

Determining the Right Coverage for a Non-Working Spouse



The term “non-working spouse” is quite misleading, as this individual contributes just as much – if not more – to the health and vitality of the household. Unfortunately, they don’t receive the same protection as their “working spouse.”

Did You Know?

Many companies do not offer disability income insurance coverage on non-working spouses.

This means if they were to fall ill, their inability to perform their vital tasks could have critical financial implications for a family.

Consider the additional expenditures should a family have to pay for an outside service to perform the following:

- Household cleaning and maintenance
- Grocery shopping and meal prep
- Childcare or home health care

These additional expenditures would be on top of the amount needed to cover healthcare deductibles, doctor visits, treatment and medication.

The Solution

A Critical Advantage Portfolio policy

A Critical Advantage Portfolio policy can offer the preparedness and protection a family needs to ensure that their financial strategy and lifestyle is covered in the event of a covered diagnosis.

Mutual of Omaha’s products offer customizable coverage from \$10,000 to \$100,000 in the form of a lump sum payment. Upon diagnosis, the client is immediately able to use that money to cover the costs of services a stay-at-home spouse or parent would typically perform.

Lump sum payments upon diagnosis mean the non-working spouse can focus on what really matters – recovery.

Determining the Right Coverage for a Non-Working Spouse Case Study*

Client: Family with two adults, two children

Coverage Period: Three Month Illness

Major Medical Out of Pocket Costs (x2)	\$8,700 x 2 = \$17,400
Home Cleaning Service	\$1,500
Meal Prep or Delivery Service	\$1,500
Childcare	\$6,567
Other Bills & Prescriptions	\$2,500
Total Calculated Lump Sum for Critical Illness	\$29,467

Note: The example does not include additional medical or non-medical expenses a family may incur during covered Critical Illness events.

*Case Study assumes:

- For 2022 Plan Year: Out-of-pocket limit for a Marketplace plan cannot be more than \$8,700 for an individual and \$17,400 for a family.
- Average cost of household cleaning services range from \$300-\$700 per month: <https://www.homeadvisor.com/cost/cleaning-services/>
- \$500+ per month on food for middle income households: <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-prices-and-spending/>
- \$1,300 per month per child for center-based infant childcare to \$889 per month per child for center-based preschool childcare: <https://www.americanprogress.org/article/true-cost-high-quality-child-care-across-united-states/>; Center for American Progress Source: Author’s analysis based on Center for American Progress, “Cost of Child Care,” available at www.costofchildcare.org (last accessed June 2021).

