

Person-Level Trends in U.S. Life Insurance Ownership

Full Report



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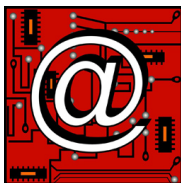
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PERSON-LEVEL TRENDS IN U.S. LIFE INSURANCE OWNERSHIP



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SUMMARY

Periodically, LIMRA looks at how well insured men, women, and children are. Since first conducted in 1960, LIMRA's U.S. Life Insurance Ownership study has measured trends in life insurance ownership and adequacy of coverage for the U.S. population. In 2010 we surveyed 3,766 households comprising a total of 9,390 individuals about the types and amounts of life insurance owned by each household member. Life insurance sales are down and unemployment levels are high, so it is not surprising that a greater proportion of adults have no life insurance coverage than six years ago.

High unemployment and declining household income may have contributed to low levels of life insurance ownership in 2010, but it is not the sole reason for some of the largest declines in life insurance ownership for men, women, husbands, and wives that we have ever measured. Ownership of individual life insurance has been declining for 50 years — during both good and bad economic cycles.

Some key findings:

- Over the past 50 years, the proportion of U.S. adults with life insurance protection has declined to an all-time low. The likelihood of being without life insurance protection has dramatically increased for every age group over the past six years.
- Forty-four percent of individual policies sold in 2009 were to adults ages 35 to 54.¹ Nonetheless, this group saw the largest drops in individual life ownership in the past six years. This is a key group that has need for individual life insurance: Seventy-nine percent are living with spouses or partners and 48 percent are parents of children under age 18.
- The increase in the proportion of insured adults covered by *only* permanent life insurance has reduced the average amount of individual life insurance that some adults own.
- For the first time since group insurance was introduced, the percentage of adults having group life insurance has declined. Yet, according to the U.S. Labor Bureau, the same proportion (56 percent) of all workers had group life insurance coverage through their employers in 2010 as did in 1998 — and this was up from 48 percent in 2004. It appears that high unemployment is the major reason fewer adults have group life insurance rather than fewer employees having access to group life insurance at work.
- Fewer adults than in the past purchase individual life insurance to supplement their group coverage. Adults with *only* group coverage not only have the lowest average amounts of coverage, they are at risk of being left with no life insurance if they lose or change their jobs.

¹ 2009 U.S. Individual Life Insurance Annual Sales Supplement, LIMRA, 2010.

- Overall, both men and women are less likely to own life insurance today than they were in 2004, but the declines were larger for men. Men are now approaching the traditionally lower ownership rates of women. Thirty-nine percent of men and 43 percent of women have no life insurance coverage at all.
- Men ages 35 to 54 have seen large declines in individual life ownership in the past 12 years. This is troubling, since middle-aged men typically have families and are usually in their highest income earning years.
- Young males, ages 18 to 24, are less likely than in past decades to be starting their adult years with any individual life insurance. Only 13 percent had individual life policies in 2010, compared with 30 percent in 1998.
- Younger women are now as likely as their male counterparts to have coverage — not because a greater proportion of women own life insurance today, but because men have experienced larger declines than women in life insurance ownership since 2004. Nonetheless, women ages 55 and older are still considerably less likely than men the same age to own life insurance.
- Husbands ages 35 to 54 and 65 or older had double-digit declines in the proportion owning individual life insurance in the past six years.
- Since 2004 the likelihood of husbands having any life insurance has declined across every income level — low, middle, and affluent.
- The gap in average life insurance coverage between husbands and wives with similar personal incomes has narrowed over the past six years — primarily because insured wives have experienced smaller declines in amounts of individual life coverage and group life coverage than have husbands with similar personal incomes.
- Women with high personal incomes are less likely to have individual life insurance or group life insurance than men with personal incomes of \$100,000 or more.
- Once personal income reaches \$75,000, wives do not protect their incomes as well as husbands do. On average, life insurance will replace higher-income wives' incomes for about eight months less than it will husbands with similar incomes.

This report is the second in a two-part series on U.S. life insurance ownership and provides information on life insurance ownership for men, women, husbands, wives, and children. The first report, *Household Trends in U.S. Life Insurance Ownership* provides information on life ownership among U.S. households.

RECOMMENDATIONS

- **Target adults with no life insurance.** The industry is not reaching the 41 percent of American *adults* (95 million) who are uninsured. Two thirds of *uninsured households* say they need more life insurance, and one fourth expects to buy life insurance on at least one household member in the next year. Because of uncertainty in knowing what to buy, how much to buy, and when to buy, people often procrastinate when it comes to buying life insurance. The uninsured need someone to approach them about buying life insurance and to educate them about the options available to meet their life insurance needs. In fact, 25 percent of *uninsured households* (8 million) say the reason they have not bought life insurance is because no one has approached them about it.
- **Target affluent wives to review and update their life insurance coverage.** While the gap has narrowed between the average amounts husbands and wives with similar incomes own over the past six years, wives with personal incomes of at least \$100,000 own less than husbands with high incomes. Perhaps higher-income wives fail to update their life insurance coverage as their incomes rise. When reviewing life insurance coverage with wives, producers should recommend specific amounts of coverage to buy, as prospects are not only more likely to buy, but also to purchase larger policies when the agent recommends a specific amount of coverage. Producers need to ensure that the amounts of life insurance they recommend to wives are based on the amounts of income and/or services that would be lost and not simply assume that wives will buy less coverage than will husbands.
- **Reach out to middle-income women to review and update their life insurance coverage.** It is middle-income women with personal incomes of \$50,000 to \$99,999 who carry the smallest amounts of life insurance in relation to their personal incomes. They can replace their incomes for 3.0 years, compared with 3.5 years for women with incomes under \$50,000 and 4.0 years for women with personal incomes of at least \$100,000.
- **Reach out to husbands to review and update their life insurance coverage.** The likelihood of husbands owning life insurance has declined across all income groups — low, middle, and affluent. Husbands ages 35 to 54 had double-digit decreases in the proportion owning individual life insurance in the past six years. This is troubling, because middle-aged husbands are typically in their highest income earning years and half are parents.

- **Offer children’s policies with savings elements.** Today, only 2 in 10 children have individual life insurance coverage, compared with over 4 in 10 children in 1976 and 1984, and half of all children in 1960. Twenty to 40 years ago, parents often bought endowment policies on their children as a way to save and provide their children with some money for college or for starting their married lives. Today, the top financial activity that couples with children want to speak about with financial professionals is a plan to save money for their children’s educations.² Parents may find qualified college savings plans complex and unappealing with their strict rules and penalties. A simple college savings vehicle for children funded through a life insurance product with a payout option when the child reaches age 18 or 21 could appeal to many parents.
- **Reach out to employers and employees.** Life insurance can be a relatively inexpensive benefit for employers to offer. Employers can choose to cover the entire cost, share the cost with employees, or offer it as a voluntary benefit. Two in 10 households say they prefer to buy life insurance through the workplace in the future. These households prefer the workplace because they view it as an easy and convenient way to buy (33 percent), believe it will cost less or be a better value (26 percent), trust their employers (20 percent), and like being able to have the premiums deducted from their paychecks (13 percent).³

² *Household Trends in U.S. Life Insurance Ownership*, Table 21, LIMRA, 2010.

