

New York Daily News - <http://www.nydailynews.com>**Insuring their future: That's life**

BY BENJAMIN LEVISOHN

DAILY NEWS WRITER

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No one likes to think about dying, but at least Americans do a pretty good job planning for it.

In 2005 alone, we bought \$3 trillion worth of life insurance coverage, according to the American Council of Life Insurers. About 80% of us are covered by a policy, and there are good reasons why.

"Life insurance offsets the risk of unexpected death," said John Deyeso, financial planner and principal at Financial Philosophy. "Anybody who will leave behind dependents or a financial burden on others needs it."

The more people in your life who depend on you, the more coverage you need. If you're single, you might not need any; but perhaps you'll want enough to cover your debts.

If you're married without children and both spouses work, you may need only enough to help pay your mortgage. But if you have children, you'll probably need a whole lot more to ensure they have enough money to see them through college.

The most important factor is the peace of mind that comes with knowing your loved ones will be able to maintain their current lifestyle.

"Generally, you need somewhere between 10 and 15 times earnings," said Darren Gerstenblatt, vice president at Lenox Advisors in New York.

Still, each family is different and there's no magic formula to determine how much coverage you'll need.

If you have large debts, mortgages or other expenses, you'll want to factor that in. And if you have young children, you'll need to plan for more costs than if you have teenagers.

Once you determine how much you need, the next step is choosing between a term or whole life policy.

For most people, a term policy will do the trick. You make monthly payments and are covered for a fixed period of time.

If you die, your beneficiaries will get paid whatever amount of coverage you bought.

The policy should last as long as your obligation to the beneficiaries.

"Even if you have young children, 20 or 25 years later they will be out of college and the financial obligations will no longer remain," Deyeso said.

Whole life policies cost much more and are composed of two parts: insurance and investment. Like a term policy, it protects your family if something happens to you. But your monthly payments also include money that goes into a savings account, which grows over time.

At maturity, which in most cases means retirement, you can take the money out.

The cost of life insurance varies depending on your age, health problems and whether or not you smoke.

Although thinking about life insurance can be intimidating and choosing a policy is a complicated process, it's not something to put off, according to experts.

"I tell all my clients nobody gets out of this life alive," Deyeso said.

Insurance questions answered, in Español

Figuring out insurance is tough enough without language barriers.

But Spanish speakers can get help at a new educational Web site created by the National Association of Insurance Commissioners.

Insureonline.org/espanol offers online courses aimed at four different stages of life: young singles, young families, established families and empty nesters.

"This Spanish-language site is an important addition to our current efforts to help educate all consumers about insurance," NAIC Chief Executive Officer Catherine Weatherford said. "It is our goal to make sure that the growing Spanish-speaking population is well-versed on insurance issues and what is available to them as consumers."

For each stage, it teaches the basics on home, health, life and auto insurance and offers an interactive quiz after each course.

It also offers suggestions. Young parents who often drive their kids' friends when carpooling, for example, may want to consider increasing their auto liability insurance coverage in case of a serious accident.

Elizabeth Lazarowitz