

Think about this: “Getting life insurance for a spouse who does not have an income producing job and manages activities at home needs special attention from financial advisors”.

According to a recent study by a well known career site, a stay at home spouse’s estimated salary for executing all daily tasks is \$134,121. For life insurance purposes, where income is a factor in deciding the amount of coverage, the above mentioned salary has no importance. Underwriting for a non income producing spouse is done in a different way and the amount of coverage is limited in most cases.

There is no doubt that a stay at home spouse’s death would result in economic loss to the surviving spouse. Yet, the key is somehow quantifying the loss with a specific dollar amount and linking that to the requested amount of life insurance.

Some companies will consider the desired amount of coverage if the insurance agent sends in a detailed cover letter explaining how the need analysis took place.

To arrive at a specific dollar amount, the need analysis should include the following:

- Stay at home spouse’s education and past work experience, if any.
- If applicable, provide past salary earned and future employment possibilities.
- Provide net worth of both spouses and savings pattern.
- Number and age/s of children with explanation on children with special needs and how the stay at home spouse is contributing to that.
- Temporary expenses for the surviving spouse such as time off work for a limited period to cope with the loss, hiring a caretaker to share responsibilities of children, etc. These expenses should not include loss of income to surviving spouse because he/she took a lesser paying job or moved to a less expensive locality. The expenses cannot also include debt/s incurred by the stay at home spouse.

**An underwriter might review a case with a cover letter more favorably: It shows a systematic approach by the agent in establishing the need for coverage and how the amount requested substantiates the economic loss that would occur on the death of the non income producing spouse.**

**GAIN** the Freedom to  
**Sell The Best and Earn The Most!** Call us at **800-847-6426**