³ U.S. Life Insurance Ownership study

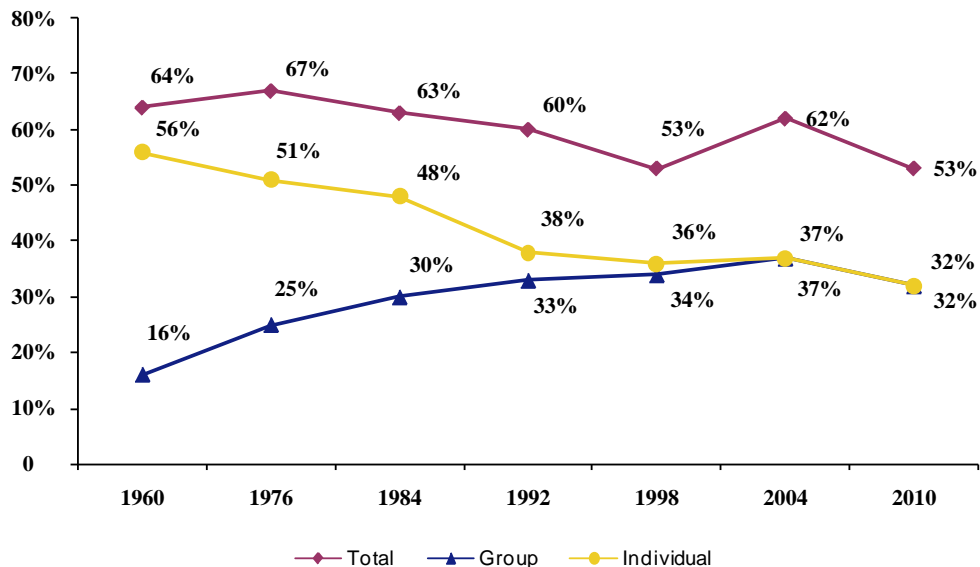
TRENDS IN LIFE INSURANCE OWNERSHIP

Fifty-three percent of all persons in the United States are covered by some type of life insurance — returning to the all-time low ownership levels seen in 1998. Declines in ownership of both individual life and group life contributed to fewer people having life insurance coverage today.

FEWER PEOPLE COVERED BY INDIVIDUAL LIFE TODAY

- Only one third of Americans are covered by individual life insurance — the lowest level in 50 years. This is not surprising, since the number of individual life insurance policies sold annually has been declining for more than 25 years.⁴
- Group life coverage steadily increased after 1960 as more employers added life insurance as an employee benefit. During the 1980s and 1990s group life coverage continued to increase as more women worked full time. For the first time in 50 years, the percent of individuals covered by group policies has declined; high unemployment levels are a primary reason for the decline.

Figure 1
Trends in Life Insurance Ownership for All Persons*



*Individual life insurance was called “agent-sold life insurance” in 1960 and 1976.

⁴ U.S. Individual Life Insurance Sales Trends, 1975–2009, LIMRA

INSUREDS HAVE LESS COVERAGE THAN THEY DID SIX YEARS AGO

After adjusting for inflation, the average amount of coverage owned by insured individuals has declined since 2004.

- In 2010, insured individuals own on average \$154,000 of total life insurance coverage.
- The average amount of individual life insurance people carry decreased more than group coverage did over the past six years (declines of \$12,000 and \$6,000, respectively).

Table 1
Trends in Coverage for Insured Individuals

	Mean Coverage*			
	1992	1998	2004	2010
Any life insurance**	\$104,500	\$126,800	\$169,700	\$154,000
Individual life insurance***	83,900	107,200	160,400	148,100
Group life insurance	73,000	86,000	108,700	102,300

*Coverage is in 2010 dollars.

**"Any" includes individual, group, and servicemembers' coverage (SGLI/VGLI).

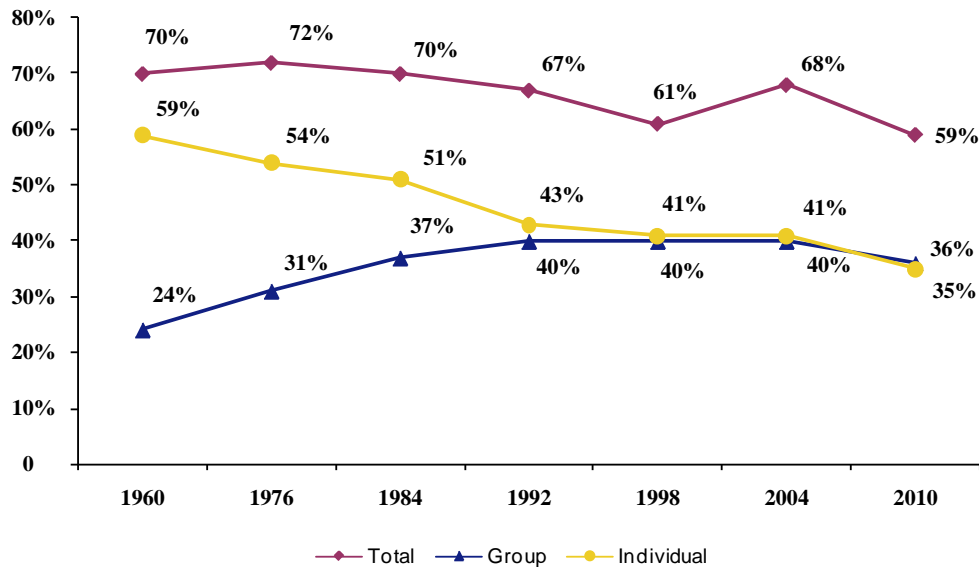
***Includes life insurance sold face-to-face and through direct means.

MANY ADULTS HAVE NO LIFE INSURANCE COVERAGE TODAY

Four in 10 U.S. adults have no life insurance coverage at all — the lowest level ever. Despite the wide variety of distribution options today, over the past 50 years the proportion of adults with life insurance has not increased.

- Life insurance sales are down and unemployment levels are high, so it is not surprising that a smaller proportion of adults have life insurance coverage than in 2004.
- Adults are less likely to be covered by either individual life or group life insurance than in 2004. In 2010, 36 percent of U.S. adults were covered by individual life insurance and 35 percent by group life insurance.

Figure 2
Trends in Life Insurance Ownership for Adults*



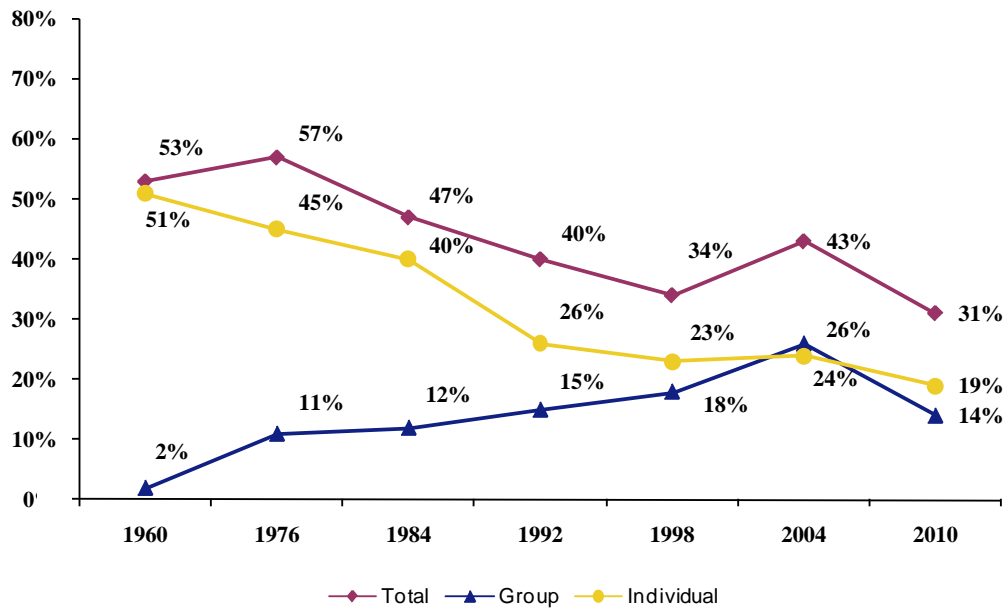
*Individual life insurance was called “agent-sold life insurance” in 1960 and 1976.

