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One-Third Lack Protection From the Risk of Unexpected Death

Life Insurance Awareness Month Educates on Benefits of Life Insurance Policies

(AUSTIN, TEXAS — September 3, 2013) Roughly one-third of Americans lack the protection and other benefits that life insurance can provide, according to research conducted by the Life Insurance Marketing and Research Association (LIMRA). That number continues to increase. Today there are fewer American families covered by life insurance than six years ago.

Women, young adults and minorities perceive themselves to be the most underinsured, according to *2013 Insurance Barometer Study*, a report by the nonprofit organization LIFE Foundation. According to the report, the majority of those groups do not secure life insurance because they overestimate the actual cost of that financial security.

To raise public awareness of these issues, life insurance professionals have designated September as Life Insurance Awareness month. Boomer Esiason, former NFL quarterback and sports broadcaster, is serving as a spokesperson for this year's awareness efforts. "Life happens at the most unexpected of times, and life insurance is about protecting the future and the people you love," Esiason said. "Remember, if something happens and you haven't done the planning, the people you leave behind will feel the brunt of your mistakes."

Not only does life insurance protect families and businesses from the unexpected loss of a loved one or key employee, benefits can be accelerated by cashing in certain policies prior to the death of the policyholder to assist individuals and families who face extraordinary expenses due to unforeseen circumstances.

Jennifer Cawley, executive director of the Texas Association of Life and Health Insurers, said, "Benefits from a life policy can provide the financial means for a family to continue its mortgage payments, fund college tuition or meet other daily expenses after the loss of a loved one. But life insurance policies are more than that. In addition to providing financial security during times of loss, they can serve as a safety net when catastrophic and unexpected expenses may arise."

Texas consumers with life insurance acquire financial security for their family. In Texas, the average life insurance policy coverage is \$115,000. In 2011, the life insurance and financial services industry paid over \$20 billion to Texans in the form of death benefits, matured endowments, policy dividends and surrender values.

According to the LIFE Foundation, 93 percent of Americans believe that life insurance is a service most people need. In addition, over one-third of consumers do not believe they have enough life insurance. Younger adults tend to have the highest fear of leaving behind debt for their families.

Life insurance drives a significant part of the Texas economy. In Texas, over 166,000 jobs are directly created from the life insurance profession. Life insurance companies also invest approximately \$376 billion in the Texas economy. The investments include funds to Texas public schools, hospitals and higher education. In addition, investments go to support agricultural production, residential properties and other bonds that assist business development and social services across the state.

Many Texas families have no life insurance, leaving them one accident or terminal illness away from a financial catastrophe. Identifying how to acquire life insurance and the amount of coverage necessary is now an easier process for those consumers with smartphone technology. The LIFE Foundation has released smartphone apps to assist consumers with the process of acquiring and estimating life insurance costs. Consumers can go to <http://www.lifehappens.org> for more information about the cost and viability of life insurance. Life happens in Texas, and life insurance may be a viable option for many Texas families looking for greater financial security.

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TALHI is the trade association for life and health insurers doing business in Texas. The work that TALHI does in the public policy arena is intended to strengthen the insurance market by enhancing insurers' ability to provide Texans financial security for their future.