



Webinar: What Your Life Insurance Plan Should Cover

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QUESTIONS AND ANSWERS



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Q: When does the coverage end?

A: The AlumniTerm and AlumniTerm 10/20 terminates at age 80, the AlumniTerm50+ terminates at age 95.

Q: Do I have to pay for the coverage all at once or is their payment options?

A: Payment Options – Annual, Semi- Annual, Quarterly and even Monthly may be an option if you are set up on an auto-payment option

Q: How do I access the Needs Calculator?

A: You can access it easily at alumniterm1020.com for a quick link or you can access it through www.TheAip.com just click on Life Insurance.

- i. Remember, if you still aren't sure you can give us a call and we can help you decide. Just call us at 1-800-922-1245.

Q: What are group rates and why are they more economical?

A: Group rates come from pooling a large group of people together and then charging rates based on the group itself. Group rates can be more economical if the group is healthier than the overall population of the country.

Q: How healthy do I have to be? Is my health going to determinate my premium?

A: For the 10/20-YRT, yes – the rates are different for non-smoker and smoker.

For non-smoker, there are 2 different rate tables based on health conditions.

If there are no health concerns, height/weight is ok, blood work is ok, they would get the best rating/lowest premium.

Q: Do I need a different plan for my mortgage as I do for my other expenses?

A: No, you don't. Your need for insurance is based on your overall financial situation including debt, expenses that would continue after your death, funeral and final expense, etc.

Q: Is there a minimum amount that one has to buy? What if you only want funeral/burial coverage?

A: Generally, you can buy as little as \$5,000 depending on your school and the state in which you live.

Q: If an individual has been rejected before, could they qualify after a time or that will always count against them?

A: Each individual applying for coverage or an increase in coverage will need to provide a statement of health (SOH). This will be reviewed with our SOH unit to determine insurability. Past rejections will not be held against them – it would be their health compared to our medical guidelines. We encourage everyone to submit for insurance, even when in doubt.

Q. Do life insurance companies insure foreign citizens living in the US with a spouse who do not yet have a SSN?

A: We can only speak to MetLife and not insurance companies in general. If the individual lives and works in the U.S. and meets the definition of eligibility, yes, he/she can be covered (considered an in-pat). Typically, instead of a SS# they may have a TIN (Tax Identification

Number) which can be used in lieu of the SS#. If they don't have either SS# or TIN, they can still have coverage provided they meet the above.

In terms of a spouse, if the spouse also lives in the US, the spouse can be covered. If the spouse lives in another country, then we would need to determine eligibility as an ex-pat (there are requirements and this would be reviewed by a team who vets these requests).

Q. How many companies should a person get quotes from before choosing their life insurance?

A: That really depends on how much insurance you need and how quickly you want to be covered. Comparing various type of insurance can be complicated and you end up comparing apples to oranges. Also, many agents represent multiple insurance companies.

Q. Can you explain which type of insurance accrues interest and how does that work?

A: Many types of permanent coverage offer some type of cash accumulation and that accumulation can accrue interest. There is whole life, universal life and index universal life. They all earn interest but in different ways. If you would like to accumulate cash value in your life insurance you should speak with an expert who can help diagnose which type is best for you.

Q. Can I get spouse coverage w/out his consent?

A: No, all applications must be signed by the applicant. Only child coverage can be added without their signature.

Q: Why buy through my association vs. directly with MetLife?

A: MetLife has filed with every state's Department of Insurance to get permission to offer a discounted group rate for legitimate associations. Once we prove to the DOI that the alumni association is legitimate (valid bylaws and constitution, does not exist for the purpose of selling insurance etc.) we are allowed to offer our group rates. These rates are almost always better than the rates an individual would get if they came to MetLife directly.

Q: If you sign up for Term Life Insurance can you cancel early? For example, if you sign up for 20 years can you cancel the insurance after 5? And if you can and do, are all the premiums you paid, lost?

A: Yes. You can keep the insurance in force for the length of time you choose. Most term insurance policies to have an age at which the insurance will an expiration date

Q: Can you explain the cash benefit of whole life insurance in more detail?

A: This can be a bit of a complex topic to answer here. Most types of permanent insurance accumulate some cash value by having the insured pay more than necessary in early years in order to pay less in later years. The 'excess premium' that is paid is accumulated as cash value and earns a small amount of interest.

Q: Is it legitimate to continually pay monthly premium payments on a \$500 maximum policy payout? The insurance is over 20 years old.

A: It probably depends on the amount of the premium. We would want to know more before making a judgement.

Q: Do you need a physical exam for each insurance application? If you apply for MetLife but don't like the terms and you want to explore a different provider, would you need to take another physical exam - or would the one for the other provider hold up?

A: The need for a physical exam is based on the age of the insured and the amount of coverage being purchased. Since the insurance company pays the cost of the exam they typically won't share that information with a competitor.

Q: Can I borrow money from my Term insurance? If yes, when?

A: No, Term life has no cash value to borrow against.

Q: I have a 20-yr. term which will expire in 2 years. I had a transfer option to get a whole life. I missed the window. Do I have other options outside the company I'm currently covered to transfer to a whole life?

A: You might first contact your current company and see what options they may offer you and then proceed accordingly. You cannot convert the coverage from one company to another company. You should determine how much insurance you need and apply for coverage well before the two years is up.

Q: You mentioned declination is rare, but what are some reasons that someone would be declined?

