



## *your guide to* **BUYING FUNERAL INSURANCE**

from the word to the wise series | [www.funeralwise.com](http://www.funeralwise.com)

## DO YOUR HOMEWORK BEFORE YOU BUY

Know the right questions to ask, understand the terminology, and spot red flags.

### WHAT'S IN A NAME?

**Funeral insurance... final expense insurance... burial insurance... preneed insurance ...**

We call it **FUNERAL INSURANCE**.

### BUT WHAT IS IT ... REALLY?

Funeral insurance is a small life insurance policy (\$10,000-\$40,000) designed to cover funeral and other final expenses.

### WHAT'S A FINAL EXPENSE?

Final expenses refers to funeral/burial costs PLUS other items such as medical bills, credit card charges, legal and accounting fees.



### ESTIMATE YOUR FUNERAL & FINAL EXPENSES

Estimate your costs using our online [funeral planner](#) or our [cost calculator](#). Your funeral cost will depend on how you are interred, the type of service you choose and other customization. You can easily change your selections to see how they will impact your estimated costs.

### AVERAGE FUNERAL COSTS



### CHOOSING A BENEFICIARY

Assign a trusted individual, such as a family member, as the beneficiary of your funeral insurance policy. Be sure to let them know what you have planned.



(Preneed policies are usually assigned to the funeral home.)

### CHECK OUT THE INSURANCE COMPANY

Make sure the company offering the policy is highly rated. Independent rating companies include A.M. Best, Moody's, and Fitch. Look for:

- Good reviews.
- Highly rated customer service.
- Financial stability.
- Long business history.



## THE WISE WAY TO SHOP FOR FUNERAL INSURANCE

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**Plan, budget, shop-around, and know what you're buying.**

**1**

### ESTIMATE YOUR FUNERAL COSTS

The funeral will be the big cost, but you may also have: Medical Bills, Legal Fees, Living Expenses, Credit Card Bills

[See what your funeral will cost](#)

**2**

### ESTIMATE WHAT YOU'LL LEAVE BEHIND

- What will your estate be worth?
- Can your heirs get quick access to your cash?
- Will it be enough?

**3**

### DECIDE IF YOU REALLY NEED INSURANCE

- If you will have funds at end-of-life you may not need funeral insurance.
- Consider the impact on your overall estate. *(\*Check with your financial advisor.)*

**4**

### PICK A POLICY TYPE

- Guaranteed issue vs. medically underwritten?
- Whole life vs. term life?
- Preneed policy with a funeral home?
- Policy amount?

**7**

### SELECT AN INSURANCE PROVIDER

- Consider an independent agent to get more choices.
- Choose a highly rated insurance company.
- Do your homework.

**6**

### DECIDE IF YOU CAN AFFORD COVERAGE

- If the premium is more than you can afford:
- Rework your funeral plan.
  - Change the type of policy.

[Funeralwise.com can help.](#)

**5**

### GET A QUOTE

- A simple web search will yield many possibilities.
- Talk to an agent, ask questions, find out your options.

[Get a quote now](#)

## HOW MUCH WILL INSURANCE COST?

The exact price will depend on your needs, but an estimate can help you get started.

### SAMPLE RATES

#### \$5,000, Guaranteed Issue Whole Life Policy\*

Gender	Age	Average Monthly Rate	Gender	Age	Average Monthly Rate
Female	55	\$19	Male	55	\$24
Female	65	\$30	Male	65	\$37
Female	75	\$50	Male	75	\$64

#### \$5,000, Underwritten, Non-Smoker Whole Life Policy\*

Gender	Age	Average Monthly Rate	Gender	Age	Average Monthly Rate
Female	55	\$16	Male	55	\$19
Female	65	\$22	Male	65	\$30
Female	75	\$38	Male	75	\$51

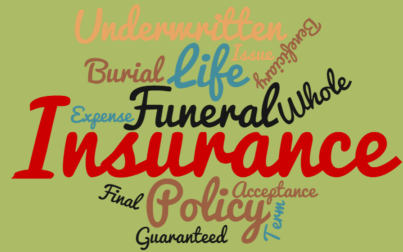
\*These are average rates based on several different policies. Actual rates will vary by 2%-5% from the averages shown. To estimate the price for a \$10,000 policy multiply the rate by 2, for \$15,000 multiply by 3, and so on.



