

# Individual Term vs Group Term



A common question is should I buy more life insurance from my employer's group life plan?

## Characteristics of Group Life

- Typically available during an enrollment period
- Amount of coverage paid by employer, is a multiple of salary with a maximum of coverage available
- If already enrolled there is an ability to increase coverage during enrollment without medical underwriting
- If not enrolled additional coverage is subject to medical underwriting
- Additional Voluntary rates are typically higher than term insurance
- Coverage stops when employment stops

## Characteristics of term insurance

- Coverage is purchased with guaranteed premiums for a specific period: 10, 20, 30 years
- Coverage is owned and premiums paid by individual
- Coverage is not dependent upon employment
- Premium costs are determined by coverage amount, age, state residence, gender, health, and relationship to income/net worth

## Examples of 30 year old female, \$300,000 of coverage:

### Group life plan:

- Premium: \$33 a month
- Subject to increase in premiums
- Terminates with employment termination

### 20 year term:

- Premium of \$15 a month
- Price guaranteed for 20 years
- Coverage guaranteed for 20 year with premium payments

**Every situation is unique and should be reviewed to determine what is best for you. Let Wheatland Advisors assist you to determine what is in your best interest.**