CHILDREN ARE LESS LIKELY TO BE COVERED BY LIFE INSURANCE

Even with a broad range of direct marketing efforts by some insurance companies to offer inexpensive life insurance coverage on children, fewer and fewer parents are taking out life insurance policies on their children. Over half of all children under age 18 were covered by life insurance policies in 1960 and 1976. Today, only 3 in 10 children have life insurance coverage.

- Nineteen percent of children have individual life insurance — down from 24 percent in 2004 and only half as many as in 1984.
- Fourteen percent of children are covered under group life policies — declining back to levels seen in the early 1990s. This may be because some households have lost access to life insurance coverage on spouses and children through an employee’s group benefits as the unemployment rate has grown.

Figure 3
Trends in Life Insurance Ownership for Children*



*Individual life insurance was called “agent-sold life insurance” in 1960 and 1976.

INDIVIDUAL LIFE VERSUS GROUP LIFE

The proportion of insured adults who have both individual and group life insurance coverage has been declining sharply since 1998. This is probably due to a combination of factors — people losing group life coverage when they become unemployed and fewer adults supplementing their group coverage with additional life insurance coverage through individual life insurance policies.

SHIFT AWAY FROM OWNING BOTH INDIVIDUAL AND GROUP LIFE

- About 4 in 10 insured husbands and insured wives have *only* group life insurance coverage.
- One third of insured men and insured husbands have *only* individual life insurance coverage, and about 4 in 10 insured women and wives have *only* individual life coverage.

Table 2
Overlap of Individual and Group Coverage (Insureds)

	Percent Owning														
	Total adults			Men			Women			Husbands			Wives		
	1998	2004	2010	1998	2004	2010	1998	2004	2010	1998	2004	2010	1998	2004	2010
Individual only	35%	36%	37%	30%	33%	33%	39%	40%	42%	28%	31%	33%	39%	39%	40%
Group only	32	36	40	31	36	41	34	35	38	29	35	39	30	34	39
Both	33	28	23	39	31	26	27	25	20	43	34	28	31	27	21
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

ADULTS INSURED ONLY BY GROUP LIFE HAVE LOWEST COVERAGE

Today more adults depend solely on life insurance obtained through their employers than in the past, and they carry the lowest average amounts of life insurance.

- Men and women with *only* individual life insurance carry larger amounts of coverage than those with *only* group life insurance obtained through the workplace.
- Adults with both individual life and group life policies have the highest life insurance protection — averaging \$333,200 for men and \$261,800 for women.

Table 3
Mean Coverage for Insured Adults by Overlap of Individual and Group

	Average Coverage*					
	Total adults		Men		Women	
	2004	2010	2004	2010	2004	2010
Individual life only	\$159,500	\$143,100	\$201,000	\$170,200	\$116,800	\$119,600
Group life only	118,200	114,000	142,700	135,500	94,100	88,300
Both	308,100	303,500	346,800	333,200	254,200	261,800

*Coverage is in 2010 dollars.

TYPES OF INDIVIDUAL COVERAGE

Almost 2 in 3 insured adults have some permanent insurance as part of their individual life portfolios, and almost half carry some term insurance. Over the past six years, insured men and insured women have become less reliant on term insurance to cover their life insurance needs. While few consumers say they stopped payment on their in-force life insurance because of the economy,⁵ perhaps if a period on a term policy ended, the coverage was not extended and this contributed to the decline in the percentage of insured adults owning term insurance.

SHIFT TO PERMANENT INSURANCE AMONG INSURED ADULTS

- Today, single men, single women, husbands, and wives are more likely to rely on permanent insurance as their *only* individual life coverage compared with 2004. In recent years some companies have launched strategic initiatives to market whole life insurance to consumers, and that might have contributed to this increase.
- Only 1 in 10 insured adults own both permanent and term insurance in 2010 — half as many as in 2004.

Table 4
Type of Individual Life Insurance (Insureds)

	Total adults		Men		Women		Husbands		Wives		Single* men		Single* women	
	2004	2010	2004	2010	2004	2010	2004	2010	2004	2010	2004	2010	2004	2010
Permanent only	44%	53%	42%	52%	45%	54%	41%	49%	45%	52%	46%	68%	42%	70%
Term only	37	37	37	36	37	37	35	38	37	39	40	23	41	25
Both	19	10	21	12	18	9	24	13	18	9	14	9	17	5
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Any permanent	63%	64%	63%	64%	63%	63%	65%	62%	63%	62%	60%	77%	59%	75%
Any term	56%	47%	58%	48%	55%	46%	59%	51%	55%	48%	54%	32%	58%	30%

*Single includes “divorced or separated” and “widowed.”

⁵ *Life Insurance in a Tough Economy*, LIMRA, 2010

TYPE OF INSURANCE AFFECTS AMOUNT OF COVERAGE

Adults relying solely on permanent life insurance carry the smallest face amounts of coverage. A combination of permanent and term insurance gives insured men and insured women the highest average amounts of individual life insurance.

- Adults with *only* term life insurance carry on average about \$52,000 more than adults relying *only* on permanent life insurance.
- Adults who buy combinations of permanent and term insurance have the best coverage of all, averaging \$341,200 for men and \$302,700 for women.

Table 5
Mean Coverage for Insured Adults by Type of Individual Life Insurance

	Average Coverage*					
	Total adults		Men		Women	
	2004	2010	2004	2010	2004	2010
Permanent only	\$108,700	\$119,200	\$132,700	\$140,000	\$ 74,400	\$ 98,300
Term only	220,900	171,100	257,400	206,300	186,100	135,100
Both	306,900	325,000	355,100	341,200	229,900	302,700
Any individual	182,100	203,100	220,400	240,200	137,600	164,700

*Coverage is in 2010 dollars.

LIFE INSURANCE OWNERSHIP BY AGE

As individuals reach adulthood, their likelihood of having life insurance coverage increases as they mature, peaking prior to age 65. But, the likelihood of having no life insurance protection has increased dramatically for every age group over the past six years.

LIFE INSURANCE OWNERSHIP DROPS FOR EVERY AGE GROUP

- Since 2004, individual life insurance ownership has declined for every age group. Adults between the ages of 35 and 54 experienced the largest drops in individual life ownership in the past six years. This is a key group that has need for individual life insurance: Seventy-nine percent are living with spouses or partners and 48 percent are parents of children under 18.
- With current high unemployment rates, it is not surprising that fewer adults between ages 25 and 64 are covered by group life insurance now than in 2004. On the other hand, delaying retirement may be the reason more adults ages 65 and older own group life coverage in 2010 than in the past.

