We can assist you in **reviewing** and understanding your client's current life insurance.
- We can help you **analyze** the current policy condition and future expected performance.
- We can help you **evaluate** the current policy and compare it to other options that may better fit today's goals and objectives.

## What We Need from Your Client?

**Review:** examine or assess (something) formally with the possibility or intention of instituting change if necessary.

- Last annual statement
- Copy of the policy schedule pages

**Analyze:** examine methodically and in detail the constitution or structure of something (especially information), typically for purposes of explanation and interpretation

- Original policy illustration
- Current in-force policy illustration(s) for permanent plans (**template letter available upon request**)

**Evaluate:** to judge or determine the significance, worth, or quality of; assess.

- An ***Insurance Review Questionnaire*** for each policy (***included in kit***)
- Our ***Life Underwriting Questionnaire*** to gather information about their current health status if interested in looking at other alternatives or additional coverage (***available upon request***).
- Current insurance goals, objectives and concerns.

## Key Questions™ - Life Insurance Review

### Situational

- Have you had a life changing event (marriage, divorce, children, etc.)?
- Has there been a change in employment or income?
- Do you now own a business? Are you looking to start or sell a business?
- Have your financial goals or life insurance needs changed?
  - Do you intend to utilize the cash value in your policy for income?
  - How long do you expect to keep your policy?
  - Can your policy be repurposed (annuitized for income or leveraged for LTCi)?
- Is less or additional coverage needed?
- Is coverage needed for a longer period of time?
- What is the overall financial strength of the insurance company your coverage is with now? Have they been sold or demutualized, and how has this affected your policy?

### Health

- Have you had a change in health (improvement or decline)?
- Have you quit or started smoking?
- Have you had any weight loss or gain?

### Ownership/Beneficiary Arrangement

- Is your current ownership and beneficiary arrangement still in line with your needs?
- Do you have an outdated beneficiary due to divorce or marriage?
- Do you have a contingent beneficiary?
- Did you name any minor children as beneficiary?
- Are all children included?
- Has a trust been established since the insurance was purchased?
- Is the owner of the policy also the primary beneficiary (*check for Goodman Rule violation*)?
- Is this policy owned by a business & is it EOLI compliant?

### Protection

- What type of term policy do you have (ART, Level, Term UL or ROP)?
- If level term, what happens at the end of the level term period?
- How long is coverage needed?
- Should a conversion be considered?
- How long is the policy convertible?
- What can it be converted to?
- Are there any riders?

### Performance

- What was the original goal of the policy? Is the policy performing as anticipated?
- How long will the policy last as currently funded? Do premiums need to be adjusted?
- How long is coverage guaranteed for?
- Can the client stop paying premiums?
- Are there any loans on the policy? If so, are there options to reduce or eliminate the loans?
- Are there any riders that are no longer needed? Term riders that can be converted?

# Life Insurance Review Questionnaire

Advisor Name: \_\_\_\_\_ Ph: \_\_\_\_\_

Client Name: \_\_\_\_\_ DOB: \_\_\_\_\_ State: \_\_\_\_\_

## Basic Policy Information (to be completed for each policy):

Insurance Company	_____
Policy #	_____
Policy Issue Date	_____
Issued Underwriting Class	_____
Type of Policy/Plan Name	_____
Initial Face Amount	_____
Current Face Amount	_____
Account Value	_____
Cash Surrender Value	_____
Premium Amount	_____
Pay Mode	_____
Last Premium Paid Date	_____
Basis (Premiums paid to date)	_____
Outstanding Loan + Interest	_____
Policy Maturity Date	_____
Conversion Period (term only)	_____
Plans available to convert to (term only)	_____
Riders	_____
	_____
Ownership	_____
	_____
Beneficiary(ies)	_____
	_____
Additional Notes	_____
	_____
	_____
	_____