

## **Life Insurance and the Independent Owner Operator**

By: Marc Ballard

Life insurance is a simple answer to a very difficult question: How will your family manage financially if you should die? If you're a self-employed trucker, you may have already thought about this subject considering you have no employer provided benefits – and if you're like many contractors, you may own very little or no life insurance at all. The process to buy a policy can be quite simple, if you know some basics. Here are a few tips to guide you along the way.

### **Types of life insurance**

First off, there are 2 basic forms of life insurance ... term and permanent life. Term life is designed to provide protection for a specified period, such as 10 or 20 years. Premiums stay level for the term period and once the term period ends, your coverage ends. Permanent life, which is also known as whole or universal life, differs from term insurance in that they last for your whole life. Premiums for whole life are considerably more expensive and for this simple reason, we typically recommend term life. You get more coverage for your premium dollar and for most families, more coverage is needed now – during your working years.

### **Shopping for a policy**

Online quote engines will shop policies/rates and then refer you to an agent ... or you could simply use a local agent. It's the agent's job to find you the best deal, so they may spend a few minutes with you over the phone asking questions about your health history. Be "up front" with the agent. It will only help you both in the long run. Once you've decided on a policy and premium, you'll need to apply.

### **Application process**

The last step is the application. You'll be asked information, such as your ongoing medical conditions, past hospitalizations, prescriptions you're taking, family history, life style habits (tobacco usage), and more. Depending on your age and policy amount applied for, you may also need an exam. This is all

normal. The life insurance company is determining if you qualify and at what rate. It can take several weeks before you get the offer of acceptance and find out your final premium. Understand, it's your agent's job to get you approved at the quoted premium, but sometimes final rates come back higher. At this point, you'll have a period of time (up to 30 days) to accept, change, or decline the offer.

Unfortunately, lifestyle and health conditions exist in trucking that can make qualifying for life insurance difficult. It's a difficult and stressful job. If you're a WIT member and independent owner operator considering life insurance, the National Association of Independent Truckers (NAIT) has a great life insurance offer for you. Through NAIT partner, Truckers Insurance Exchange (TIE), you can get up to \$50,000 of term life insurance and \$25,000 on your spouse ... **guaranteed issue!** That means you qualify regardless of health history. Additional amounts are available with just a few questions. **For a quote call 800-388-8284 or email [info@TIEMarketplace.com](mailto:info@TIEMarketplace.com).** Motor carriers interested in TIE for their contractors visit [www.TIEMarketplace.com](http://www.TIEMarketplace.com) or call 813-643-3630.