Table 6
Life Insurance Ownership by Person's Age

	Percent Owning								
	Individual			Group			Any*		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
Under 6	17%	13%	12%	13%	20%	17%	27%	31%	26%
6–13	26	28	22	17	28	14	36	49	33
14–17	29	37	24	24	30	12	43	51	34
18–24	25	23	17	19	18	22	37	41	36
25–34	29	27	26	41	45	40	55	64	54
35–44	47	43	35	52	51	41	70	74	63
45–54	55	52	41	58	48	43	79	76	66
55–64	49	46	46	41	42	38	67	72	67
65 or older	47	51	41	18	20	27	55	67	58
All persons	36	37	32	34	37	32	53	62	53
Adults	41	41	35	40	40	36	61	68	59
Children	23	24	19	18	26	14	34	43	31

*In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

COVERAGE INCREASES FOR SOME ADULTS AND DECLINES FOR OTHERS

After adjusting for inflation, the youngest and oldest adults carry larger amounts of life insurance today than they did six years ago. But adults ages 35 to 54 carry smaller amounts of life insurance than in 2004.

- Only insured adults ages 45 to 54 experienced a decline in how much they own — with average face amount decreasing by \$33,000 since 1998.
- While fewer children are covered by life insurance today, it is for larger amounts than in 2004. This could be because fewer children are covered under dependent group policies, which typically are for small face amounts.

Table 7
Mean Coverage by Age of Insured

	Average Coverage*								
	Individual			Group			Any**		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
Under 6	\$ 36,700	—	\$ 46,300	\$ 38,700	—	\$ 30,100	\$ 41,800	\$ 28,900	\$ 39,900
6–13	28,900	\$ 24,600	67,000	20,800	\$20,600	30,800	30,200	23,300	58,800
14–17	31,100	36,800	77,300	25,100	—	37,500	35,100	36,000	68,900
18–24	40,200	69,700	69,200	37,000	—	58,700	45,400	68,900	75,600
25–34	136,800	180,500	217,200	89,600	108,100	137,000	136,500	168,800	202,400
35–44	175,800	352,300	231,900	114,800	197,000	130,400	206,400	375,300†	231,400
45–54	173,900	175,000	167,600	107,200	121,100	104,400	199,300	198,100	166,700
55–64	84,000	125,000	129,400	87,600	106,600	109,500	115,600	151,000	156,000
65 or older	31,600	69,400	87,300	36,600	49,800	55,800	39,800	75,100	92,300
All persons	107,200	160,400	148,100	86,000	108,700	102,300	126,800	169,700	154,000
Adults	NA	182,100	159,100	NA	122,700	109,200	NA	196,900	166,800
Children	NA	27,400	65,700	NA	24,000	31,900	NA	27,500	56,100

*Coverage is in 2010 dollars.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

— Fewer than 50 cases

†Includes some large amounts of term insurance on husbands and wives

NA Not available

ADULTS CAN REPLACE INCOMES FOR ABOUT THE SAME LENGTHS OF TIME

Men, women, husbands, and wives all have about the same amounts of life insurance coverage as they did six years ago in terms of the lengths of time for which they could replace their personal incomes.

- Adults carry enough insurance to replace their personal incomes for 3.6 years — a slight decrease since 2004, but one half year more than in 1998.
- Women carry enough life insurance to replace their personal incomes for 3.4 years — a slight decrease since 2004, but almost one year more than in 1998.
- Husbands and wives each carry enough life insurance to replace their personal incomes for about four years — about the same as six years ago.

Table 8
Years of Income Replacement by Age*

	Adults			Men			Women			Husbands			Wives		
	1998	2004	2010	1998	2004	2010	1998	2004	2010	1998	2004	2010	1998	2004	2010
25–34	3.4	4.4	4.2	3.5	4.0	4.1	3.2	4.8	4.2	3.9	3.9	4.5	3.5	5.4	4.9
35–44	3.7	5.4†	4.5	3.9	6.3	4.8	3.5	4.9†	4.1	4.2	7.2	5.4	3.7	5.1†	4.9
45–54	3.5	4.1	3.6	3.9	4.3	3.6	3.1	4.0	3.7	4.1	4.3	4.0	3.1	4.1	4.1
55–64	2.1	2.7	3.4	2.7	2.6	3.8	1.5	2.9	2.8	2.9	2.9	3.9	1.5	3.3	3.2
65 or older	0.9	1.7	1.9	1.1	2.1	2.1	0.7	1.1	1.6	1.4	2.1	2.1	—	1.3	1.6
All	3.0	4.1	3.6	3.3	4.0	3.7	2.6	3.6†	3.4	3.6	4.2	4.0	2.9	3.9†	3.9

*The ratio of total insurance coverage to annual personal income. In 2010 personal income was provided on all adults. In 2004 and 1998 personal income was provided only on respondents, and their spouses if married.

†Figures previously reported in the 2004 report were adjusted to match methodology applied in 2010. Excludes eight wives who own life insurance greater than 40 times their personal income. When those eight cases were included, the years of replacement coverage reported in 2004 were 4.9 for wives and 4.3 for all women. Most of these high ratios fell in the 35-to-44 age group. When they are included, the years of replacement coverage is 6.5 for adults, 6.7 for women, and 7.3 for wives between ages 35 and 44.

— Fewer than 50 cases

HIGH-INCOME MEN CAN REPLACE THEIR INCOMES FOR THE LONGEST TIME

High-income adults carry the most life insurance in terms of the lengths of time they can replace their personal incomes. Men with personal incomes of at least \$100,000 carry enough life insurance to replace their personal incomes for about five years, compared with four years for high-income women.

- Once personal income reaches \$75,000, wives do not protect their incomes as well as husbands do. On average, life insurance will replace higher-income wives' incomes for about eight months less than it will husbands with similar incomes.
- It is middle-income women with personal incomes of \$50,000 to \$99,999 who carry the smallest amounts of life insurance in relation to their personal incomes. They can replace their incomes for 3.0 years, compared with 3.5 for women with incomes under \$50,000 and 4.0 years for women with personal incomes of \$100,000 and over.

Table 9
Years of Income Replacement by Personal Income* (2010)

	Adults	Men	Women	Husbands	Wives
Under \$35,000	3.5	3.6	3.5	3.8	4.1
\$35,000–\$49,999	3.5	3.5	3.4	4.0	3.9
\$50,000–\$74,999	3.2	3.3	3.0	3.6	3.2
\$75,000–\$99,999	3.6	3.9	3.0	4.2	3.4
\$100,000 and over	4.7	4.9	4.0	5.1	4.4

*The ratio of total insurance coverage to annual personal income. In 2010 personal income was provided on all adults.

LIFE INSURANCE OWNERSHIP BY GENDER

Only 6 in 10 men own life insurance today compared with 7 in 10 just six years ago. Declines in ownership of both individual life and group life insurance contributed to a greater portion of men being uninsured.

