

## Paycheck

### Personal life insurance could save thousands

For many workers, employer group life insurance policies are more expensive than a policy purchased independently. Each applicant in a group policy typically is considered to be a "standard" risk. Many healthy applicants would qualify for less expensive ratings, such as "preferred" or "preferred best" if they purchased a policy on their own.

Even if the price of the group plan looks more affordable today, check the fine print to see whether the premium will increase over

time. Many term insurance policies purchased independently guarantee the premium for the life of the policy once it's issued. Over many years, you could save thousands of dollars by buying your own policy.

For some in the workforce, the amount of life insurance coverage offered through their employers is insufficient to protect their families. You can keep a policy purchased independently if you change jobs.



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When shopping for life insurance, make certain that the insurance company is financially sound, as you are entrusting them with your family's security. Several independent companies issue ratings for life insurance carriers based on each company's profitability, debt, liquidity and other factors. Looking up its rating will provide you with a snapshot of that company's financial health.

The four most prominent rating companies are A.M. Best, Standard & Poor's, Moody's Investors Service and Fitch Ratings. Each of these services uses slightly different criteria when rating companies.

A.M. Best ratings are based on financial conditions and performance; the other three companies' ratings are based on claims-paying ability. All four will provide ratings over the phone. Contact them at:

■ A.M. Best Company: 908-439-2200, [www.ambest.com](http://www.ambest.com)

■ Standard & Poor's: 877-772-5436, [www.standardandpoors.com](http://www.standardandpoors.com)

■ Moody's Investors Service: 212-553-0377, [www.moodys.com](http://www.moodys.com)

■ Fitch Ratings: 800-893-4824, [www.fitchratings.com](http://www.fitchratings.com)

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