

Supplemental life insurance

Avoid being underinsured — without becoming overwhelmed

Many of us have been there: We know we need additional life insurance to supplement what our employer provides at no additional cost. But the options are so daunting we don't do anything about it. Sound familiar? **Good news:** We're here to make your decision easier.



Do I need supplemental life insurance?

When determining your life insurance needs, first confirm whether your employer offers you coverage and how much. For some people, this might be enough. But if you have a spouse, domestic partner or children who are dependent on your income — or other major financial obligations, such as a mortgage — you'll most likely need supplemental insurance.

What are my options?

Supplemental life insurance coverage falls into two categories: employer-offered and individual insurance. Some employers may allow you to purchase coverage above and beyond what they provide — often in \$10,000 increments up to a stated maximum. But there are a variety of reasons why an individual policy might be right for you.

Here are some important things to consider as you start to explore what type of supplemental insurance meets your needs:

- Does the cost of your insurance change as you get older?
- Can you take your employer's coverage with you if you leave or lose your job?
- Is your employer's coverage term or permanent?
- How long does your employer's coverage last?
- Do you have a medical condition that may impact your individual insurance rate?

Employer-offered vs. individual insurance: pros and cons

	Pros	Cons
<p>Employer-offered Includes features of both employer-paid and voluntary-purchased coverage</p>	<ul style="list-style-type: none"> • No medical questions or requirements for certain amounts of coverage for employees, spouses and children (can't be declined in certain situations) • Generally, costs less initially for people near or under age 35, tobacco users or people with health issues • May have Accidental Death & Dismemberment (AD&D) Rider that could double amount of coverage if insured dies accidentally • Can get small amounts of coverage • Often payroll deductible while with employer 	<ul style="list-style-type: none"> • May lose coverage upon termination of employment (unless there's a portability option) • Generally, cost will increase as you get older • Cost can increase upon termination of employment • Maximum coverage amount may be less than you need • Limits amount of coverage you can get for spouse or children • Coverage usually ends at a certain age (typically 70 to 75)
<p>Individual Includes features of both term and permanent coverage</p>	<ul style="list-style-type: none"> • Generally, cheaper over life of policy, especially for people in good health • Leaving your employer doesn't affect your coverage • Can lock in your premium for a period of 10 years up to a lifetime • Can convert individual term option to permanent coverage • High minimum death benefit options • Child rider available 	<ul style="list-style-type: none"> • Must go through limited or full health underwriting • Could be declined coverage • AD&D Rider often isn't available • Minimum amount of coverage may be more than you need • Generally, higher initial cost for younger people • No payroll deduct available

Want to chat about which option is right for you?

Call 800-247-8000, ext. 211, Monday-Friday, 7 a.m. through 7 p.m. CT



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