MEN IN PRIMARY FAMILY FORMATION YEARS HAD LARGE DECLINES IN BOTH INDIVIDUAL LIFE AND GROUP LIFE INSURANCE OWNERSHIP

- The proportion of men ages 35 to 54 with no individual life insurance has continued to increase over time. Now, 2 in 3 men ages 35 to 44 and 6 in 10 men ages 45 to 54 have no individual life insurance.
- Men under age 55 are more likely to be covered by group life insurance through employers than by individual life policies. Nonetheless, men between the ages of 35 and 54 also showed the largest declines in group life insurance ownership in the past six years.
- Young males ages 18 to 24 are generally no longer starting their adult years with any individual life insurance. Only 13 percent have individual life policies, compared with 24 percent in 2004 and 30 percent in 1998.

Table 10
Men's Life Insurance Ownership by Age

	Percent Owning								
	Individual			Group			Any*		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	30%	24%	13%	21%	14%	23%	40%	36%	33%
25–34	29	25	25	42	48	43	55	64	56
35–44	49	41	34	56	53	43	72	75	64
45–54	61	56	40	65	55	45	83	80	66
55–64	51	49	50	50	47	43	71	77	72
65 or older	54	60	45	25	29	33	65	79	65
All men	44%	43%	35%	45%	45%	40%	64%	72%	61%

*In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

WOMEN ARE AS LIKELY AS MEN TO HAVE INDIVIDUAL LIFE INSURANCE

Overall, women are just slightly less likely than men to own life insurance. Unfortunately, the gap is closing mainly because of the large declines in life insurance ownership among men and not because women are more likely to have insurance than in the past.

- More than 4 in 10 women have no life insurance coverage at all, and more than 6 in 10 women ages 18 to 24 have no life insurance.
- Overall, women are less likely to own individual life insurance and group life insurance today than they were six years ago.
- Women between ages 35 and 54 are as likely as men in the same age group to have life insurance coverage.

Table 11
Women's Life Insurance Ownership by Age

	Percent Owning								
	Individual			Group			Any*		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	21%	23%	20%	17%	23%	21%	35%	46%	38%
25–34	29	28	26	40	43	36	55	64	52
35–44	44	44	37	48	49	40	68	74	62
45–54	49	48	42	52	43	40	75	72	67
55–64	48	44	43	34	37	33	65	67	62
65 or older	42	45	36	13	11	21	48	57	51
All women	39%	40%	35%	36%	36%	33%	59%	66%	57%

*In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

COVERAGE INCREASES FOR YOUNGEST AND OLDEST MEN

Overall, men’s average insurance coverage decreased by about \$45,000 in the past six years but is slightly higher than what they owned 12 years ago. The youngest and oldest men on average carry more life insurance than they did six years ago while men between ages 25 and 64 carry less life insurance.

- Overall, insured men’s average face amounts for both individual life and group life have declined since 2004. A greater proportion of men have only permanent policies and are less likely to have any term coverage in 2010, contributing to declines in the amounts of individual life that they own.
- Men ages 35 to 44 carry the highest average amounts of both individual life and group life insurance.

Table 12
Men’s Mean Coverage by Age

	Average Coverage*								
	Individual			Group			Any**		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	\$ 45,400	\$ 61,800	\$ 85,300	\$ 38,200	\$ 28,900	\$ 53,900	\$ 51,500	\$ 57,800	\$ 81,600
25–34	158,500	226,400	228,500	102,600	129,700	143,300	156,600	212,400	207,900
35–44	227,700	410,200†	269,400	147,700	220,400	157,700	278,200	441,800†	283,400
45–54	216,500	211,100	198,200	125,300	135,500	110,200	258,100	241,300	187,100
55–64	125,800	167,400	160,100	112,700	124,100	126,100	175,400	195,500	191,500
65 or older	41,700	99,500	114,400	41,900	62,600	70,600	52,100	110,100	123,800
All insured men	\$159,600	\$220,400†	\$187,100	\$115,100	\$139,200	\$121,400	\$191,800	\$239,700†	\$195,200

*Coverage is in 2010 dollars.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life

†High average amounts owned for men ages 35 to 44 in 2004 were influenced by some husbands owning large term policies. These high amounts owned by one age group also increased the mean amount owned for all insured men.

COVERAGE INCREASES FOR YOUNGER AND OLDER WOMEN

Women ages 25 to 34 and ages 55 and older average higher amounts of life insurance coverage than they did six years ago, while average coverage decreased for middle-aged women and those under 25. But the average coverage on women is only 69 percent of the average coverage on men.

- Women with insurance average \$94,000 of group coverage and \$129,800 of individual life insurance.
- Women of all ages average smaller amounts of individual life coverage than men of similar ages. Women ages 25 and older also average smaller amounts of group life coverage than men do.

Table 13
Women's Mean Coverage by Age

	Average Coverage*								
	Individual			Group			Any**		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	—	\$ 82,100	\$ 59,100	—	\$ 67,000	\$ 63,900	\$ 38,600	\$ 84,700	\$ 70,600
25–34	\$116,000	136,900	205,800	\$76,200	84,700	129,000	116,300	127,300	196,200
35–44	120,600	283,900†	195,500	79,600	168,200	99,100	136,100	300,200†	174,400
45–54	122,100	133,300	134,100	85,800	106,500	96,900	137,200	154,900	143,900
55–64	47,000	80,200	93,800	57,200	84,400	88,000	64,200	102,900	115,300
65 or older	22,400	29,800	56,800	25,500	24,100	33,800	26,500	31,000	56,000
All insured women	\$86,000	\$137,600†	\$129,800	\$73,200	\$103,000	\$94,000	\$101,800	\$150,100†	\$135,500

*Coverage is in 2010 dollars.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

— Fewer than 50 cases

†High average amounts owned for women ages 35 to 44 in 2004 were influenced by some wives owning large term policies. These high amounts owned by one age group also increased the mean amount owned for all insured women.

LIFE INSURANCE OWNERSHIP AMONG HUSBANDS AND WIVES

Husbands are considerably more likely than wives are to own life insurance: A greater proportion own either group life or individual life insurance than do their spouses.

HUSBANDS ARE LESS LIKELY TO BE INSURED TODAY

- Seventy-four percent of husbands have life insurance coverage — down from 85 percent in 2004.
- Husbands ages 35 to 54 and 65 or older had double-digit declines in the proportions owning individual life insurance in the past six years.
- Husbands under age 65 are considerably less likely to have group life insurance coverage today than they were six years ago.
- Delaying retirement beyond age 65 may be the primary reason a greater proportion of the oldest husbands had group life coverage in 2010 than did in 2004.

Table 14
Husbands' Life Insurance Ownership by Age

	Percent Owning								
	Individual			Group			Any*		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	—	—	9%	—	—	54%	—	—	62%
25–34	40%	31%	33	60%	64%	58	76%	85%	73
35–44	60	53	40	60	60	49	81	88	72
45–54	69	63	49	71	62	53	92	89	76
55–64	60	51	54	56	57	50	82	83	79
65 or older	57	60	50	30	30	37	73	81	72
All husbands	56%	52%	45%	58%	55%	49%	80%	85%	74%

*In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

— Fewer than 50 cases

FEWER WIVES THAN HUSBANDS HAVE LIFE INSURANCE COVERAGE

One third of wives have no life insurance coverage at all. They are less likely to be insured today than they were in 2004, but the same proportion as in 1998.

- Married households are less likely to buy individual life coverage for wives than for husbands.
- Regardless of age, far fewer wives than husbands have group insurance. This could represent an opportunity to offer dependent coverage on spouses through group policies at the workplace.
- Delaying retirement beyond age 65 may be the primary reason a greater proportion of the oldest wives had group life coverage in 2010 than did in 2004.

