



FAMILY FINANCES

Determining Your Life Insurance Needs

(NAPS)—The question of how much life insurance you need is best answered with another question: How much money would your family need when you're gone?

Life insurance can help pay for immediate expenses, including uncovered medical costs, funeral expenses, final estate settlement costs, taxes and other lump-sum obligations such as outstanding debts and mortgage balances. It can also help your family cover future financial obligations like everyday living expenses, money for college or your spouse's retirement and so on.

How do you know if you need \$100,000, \$500,000, \$1 million or more? One good way to determine your life insurance needs is with a Capital Needs Analysis.

Start by evaluating your family's needs. Gather all of your personal financial information and estimate what each of your family members would need to meet current and future financial obligations. Then tally up all of the resources your family members could draw on to support themselves. The difference between their needs and the resources in place to meet those needs is what you need in life insurance.

To get a general sense of these needs, you can check out the online life insurance needs calculator at the Life and Health Insur-



What will it take to protect your family? An insurance professional can help you decide.

ance Foundation for Education's Web site, www.life-line.org. It'll walk you through the process and give you an estimate of your insurance requirements in a matter of minutes.

This calculator is no substitute for the advice and assistance of a qualified insurance agent or financial advisor. To find a financial advisor nearby, go to the National Association of Insurance and Financial Advisors' Web site at www.naifa.org and visit the "Consumer Info" area.

To learn more about the many benefits of life insurance, visit the Life and Health Insurance Foundation for Education's Web site at www.life-line.org.