# How COVID-19 Has Changed Life Insurance

by Katy Hylkema

Hundreds of millions of people have had their life turned upside down this year. The Coronavirus pandemic has caused a transformation in the way we work, communicate, and socialize. It's changed the way children are taught and businesses operate, and it has impacted National Mutual Benefit and the life insurance industry as a whole as well.

As of August 31, 2020, the life insurance industry was up 2.5% over the same time last year, according to the Medical Information Bureau. There's no doubt that the Coronavirus pandemic has caused many of us to think about how our loved ones would be impacted if we were to suddenly become ill. As a result, more people are seeking protection through life insurance. Michelle Bunge, our Senior Underwriter, has noticed that more young people are applying for life insurance these past few months at National Mutual Benefit. She explained, "The pandemic has helped people to understand that we are all at risk, and we should purchase life insurance while we are still young and healthy."

While interest in life insurance is rising, the potential risk to life insurers is increasing. Experts are continually learning about COVID-19, including its short and long-term impacts on health. Life insurance companies have had to find ways to limit their risk while continuing to provide essential protection to as many individuals and families as possible.

At National Mutual Benefit, we have put several measures in place to limit our risk:

- Our agents verbally ask questions about whether you've had COVID-19 and about other serious health conditions that increase your risk if you contract COVID-19.
- We are not currently underwriting members over 65 years old that have certain health conditions. However, our Graded Benefit and Guaranteed Issue Whole Life products do not require medical underwriting, and they are great options for people who fall into this category.
- People under 65 years old with certain serious health conditions can apply for any type of life insurance; however, in some cases, we may decide to postpone their coverage for 12 months or more.

*"The pandemic has helped people to understand that we are all at risk, and we should purchase life insurance while we are still young and healthy."*

~Michelle Bunge, Sr. Underwriter, NMB

These types of changes in underwriting are happening across the entire life insurance industry. The other major shifts taking place affect the way life insurance companies serve their customers and members. For example, at National Mutual Benefit, we have put new technology in place to serve our members in the safest way possible. Our agents have become adept at conducting appointments over the phone or via a virtual web meeting. We have also implemented technology to process paperwork and get your signature electronically – you simply need email and basic internet access to sign your life insurance application. If you are not comfortable using the internet, our agents can drop your paperwork off right at your door in many cases.

This year, we also launched a new direct sales team specializing in helping people with certain products over the phone. These products currently include Term Life Insurance and our Graded Benefit Whole Life Insurance, which does not require medical underwriting.

With the ability to serve current and potential members in a variety of ways, we are providing more options than ever before for consulting with a life insurance expert and purchasing life insurance and annuities. In the words of Brian Passehl, National Mutual Benefit's Director of Agencies, "With these changes, we can now do business the way our members want to do business."

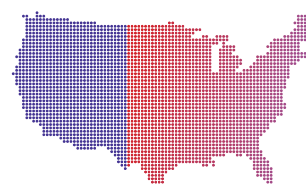
We're here to help and answer your questions. If you're interested in speaking with a licensed life insurance agent, here's how you can get in touch:

✓ To speak with an agent in your area, whether it's in person, over the phone or through a virtual meeting, please call us at (800) 779-1936 or visit www.nmblife.org/contact to get started.

✓ To speak with an agent from our direct sales team, call (833) 200-3410. These specialized agents can help fill out your application right over the phone for term life insurance and select whole life insurance products. You can also get your personalized quote online right now by going to www.nmblife.org/direct. ◆

## LIFE INSURANCE FACTS

Before the pandemic, **46%** of U.S. adult consumers did not own life insurance.



Almost half **(44%)** said they would feel a financial impact within six months if the primary wage earner were to pass away.

More than a quarter or **28%** would feel an impact within one month.


### Top Reasons for Owning Life Insurance

- Paying for one's burial costs & financial expenses: 84%
- Transferring wealth across generations: 66%
- Replacing lost wages/income: 62%
- Supplementing retirement income: 57%
- Paying off the mortgage: 50%

**40%** of people who own life insurance wish they had purchased it at a younger age.

**50%** of millennials believe the estimated yearly cost for a $250,000 level-term life insurance policy for a healthy 30-year-old is $1,000+ when it is actually closer to $160/year.


Source: LIMRA 2020 Insurance Barometer Study, LIMRA and Life Happens