Table 15
Wives' Life Insurance Ownership by Age

	Percent Owning								
	Individual			Group			Any*		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	19%	—	11%	15%	—	39%	29%	—	48%
25–34	36	28%	32	42	51%	45	61	71%	63
35–44	52	49	37	47	51	38	72	79	63
45–54	56	54	45	55	44	45	81	79	73
55–64	49	45	50	35	38	38	66	69	71
65 or older	50	44	39	10	14	25	54	57	59
All wives	47%	44%	40%	40%	41%	39%	67%	72%	66%

*In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

— Fewer than 50 cases

HUSBANDS NOW CARRY SMALLER AMOUNTS OF COVERAGE

Husbands average \$223,800 in life insurance coverage, a decrease of about \$50,000 in constant dollars since 2004, matching about the same average amount that they owned in 1998.

- Average amount of individual life coverage increased for some husbands and decreased for others since 2004, but every age group averages higher amounts than in 1998.
- Not only do fewer husbands have group life insurance coverage today, the average group coverage has declined in the past six years.

Table 16
Husbands' Mean Coverage by Age

	Average Coverage*								
	Individual			Group			Any**		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	—	—	—	—	—	—	—	—	—
25–34	\$183,000	\$261,900	\$291,000	\$114,200	\$138,000	\$158,900	\$193,500	\$228,500	\$248,300
35–44	246,200	455,600†	314,800	144,300	234,900	176,700	300,300	504,700†	333,100
45–54	219,900	213,000	221,700	135,700	136,000	117,200	272,200	246,500	210,700
55–64	145,900	204,000	162,300	115,200	124,100	129,100	191,100	221,700	201,900
65 or older	53,700	106,600	112,400	50,900	67,500	78,400	63,400	118,900	120,700
All insured husbands	\$187,200	\$255,400†	\$212,000	\$124,500	\$146,700	\$134,400	\$225,400	\$273,300†	\$223,800

*Coverage is in 2010 dollars.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

— Fewer than 50 cases

†High average amounts owned by husbands ages 35 to 44 in 2004 were influenced by some husbands owning large term policies. These high amounts owned by one age group also increased the mean amount owned for all insured husbands.

MOST WIVES INCREASE INDIVIDUAL LIFE INSURANCE COVERAGE

Insured wives average \$154,200 of individual life insurance coverage, a decrease of \$7,400 from 2004 but an increase of about \$57,000 in constant dollars since 1998.

- Average amount of individual life coverage has increased for most wives since 2004, only decreasing for wives ages 35 to 44. But every age group averages higher amounts than in 1998.
- Younger and older wives average higher amounts of group coverage than six years ago, while the average amount of group coverage has declined among wives ages 35 to 54.

Table 17
Wives' Mean Coverage by Age

	Average Coverage*								
	Individual			Group			Any**		
	1998	2004	2010	1998	2004	2010	1998	2004	2010
18–24	—	—	—	—	—	\$ 93,600	—	—	\$114,100
25–34	\$125,300	\$164,500	\$244,700	\$75,200	\$ 90,400	148,400	\$125,800	\$145,700	231,000
35–44	124,500	303,600†	232,200	81,300	168,300	101,500	142,600	325,700†	198,700
45–54	109,100	136,200	145,400	86,600	100,800	95,900	135,200	155,800	150,400
55–64	50,100	89,300	98,500	58,800	92,000	96,900	68,300	113,700	121,300
65 or older	32,300	38,400	62,900	31,800	25,600	31,700	35,900	38,200	55,100
All insured wives	\$ 96,900	\$161,600†	\$154,200	\$77,900	\$105,800	\$103,400	\$115,200	\$171,400†	\$156,000

*Coverage is in 2010 dollars.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage. In 1998 “any” includes individual, group, servicemembers’ coverage (SGLI/VGLI), and credit life.

— Fewer than 50 cases

†High average amounts owned by wives ages 35 to 44 in 2004 were influenced by some wives owning large term policies. These high amounts owned by one age group also increased the mean amount owned for all insured wives.

LIFE INSURANCE OWNERSHIP ON HUSBANDS AND WIVES BY PERSONAL INCOME

Life insurance ownership increases as personal income increases, but since 2004 the likelihood of husbands having any life insurance has declined across every income level — low, middle, and affluent.

INDIVIDUAL LIFE OWNERSHIP DECLINES FOR LOW-, MIDDLE-, AND HIGH-INCOME HUSBANDS

- Regardless of income level, husbands are less likely to have individual life insurance today than in 2004. Six in 10 husbands with personal incomes of \$100,000 or more have individual life insurance coverage, 5 in 10 with incomes between \$50,000 and \$99,999 do, and 4 in 10 husbands with incomes less than \$50,000 do.
- The likelihood of having group life insurance has declined since 2004 for husbands earning less than \$100,000.

Table 18
Husbands' Life Insurance Ownership by Personal Income*

	Percent Owning					
	Individual		Group		Any**	
	2004	2010	2004	2010	2004	2010
Under \$35,000	50%	37%	40%	30%	76%	60%
\$35,000–\$49,999	47	41	64	55	93	77
\$50,000–\$74,999	54	51	67	64	89	86
\$75,000–\$99,999	60	50	66	63	89	81
\$100,000 and over	67	59	53	61	91	86

*2004 incomes have been adjusted to allow for comparison with 2010 incomes. Further explanation is provided in the Methodology.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage.

MIDDLE- AND HIGH-INCOME WIVES AS LIKELY TO BE INSURED AS HUSBANDS

Wives with personal incomes of at least \$35,000 are as likely as husbands with similar incomes to be insured. Wives with the lowest personal incomes are less likely to be insured than are husbands with similar incomes.

- Wives with personal incomes less than \$50,000 and \$75,000 or over are as likely as husbands with similar incomes to have individual life insurance. This is primarily due to declines in individual life ownership among husbands.
- Traditionally wives are less likely than husbands with similar incomes to have group life insurance because they often work in industries that do not offer group benefits or have part-time jobs with no benefits. But similar proportions of wives and husbands with personal incomes under \$100,000 now have group life coverage. This is probably because of higher layoffs in industries dominated by male employees among firms that had provided good employee benefits to men in the past.

Table 19
Wives' Life Insurance Ownership by Personal Income*

	Percent Owning					
	Individual		Group		Any**	
	2004	2010	2004	2010	2004	2010
Under \$35,000	43%	37%	34%	28%	68%	57%
\$35,000–\$49,999	45	45	63	61	80	82
\$50,000–\$74,999	42	45	50	69	79	86
\$75,000 and over***	54	54	61	62	88	85

*2004 incomes have been adjusted to allow for comparison with 2010 incomes. Further explanation is provided in the Methodology.

**In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage.

***Not enough cases to match the high-income breaks used for husbands.

HIGH-INCOME HUSBANDS HAVE LARGEST DECLINE IN LIFE COVERAGE

Average amount of life insurance coverage increases as husbands personal incomes increase. But husbands earning \$100,000 or more experienced the steepest decline in coverage over the past six years — a drop of an average \$200,000 due to large declines in the average amounts of both individual life and group life insurance high-income husbands own.

