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Welcome! This month, we're taking a quick look at three different types of insurance that you may have questions about. Read on for some tips on the best way to approach them.

On a personal note, thanks to all of my supporters for The Pan Mass Challenge! I had a great ride, finishing in just over five hours each day. The ride is for an important cause and, because of your help, I raised over \$4,000! Thank you so much.

Remember we're here to help you stay *On Course*.

-Jennifer Lane, CFP



Jennifer's Hint

Insurance

Here are some tips for insurance you may be overlooking.

Disability Insurance

Your ability to earn an income is your biggest asset -- if you can't work, you need something to fall back on.

- If your employer offers disability insurance:
 - Check to see whether your employer enrolls you automatically or you have to sign up.
 - If there is a waiting period before the insurance begins, 90 days is a good option because you can use your savings to fill in those first 3 months.
 - Deciding whether to buy supplemental insurance when your employer offers only partial depends on whether you have savings to make up the difference and whether there's another wage earner in the family.
- Private disability insurance can be expensive because of the bells and whistles.
 - The length of the coverage period is typically 5 years or until you are 65.
 - You can buy policies that will cover up to 80 percent of what you make.
 - Inflation riders make sure the benefits keep up with the cost of living, but they can be pricey.

Cash Value Life Insurance

Term insurance is built to cover situations that will change over time, e.g., children becoming self-supporting. Long-term life insurance, although more expensive, does have a cash value that will help stay in force indefinitely. Review your cash value life insurance each year.

- Ask for an "inforce illustration" to show you how the policy is performing.
- Look at the dividends or interest that the policy is accruing.
- Remember permanent cash value life insurance can help pay for medical and long-term costs down the road.

Insurance for Renters

Yes, of course renters need insurance!

- Renter's insurance -- replacing the contents of your apartment -- no matter what its age and condition -- is probably a much bigger expense than you

In This Issue

[Insurance Tips](#)

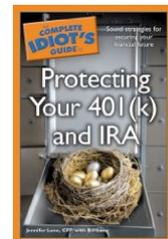
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The financial security of your insurance company is important -- what good does coverage with a low premium and rich promised benefits do if the company can't pay your claim? Check www.AMBest.com or www.StandardandPoors.com for the insurance company's rating and an explanation of what the rating means.

Get more tips in Jennifer's book



(click for link)

Helpful Websites

www.AMBest.com

www.ConsumerReports.org

www.PlanForYourHealth.com

www.StandardandPoors.com



estimate. If you are displaced due to flood, fire, or mechanical problems, you will be covered.

- Umbrella liability is important to protect your income and assets.
- Auto insurance if you own a car.
- Disability insurance -- see above for our tips.

Q&A

Q: Help! My husband and I both have health insurance available at work. We are not sure which plan is better, whether we should each take the individual option at our respective companies, or do the family plan at one of them.

- Maryann from Saugus

A: Maryann, you're right! With the increasing cost of health care, companies frequently change benefits and health packages, and it's difficult to figure out what your best options are. Consumer Reports has a [buyer's guide](#) that may help. You can also check out PlanForYourHealth.com for calculators to help you decide.

What's New

- **Jennifer's Compass.** Jennifer recently answered NECN viewers' questions about college expenses. Check out her [blog](#) to see the video.
- **We now have a Facebook page.** Visit www.facebook.com/AskJennifer and like us!
- **Jennifer appears on NECN every other Monday morning at 9:30 am in addition to her Tuesday 6:30 pm appearance.**

Compass Planning Associates helps families, individuals, and small-business clients achieve financial security, knowledge, and control over their money. Our **fee-only, client-centered approach** provides education and guidance for achieving financial goals and dreams.

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