

How much life insurance do I need?

You've decided to look into purchasing life insurance. Smart move. But if you're doing research on your own, the advice you find can be confusing and conflicting.

Life doesn't follow a formula, so no basic "rules of thumb" or online calculator can give you the peace of mind that you've chosen the right amount of coverage.

So where do you start?

We've got a few suggestions.

Real peace of mind comes from having confidence that if you're no longer here, the people you love and who rely on you will have the financial resources they need to keep going and live a good life. It's as simple as that.

But, the only way you can get there is by clearly identifying the financial goals that are most important to your family and having a realistic picture of the resources it would take to achieve those goals.

So, no matter if you're a married couple, a single parent or have loved ones to care for, that's where you start. Sitting down and having important conversations, even if they're uncomfortable, about what the needs and plans might be if you're suddenly not around.

You see, choosing the right amount of life insurance isn't about what YOU need. It's about what your family needs. It's about seeing life from your beneficiaries' perspective if you're not there to support and protect them and understanding how much coverage you need to provide for them.

Next, it's important to realize that asking "How much life insurance do I need" isn't quite the right question. The better question is "How much life insurance will I need at different stages of my life?" ---because that number will change over time. Here's why.

Goal protector

One way to think of the role of life insurance is as a goal protector. Every financial goal you have has a dollar figure needed, and a timeframe for completion. Maybe your goals include:

- Making sure your family has a reliable source of income
- Helping to send your kids to college
- Paying off debts, like a mortgage
- Having enough saved for retirement to live comfortably

You are the most important part of turning each financial goal into a reality. The income you earn helps pay the bills and save for the future. But for every goal, there's going to be a gap between what you have today and what you (or your beneficiaries) ultimately need – especially when you're just getting started. But, that's okay. Life insurance helps fill that gap with a death benefit to take care of your beneficiaries if you're no longer there for financial support.

As you make progress on each goal, the gap between “what you have” and “what you need” shrinks, reducing how much protection you might need in place.

If you lay out your different goals on a timeline, including the dollar amount needed, the timeframe for completion, and your estimated gap along the way – it becomes a lot easier to see how much protection you need now, and what your protection needs might change in the future.

That can give you confidence that the amount and length of your life insurance protection aligns with your goals and overall financial strategy. You'll have a better idea of which goals are best protected with temporary “term” coverage, and which long-term goals might be better protected with permanent life insurance.

[A financial professional can help](#)

Depending on your needs and circumstances, your financial professional might suggest using permanent life insurance to both protect your goals and make progress towards accomplishing them. Because many permanent life insurance policies have additional features – like the potential to build cash value – they might provide a more flexible or efficient way of achieving what is important to you. That might include college planning, supplementing your retirement income, or leaving a legacy.

Finally, know that you don't have to figure this all out by yourself. Building a relationship with a financial professional you can trust can help you navigate planning and goal-setting conversations, choosing the right protection strategy – and maybe most importantly, be a trusted resource who already understands your family's needs and can help them make important financial decisions if you're no longer there.

In the end, peace of mind does not come from calculating a needed dollar amount of life insurance. It comes from knowing that if the unthinkable happens, those you love will have the resources, the plan, and the support they need to live the life you envisioned.

[Disclosures shown on the screen]

Insurance products and variable products issued by The Ohio National Life Insurance Corporation and Ohio National Life Assurance Corporation. Product, product features and rider availability vary by state. Variable products distributed by Ohio National Equities, Inc. Member

FINRA/SIPC. Guarantees based on the claims-paying ability of the issuer and do not apply to the account value or investment performance of underlying variable portfolios. Issuer is not licensed to conduct business and products are not available in NY. Dividends are not guaranteed.

Issued by: The Ohio National Life Insurance Company and Ohio National Life Assurance Corporation

Address: One Financial Way, Cincinnati, OH 45242 and Post Office Box 237, Cincinnati OH 45201-0237

Phone: 513-794-6100

Website: www.ohionational.com

T-405862 2-19 ©2019 Ohio National Financial Services, Inc.

This material is for general use with the public and is not intended to provide investment, insurance or tax advice for any individual.