

# More than 50% of Americans overestimate the cost of life insurance.<sup>1</sup>



There are a lot of misperceptions when it comes to life insurance. For example, you may think it's too expensive, or you're too young to buy it, or the life insurance you have through work is enough. The facts may surprise you. They can also bring you comfort in the knowledge that the coverage you and your family need may be more affordable and attainable than you think.

This flyer is intended to give you further knowledge and insight as you consider your options.

## **MYTH: Life insurance is too expensive to buy<sup>1</sup>**

**REALITY:** Life insurance is generally more cost-effective than you may think. In fact, more than half the population, surveyed in a recent study, estimates the cost of a term life insurance policy to be 3x more than it actually is.<sup>1</sup>

**TIP:** Explore options and costs to determine the best solution to meet your needs, so you can be prepared should the unexpected happen. Gerber Life has an array of whole life insurance products designed to fit many needs and budgets.

The **longer you wait** to buy life insurance, the **more impact** it can have **on premiums**.

For example, if a healthy 45-year-old male waits ten years and buys a Gerber Life Whole Life policy at age 55 instead, his premium could go up **55%.**<sup>2</sup>

## **MYTH: Life insurance is too complicated<sup>1</sup>**

**REALITY:** Purchasing life insurance does not have to be a complex process.

**TIP:** 31% of non-owners say they have not purchased coverage because they don't know what to buy or how much they need.<sup>1</sup> Gerber Life has a suite of whole life insurance products that is easy to understand and buy — and offers simplified underwriting and quick decisions<sup>3</sup> or guaranteed issue,<sup>4</sup> in many cases, which can streamline the buying process for you.



**Gerber Life  
Insurance**

## LIFE INSURANCE: COMMON MYTHS AND TRUTHS

### **MYTH: The life insurance I have through my employer is enough<sup>5</sup>**

**REALITY:** Often the payout is capped at a certain amount (e.g., \$100K),<sup>6</sup> which may not be enough to ensure your loved ones are taken care of.

**TIP:** When thinking about income replacement, consider the cost of housing, including mortgage payments, property taxes and utilities. With 54% of U.S. households relying on dual incomes,<sup>7</sup> losing the income of a wage earner could be a financial hardship for those who have not properly prepared.

Gerber Life's whole life insurance products can provide supplemental insurance to fill the gaps in coverage that can exist by only having employer-provided life insurance.

55% of American workers believe the life insurance coverage they receive through their work is enough.<sup>5</sup>

**1X or 2X** an employee's salary is generally offered by employer-provided coverage<sup>6</sup> which may not be enough to maintain a certain standard of living.

### **MYTH: Life insurance is just for final expenses — there's no benefit for me<sup>1</sup>**

**REALITY:** Life insurance has many benefits beyond providing resources to help cover final expenses, including the fact that it can provide benefits while the policy holder is still living.

**TIP:** Many life insurance policies have living benefit riders that, as the insured, you can access during your lifetime (if you qualify). Gerber Life offers an array of living benefits on certain whole life products, which can help give you peace of mind that your family will not face financial hardship if you become ill or disabled and are not able to work for a period time.

**Please contact your financial professional to discuss your life insurance needs and to learn more about Gerber Life products.**

<sup>1</sup> 2022 Insurance Barometer Study, LIMRA and Life Happens<sup>SM</sup>.

<sup>2</sup> Based on a Gerber Life Whole Life \$250K policy for a healthy 45-year-old male using standard annual rates (\$4,810 annual premium) vs a healthy 55-year-old male using standard rates for a \$250K Whole Life policy (\$7,435 annual premium). There is a 55% increase in rates for the 55-year-old male.

<sup>3</sup> Gerber Life will search databases for prescription history, motor vehicle records and medical information in order to provide an almost instant decision (within a minute) for most of the qualified digital and telephone applications submitted during normal business hours for certain whole life products.

<sup>4</sup> Guaranteed coverage for Guaranteed Life requires that applicant is a U.S. Citizen residing in the U.S. or permanent legal resident. Total limit of all combined Gerber Life Guaranteed Life policies is \$25,000.

<sup>5</sup> Facts About Life 2021 Workplace Benefits, LIMRA.

<sup>6</sup> Group vs. Term Life Insurance: Is Coverage Through Work Enough? (2022), PolicyMe, August 25, 2022.

<sup>7</sup> Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, 2020.

**Gerber Life will not accept insurance applications for coverage submitted under a Power of Attorney or Guardianship on the proposed insured, except from the permanent legal guardians of children.**

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