**SMART SHOPPER TIP:** There are really no great bargains on funeral insurance since the industry is highly regulated. If you see a deal that is too good to be true then it probably is. But it is still smart to comparison shop. You should also be sure to read the fine print.

## QUESTIONS, ANSWERS, OTHER STUFF YOU NEED TO KNOW

Making sense of a complicated market place.



### DEFINITIONS

**Guaranteed Issue:** Most applicants are accepted regardless of health.

**Medically Underwritten:** The insurance company evaluates your application based on your medical history.

**Whole Life:** A policy that can stay in force until the end of your life and pays a specified benefit upon death. Some whole life policies expire at age 100.

**Term Life:** A policy that expires at a point in time — e.g., at age 80. Be aware that the policy term may expire before you do.

**Level Premiums:** Premiums don't increase as you get older.

**Graded Death Benefit:** Not 100% benefit (payout) on day one. It gradually increases after the first 2 - 3 years the policy is active.

**Pre-need insurance:** Funeral insurance that is tied to a specific funeral contract.

### Why buy funeral insurance?

The key reason people buy funeral or burial insurance is to make sure that there is money available for end-of-life expenses.

### Do I need to talk to an insurance agent?

You can do the whole process online but it is always best to talk with an agent so that you can ask questions, get clarifications, and make sure that you understand exactly what you are buying. **Talking with an agent is still the very best way to make sure you get the policy you need.**

### Can I be turned down?

It depends on the type of insurance you apply for. If you choose a Guaranteed Issue policy you can't be turned down. **But most Guaranteed Issue policies have a graded death benefit in the first 2 or 3 years, so you won't get 100% benefit on day one.**

### Can I cancel the insurance?

Pay-as-you-go policies can be cancelled at any time. Whole life policies may have built up some cash value that you will get back. If you stop making payments your policy will automatically be cancelled.

### Does the payout have to be used on the funeral/burial?

The payout from your funeral or burial insurance policy can be used however your beneficiary sees fit. That's why it is so important that you choose a beneficiary wisely.

With a pre-need policy, your funeral provider will likely be the beneficiary and the money will go to cover the cost of the funeral for the services and merchandise you selected at the time you purchased the pre-need policy.





## SHOP FOR FUNERAL INSURANCE THE WISE WAY

Try the Funeral Insurance Finder to Get the Best Policy.



### WITH THE FUNERAL INSURANCE FINDER:

- Get free quotes for final expense, term or whole life coverage.
- Find the best policy for you at the best price.
- Talk to an experienced agent who will find a policy that meets your unique needs.
- Rest easy that your information is safe, secure, and totally confidential.
- Answer a few basic questions and be on your way to getting the peace of mind you and your loved ones deserve.

**TRY THE FUNERAL  
INSURANCE FINDER**



[>Learn more about Funeral Insurance](#)

## Try Our Free Planning Tools



**START A QUICK PLAN**



[Log-in to an existing plan](#)

## THE WISE PLANNING SYSTEM

Whether you are planning ahead or making arrangements for an immediate funeral, our Wise Planning System can help you every step of the way.

### STEP 1 – QUICK PLAN

Get started with a basic plan and see an estimate of your expected costs. It's quick, easy and free.

### STEP 2 – ESSENTIALS PLAN

This Free Upgrade takes your planning to the next level. Manage your expected costs in detail. Search for and select providers, advisors and products in our online directories.

### STEP 3 – COMPLETE PLAN

The ultimate funeral planner. Assign trustees for your plan, design your ceremonies, record vital

[Learn More About Wise Planning](#)