- Insured husbands with personal incomes between \$75,000 and \$99,999 are the only income group to increase its life insurance coverage since 2004 — increasing an average of \$28,000.
- The average amounts of individual life coverage declined more steeply than average group life coverage for most husbands did.

Table 20
Husbands' Mean Coverage by Personal Income*

	Average Coverage**					
	Individual		Group		Any***	
	2004	2010	2004	2010	2004	2010
Under \$35,000	\$134,300	\$104,800	\$ 85,300	\$ 65,900	\$143,500	\$101,300
\$35,000–\$49,999	180,800	159,600	117,900	100,000	188,500	171,300
\$50,000–\$74,999	258,000	196,600	134,900	136,300	277,600	226,800
\$75,000–\$99,999	268,500	324,400	162,600	186,900	313,200	341,600
\$100,000 and over	619,600	421,900	342,400	242,200	662,800	463,900

*2004 incomes have been adjusted to allow for comparison with 2010 incomes. Further explanation is provided in the Methodology.

**Coverage is in 2010 dollars.

***In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage.

COVERAGE DIFFERENCES NARROW BETWEEN WIVES AND HUSBANDS WITH SIMILAR INCOMES

The gap in average life insurance coverage between husbands and wives with similar incomes has narrowed over the past six years — primarily because insured wives have experienced smaller declines in individual life coverage and group life coverage than have husbands with similar personal incomes.

- Wives with \$75,000 or higher personal income carry about the same amount of individual life as husbands with at least \$100,000 of personal income.
- Wives with personal incomes under \$50,000 carry about the same amounts of group life insurance as husbands with similar personal incomes.

Table 21
Wives' Mean Coverage by Personal Income*

	Average Coverage**					
	Individual		Group		Any***	
	2004	2010	2004	2010	2004	2010
Under \$35,000	\$106,600	\$ 98,700	\$ 56,700	\$ 69,400	\$ 98,000	\$ 97,900
\$35,000–\$49,999	164,500	195,800	97,000	106,500	170,900	184,600
\$50,000–\$74,999	217,200	176,500	166,100	125,600	271,300	198,500
\$75,000 and over****	296,100	427,100	242,300	196,500	382,600	409,800

*2004 incomes have been adjusted to allow for comparison with 2010 incomes. Further explanation is provided in the Methodology.

**Coverage is in 2010 dollars.

***In 2010 “any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI). In 2004 “any” includes individual and group coverage.

****Not enough cases to match the high-income breaks used for husbands.

MEN’S AND WOMEN’S LIFE INSURANCE OWNERSHIP BY PERSONAL INCOME

Low-income women are more likely than low-income men to have some life insurance. But high-income men are more likely than high-income women to have life insurance.

MEN AND WOMEN WITH PERSONAL INCOMES ABOVE \$35,000 ARE MORE LIKELY TO HAVE GROUP LIFE THAN INDIVIDUAL LIFE INSURANCE

- Middle-income men and women are considerably more likely to have group life insurance than individual life insurance. Only men and women with incomes under \$35,000 are more likely to have individual coverage than group coverage — probably because they don’t have access to group benefits.
- Women with personal incomes under \$100,000 are more likely than men with similar personal incomes to have group life insurance.
- Men with high personal incomes are more likely to have individual life insurance than women with personal incomes of \$100,000 or more.

Table 22
2010 Life Insurance Ownership by Personal Income*

	Percent Owning					
	Individual		Group		Any	
	Men	Women	Men	Women	Men	Women
Under \$35,000	26%	32%	21%	22%	42%	48%
\$35,000–\$49,999	36	40	53	55	73	75
\$50,000–\$74,999	46	43	62	66	83	83
\$75,000–\$99,999	48	45	60	74	79	86
\$100,000 and over	53	44	58	39	81	67

*“Any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI).

NA Not available

HIGHER-INCOME WOMEN CARRY SMALLER AMOUNTS OF LIFE INSURANCE THAN HIGHER-INCOME MEN

Men and women with personal incomes under \$50,000 carry similar amounts of life insurance coverage. But when personal incomes are \$50,000 or higher, women have less life insurance coverage than men with similar incomes.

- Insured men with personal incomes of at least \$50,000 carry larger amounts of individual life insurance than insured women with similar incomes.
- Insured men and women with personal incomes under \$75,000 average similar amounts of group life coverage.

Table 23
2010 Mean Coverage by Personal Income

	Average Coverage					
	Individual		Group		Any	
	Men	Women	Men	Women	Men	Women
Under \$35,000	\$ 83,000	\$ 81,900	\$ 61,700	\$ 60,100	\$ 84,600	\$ 84,500
\$35,000–\$49,999	151,400	158,700	90,100	94,700	150,600	155,200
\$50,000–\$74,999	185,200	171,800	122,800	118,600	205,200	185,700
\$75,000–\$99,999	307,300	248,100	179,200	149,900	320,000	257,100
\$100,000 and over	405,500	—	243,900	—	449,500	—

*“Any” includes individual, group, and servicemembers’ coverage (SGLI/VGLI).

— Not enough cases

METHODOLOGY

LIMRA's U.S. Life Insurance Ownership study serves as a resource for monitoring long-term patterns in life insurance ownership. The 2010 survey results are based on 3,766 households with 9,390 household members. We asked the person most involved in making decisions about finances, investments, and life insurance to complete the questionnaire.

Data Collection

Fieldwork was conducted in the second quarter of 2010. Participants were selected from the Harris Online Panel and received email invitations and several reminders that contained hyperlinks to the survey Web address. Respondents received standard panel incentives for participation as well as entry in a drawing for a prize of \$10,000. Completion of the survey took 25 minutes on average.

Weighting

The 2010 U.S. Ownership study was weighted to bring the sample as close as possible to U.S. Census Bureau population figures to ensure that the sample represented the U.S. population ages 18 and older. Demographic factors used in weighting included the respondent's age, household income, gender, education, investable assets, race, and region. A propensity weight was applied to correct for attitudinal and behavioral biases associated with being online versus offline.

Dollar Figures

All dollar figures in this report are in 2010 dollars unless otherwise noted. An inflation factor of 1.16 (based on the consumer price index) was applied to 2004 data, an inflation factor of 1.34 was applied to 1998 data, and an inflation factor of 1.56 was applied to 1992 data.

Very high face amounts and very low face amounts reported by consumers for individual life insurance and group life insurance that each person owned were adjusted to eliminate the effect of extreme outliers. The lowest one half percent and the highest one half percent of reported face amounts were eliminated from the mean calculations of average amounts owned for individual life, group life, and total life insurance.

Sample

Respondent quotas were established for 30 different age-income segments to obtain a large enough sample to analyze life insurance ownership for each group. Table A-1 summarizes the target quota, number of surveys completed, and final number of usable surveys for each age-income segment.

Table A-2 shows the sample size for specific demographic groups.