A: People are declined for life insurance when they have a condition that is likely to severely shorten their life expectancy. Certain types of cancer, heart disease, other chronic health conditions, hazardous occupations or avocations, severe obesity can be causes. In some cases, a person ignoring a doctor's order for a test or follow up be problematic.

Q: Can you go over \$1.5 million in coverage, if desired?

A: Unfortunately, \$1.5 million is the maximum amount within The Alumni Insurance Program, but if you need additional coverage USI does work with other carriers and may be able to provide you with the assistance need to get you the additional coverage to fit your needs.

Q: Do you offer other products such as long-term disability?

A: The Alumni Insurance Program does have a long-term disability policy. It will be launched on TheAIP.com site in September but will still depend on if your alumni association sponsors the product.

Q: I want to know who's going to pay for The Alumni Insurance Program, us or the alumni association?

A: These policies are payed for by the insured and the insureds chosen beneficiary is who will receive the death benefit if the policy is active at the time of death.

Q. Who is eligible for coverage?

A: [AlumniTerm](#): Alumni are eligible to apply for coverage if you are under the age of 60.

[AlumniTerm 10-20](#): Alumni are eligible to apply for a 10-year level term policy if you are up to and including the age of 69, or a 20-year level term policy if you are up to and including the age of 59.

[50+](#): Alumni are eligible to apply for coverage if you are age 50 and older, and under the age of 74

Q. Is a medical exam required?

A: You must complete a standard application. In some cases, a medical exam may be required (at no expense to you). When you apply, simply answer the health questions. Even if you have a health condition, you may still qualify. Depending on the amount applied for, a paramedical exam and blood test may be required, which will be scheduled at your convenience and at no cost to you.

Q. How long can my coverage continue?

A: AlumniTerm: Your coverage can continue if you pay your premium when due, insurance continues for your class, you remain in an eligible class, have not reached age 80, the group policy remains in force and, if applicable, the participating association continues to participate in the Trust.¹ Please see the certificate of insurance for details.

Alumni Term 10-20: Your coverage can continue if you pay your premium when due, you have not reached the end of a 10-year or 20-year period, the group policy remains in force, insurance continues for your class, you remain in an eligible class, and, if applicable, the participating association continues to participate in the Trust. Please see the certificate of insurance for details

50+: Your coverage can continue if you pay your premium when due, have not reached age 95, insurance continues for your class, you remain in an eligible class, the participating association continues to participate in the Trust and the group policy remains in force.¹ Please see the certificate of insurance for details.

Q. Will this plan pay in addition to other coverage?

A: Yes. This plan pays in addition to any other insurance coverage you have. The plan also stays with you until your coverage ends.

Q. Would I have the ability to continue coverage, should my plan end?

A: Yes, in many instances. If your insurance ends for a reason other than non-payment of your premium or is reduced, you may be able to convert your coverage to an individual policy of life insurance ("new policy") from Metropolitan Life Insurance Company during the application period without providing evidence of insurability. Amount of coverage depends on reason insurance ends. Please see the certificate of insurance for details.

Q: What special features would be included in my plan?

A: The following features are included in your plan:

- a. **Accelerated Benefits Option**: You can receive up to 80% of your life insurance proceeds to a maximum of \$400,000 in the event that you become terminally ill and are diagnosed with no more than a specified amount of time⁴ to live. This can go a long way toward helping your family meet medical and other related expenses at this difficult time.
- b. **Automatic Benefit Increases**: Automatic Benefit Increases: This feature allows you to increase your initial benefit amount by 10% each year, for up to 10 years or when the total face amount reaches \$150,000. If you accept the increases, your premium will be adjusted accordingly. Your total benefit cannot exceed the plan maximum and the increases will stop when you reach age 60. You must be able to perform normal activities at the time of the offer. Also, you may stop this feature at any time, but once you decline an annual increase you cannot reinstate this benefit later. If you have any questions please call The Alumni Insurance Program at 1-800-922-1245.
- c. **Waiver of Premium**: If you become disabled prior to age 60, and remain disabled for 6 continuous months, the company will waive your premium payments for as long as you continue to meet the definition of disability, or until the age of 70. If you recover and no longer meet the definition of disability, premium must again be paid when due.

- d. **Will Preparation Services:** Offers you unlimited face-to-face or telephone meetings with an attorney, from Hyatt Legal Plans' network of over 14,000 participating attorneys, to prepare or update a will, living will, and power of attorney.
- e. **Estate Resolution Services:** Estate representatives and beneficiaries may receive unlimited face-to-face legal assistance with probating your estate. Beneficiaries can also consult an attorney, from Hyatt Legal Plans' network of more than over 14,000 participating attorneys, for general questions about the probate process.
- f. **Grief Counseling:** Provides you and your dependents up to five private counseling sessions with a professional grief counselor — per event — to help cope with a loss, no matter the circumstances, whether it's a death, an illness or divorce. Sessions may also be held over the phone.
- g. **Funeral Planning Assistance:** Services designed to simplify the funeral planning process for your loved ones and beneficiaries to assist them with organizing an event that will honor a loved one's life from a self-paced funeral planning guide to services such as locating funeral homes, florists and local support groups.
- h. **Total Control Account:** The Total Control Account (TCA) is a settlement option that provides your loved ones with a safe and convenient way to manage life insurance proceeds. They'll have the convenience of immediate access to any or all of their proceeds through an interest-bearing account with unlimited check-writing privileges. The Total Control Account also allows beneficiaries time to decide what to do with their proceeds.