

# What is Final Expense Insurance?



Final Expense Life Insurance is a family planning tool designed to protect and benefit your loved ones when you pass away. When an individual passes, a family is faced with a great deal of work and numerous bills and expenses. These sudden expenses can be very difficult and stressful for a family to coordinate and take care of, especially when the family is at the early stage of emotionally dealing with the loss.

Final Expense Life Insurance enables your loved ones to have a clear plan to handle these costs, allowing an appropriate and effective environment to come to peace and celebrate the life of their loved one.

- Final expense insurance is always a type of whole life insurance, which is a form of permanent life insurance.
- Unlike term insurance, which only pays off if you die during the “term” of the policy, a whole life policy remains in effect for your entire life, guaranteeing that the benefit will be there no matter how long you live (as long as you continue to pay your premiums).



With a level benefit whole life insurance, the premiums and the death benefit are guaranteed to remain the same for as long as you keep the policy in effect.



A whole life policy also comes with guaranteed cash values that grow over time on a tax-deferred basis. If necessary, you can access your cash account for a variety of purposes. The death benefit paid to your beneficiaries will always be tax free.

# WHAT ARE THE FINAL EXPENSES THAT NEED TO BE COVERED?

The largest single 'final expense' will often be your funeral arrangements. However, a policy may also provide the immediate cash benefit for:



Medical Bills



Probate Expenses/  
Settlement of Financial  
Matters



Past Due Bills,  
Accounts, Debts



Continuing Lost  
Income for Your Family



Passing on a Tax-Free  
Inheritance

An Easy-to-Use Guide and Calculator to help you determine an appropriate amount for you and your family can be found at:

*[Clarity Family Benefit Calculator](#)*

# HOW MUCH INSURANCE COVERAGE DO I NEED?

The average face amount (death benefit) of a Final Expense Life Insurance policy in 2015 is about \$14,776, however, everyone's situation is unique. A good guide is to start with the estimated cost of the funeral service of your choice and then to add the additional benefits you would like to leave to your loved ones. The calculator above helps you do this. It is important to remember that funeral and burial costs have consistently increased over time.



- The average funeral cost today is **\$9,343**.
- Additional fees for cemetery, monument, flowers, & obituaries can increase this cost to nearly **\$12,000**.
- When considering the cost increases over the past 40 years, with an estimate of 5% inflation per year, by 2030 the cost would rise to \$18,276.
- The Social Security Death Benefit only provides a lump sum benefit of **\$255** for those who qualify.

## HOW MUCH DOES A FINAL EXPENSE INSURANCE POLICY COST?



Rates for a final expense insurance policy will vary depending on several factors, mainly your age, gender, current health, and the amount of coverage being insured. The average premium for policies in 2015 is less than \$52 a month.

## DO FINAL EXPENSE LIFE INSURANCE PREMIUMS CHANGE?

Once you have purchased a final expense insurance policy, your premiums will remain the same until it is paid out. Policies and premiums are issued based on your current age and health and will not change or increase as you get older or if you get sick or injured.



## AT WHAT AGE SHOULD SOMEONE PURCHASE FINAL EXPENSE LIFE INSURANCE?

The sooner the better, and the sooner the cheaper. Life Insurance policy premiums go up in price the older you are at the time that you first put the policy in place. Insurers typically offer Final Expense policies to those between the ages of 50 and 85. A few insurers offer coverage to those who are over age 85. The average issue age for those purchasing Final Expense Insurance in 2015 is 64 years old.



## DO I HAVE TO ANSWER HEALTH QUESTIONS TO QUALIFY FOR A POLICY?



It is your choice. There are both “Health Underwritten” policies and “Guaranteed Issue” policies. If you have a positive health history it is beneficial to complete the health underwriting, as this will insure your death benefit goes into effect immediately upon approval and will give you access to the lowest priced policies. If you have major health concerns or simply do not want to disclose any of your personal health information, you will still be able to qualify for full and permanent whole life policy at competitive prices with a “Guaranteed Issue” policy, however these policies will often have a reduced death benefit in the first two years.

## WHAT IS INVOLVED WITH APPLYING FOR A POLICY?



“Health Underwritten” policies require some basic health questions to be answered and often a brief phone call directly with the insurance carrier- this entire approval process is simplified and streamlined for you by our team at Clarity. If approved for a “Health Underwritten” policy, also known as Level Benefit plans, your full death benefit amount is immediately in force for your loved ones.

“Guaranteed Issue” final expense policies do not require any health information to be provided and guarantee your approval for coverage regardless of your health. In the past it has been very challenging for those with health issues to find an affordable option for coverage. Clarity has engineered our service to specifically fix this problem. With our “Guaranteed Issue Policy Marketplace” we have organize a service for you to clearly and easily see and view the best prices for all of the top companies offering this type of policy.

## HOW LONG DOES IT TAKE TO GET A POLICY?



Typically a “Guaranteed Issue” (No Medical) policy can be applied for, approved, and put in force within approximately two business days. Guaranteed Issue policies are available to clients who are between the ages of 40 and 85 years old.

A Medically underwritten, or traditional final expense policy will typically take about 2-7 days from the application date to the policy being ready to be placed in force. However, many insurance companies now offer instant approvals that will allow you to immediately have the peace of mind that you have been approved.

## WHY SHOULD I GET MY POLICY FROM CLARITYCONSULTATION.COM?

Best Prices. Best Service. Our entire organization has been built to optimize your insurance purchasing experience and results.

Clarity Consultation is the premier online insurance education and price comparison service for seniors in America. It has been engineered to provide the most comfortable, convenient, and clear pathway to truly understanding your options, identifying the most competitively priced plans in the marketplace, streamlining your application and approval process, and providing an unprecedented level of organization and management after your plan is in place.