Table A-1
Survey Quota Groups and Numbers of Completed Questionnaires

	Target quota	Original number completed	Usable number completed
Age 18–24 and HH income under \$35,000	80	137	130
Age 18–24 and HH income \$35,000–\$49,999	80	87	83
Age 18–24 and HH income \$50,000–\$74,999	80	84	78
Age 18–24 and HH income \$75,000–\$99,999	80	59	51
Age 18–24 and HH income \$100,000 and over	80	41	36
Age 25–34 and HH income under \$35,000	160	163	149
Age 25–34 and HH income \$35,000–\$49,999	160	164	153
Age 25–34 and HH income \$50,000–\$74,999	160	166	156
Age 25–34 and HH income \$75,000–\$99,999	160	163	149
Age 25–34 and HH income \$100,000 and over	160	163	136
Age 35–44 and HH income under \$35,000	160	164	152
Age 35–44 and HH income \$35,000–\$49,999	160	162	153
Age 35–44 and HH income \$50,000–\$74,999	160	166	151
Age 35–44 and HH income \$75,000–\$99,999	160	163	150
Age 35–44 and HH income \$100,000 and over	160	164	152
Age 45–54 and HH income under \$35,000	160	164	153
Age 45–54 and HH income \$35,000–\$49,999	160	161	148
Age 45–54 and HH income \$50,000–\$74,999	160	164	149
Age 45–54 and HH income \$75,000–\$99,999	160	160	146
Age 45–54 and HH income \$100,000 and over	160	165	151
Age 55–64 and HH income under \$35,000	160	163	152
Age 55–64 and HH income \$35,000–\$49,999	160	161	152
Age 55–64 and HH income \$50,000–\$74,999	160	163	156
Age 55–64 and HH income \$75,000–\$99,999	160	163	149
Age 55–64 and HH income \$100,000 and over	160	161	148
Age 65 and older and HH income under \$35,000	80	88	80
Age 65 and older and HH income \$35,000–\$49,999	80	86	76
Age 65 and older and HH income \$50,000–\$74,999	80	82	76
Age 65 and older and HH income \$75,000–\$99,999	80	80	79
Age 65 and older and HH income \$100,000 and over	80	82	71
TOTAL	4,000	4,089	3,766

Table A-2
Demographic Distribution of 2010 and 2004 Survey Samples

	2010 Unweighted numbers	2004 Unweighted numbers
All Persons	9,390	5,128
All adults	7,505	4,048
Men	3,799	2,009
Women	3,706	2,027
Husbands	2,301*	1,327
Wives	2,285*	1,327
Children	1,885	946
All Persons by Age		
Under 6	714	313
6–13	787	405
14–17	371	228
18–24	974	344
25–34	1,515	660
35–44	1,384	666
45–54	1,434	919
55–64	1,371	847
65 or older	813	613
Men by Age		
18–24	421	169
25–34	774	328
35–44	748	360
45–54	740	426
55–64	704	419
65 or older	404	307
Women by Age		
18–24	553	174
25–34	741	331
35–44	636	304
45–54	694	491
55–64	667	426
65 or older	409	301

*Includes same-sex partners.

Table A-2 continued
Demographic Distribution of 2010 and 2004 Survey Samples

	2010 Unweighted numbers	2004 Unweighted numbers
All Persons	9,390	5,128
Men by Personal Income		
Under \$35,000	1,667	NA
\$35,000–\$49,999	731	NA
\$50,000–\$74,999	661	NA
\$75,000–\$99,999	318	NA
\$100,000 or more	241	NA
Women by Personal Income		
Under \$35,000	2,427	NA
\$35,000–\$49,999	491	NA
\$50,000–\$74,999	412	NA
\$75,000 or more	199	NA
Husbands by Age		
18–24	62	11
25–34	437	173
35–44	491	226
45–54	473	326
55–64	535	325
65 or older	303	241
Wives by Age		
18–24	135	25
25–34	470	208
35–44	464	216
45–54	487	362
55–64	500	315
65 or older	229	180

NA—Not available

Table A-2 continued
Demographic Distribution of 2010 and 2004 Survey Samples

	2010 Unweighted numbers	2004 Unweighted numbers
All Persons	9,390	5,128
Husbands by Personal Income		
Under \$35,000	797	143
\$35,000–\$49,999	501	372
\$50,000–\$74,999	478	299
\$75,000–\$99,999	248	167
\$100,000 or more	181**	198**
Wives by Personal Income		
Under \$35,000	1,478	401
\$35,000–\$49,999	304	307
\$50,000–\$74,999	286	175
\$75,000 or more	116**	162**

**Affluent households were oversampled in 2004.

Terminology

Individual life includes policies purchased through agents and companies, fraternal organizations, direct response, banks, and associations. It also includes savings bank life insurance (SBLI) sold in Connecticut, Massachusetts, and New York.

Face-to-face distribution is limited to individual policies purchased through face-to-face meetings with insurance agents, brokers, and other financial professionals. This category was referred to as “agent-sold life” in prior studies, since nonagent sales represented a very small percentage of this category. The name has been changed to reflect the growing presence of other professionals.

Group life includes life insurance obtained through employers and labor unions.

Any coverage includes individual life insurance, group life insurance, and/or veterans or servicemembers’ life (SGLI and/or VGLI).

Children are any dependent individuals under age 18.

Personal Income

Table A-3 illustrates the structure of the five personal income classes used in trending data between 2004 and 2010. Data on personal income were collected through categorical income ranges in 2004 and 2010.

It is not possible to match these income categories exactly. However, to provide a basis for comparing data across the two studies, personal incomes were grouped to create a similar distribution across income categories. The five income categories shown in Table A-3 represent the closest match of income distributions that can be obtained from the two studies.

Table A-3
Personal Income Distributions in 2004 and 2010

2004*			2010*	
Original income classes	Inflated to 2010 dollars	All adults with income	Current income classes	All adults with income
Under \$35,000	Under \$40,600	30%	Under \$35,000	25%
\$35,000–\$49,999	\$40,600–\$57,999	14	\$35,000–\$49,999	17
\$50,000–\$74,999	\$58,000–\$86,999	34	\$50,000–\$99,999	35
\$75,000–\$99,999	\$87,000–\$115,999	10	\$100,000–\$124,999	12
\$100,000 or more	\$116,000 or more	12	\$125,000 or more	11
		100%		100%

*In 2010, personal income was provided on all persons age 18 and older. In 2004, personal income was provided only on the respondent and his or her spouse or partner.

RELATED LINKS

The following links are valid as of 2/14/11.

LIMRA

Household Trends in U.S. Life Insurance Ownership (2010) — 1st report

This report shows the latest trends in life insurance ownership and average coverage for American households. This is the first report from the 2010 U.S. Ownership Study.

<http://www.limra.com/members/abstracts/reports/10627.pdf>

Behind the Eight Ball: Is the Future Bright for Individual Life Insurance? (2011)

This report explores the future for individual life insurance sales. It looks at the issues and challenges ahead based on consumer needs, need to expand the client base, and product innovation.

<http://www.limra.com/members/abstracts/reports/10682.pdf>

Life Insurance in a Tough Economy (2010)

This report looks at where life insurance fits in consumers' financial worlds during tough economic times. It looks at consumers' feelings about life insurance, their current coverage, how life insurance fits into their financial priorities and their views of life companies and sales representatives.

<http://www.limra.com/members/abstracts/other/10397s.pdf>

Individual Life Buyers in the United States (2009)

This Executive Summary provides demographic information about insureds and a breakdown of policies purchased based on a cross-section of ordinary life insurance policies.

<http://www.limra.com/members/abstracts/execsum/10676exec.pdf>

U.S. Individual Life Insurance Sales Trends, 1975–2009

This report provides estimates of industry individual life insurance sales in the United States.

<http://www.limra.com/members/abstracts/reports/1746.pdf>

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