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## Ask the Experts: Permanent Life Insurance

In this article, we discuss ways to get the most from permanent life insurance.

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Q: I bought whole life insurance when my kids were little. Do I still need it?

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In brief, maybe you don't. If your kids have finished college, your mortgage is paid off (or you plan on downsizing), and your retirement savings are on track, you may no longer need your life insurance policy. Still, there are reasons you might want to keep it.

For instance, consider that—simply due to aging—you are now at a higher risk of health complications. Even with health insurance in place, it's easy to amass tens of thousands of dollars of uncovered healthcare expenses, especially if you need long-term care. Life insurance is one way your spouse and heirs can replenish any depleted savings accounts after these expenses are paid.

You can also use life insurance to pay for estate taxes. Typically, this is done by establishing an irrevocable life insurance trust (ILIT), which is shielded from creditors and the Internal Revenue Service. Or you can leverage life insurance to leave an inheritance for your loved ones by naming them as the beneficiaries of your policy. Another option is to sell the policy through a viatical settlement, but there are some very specific requirements you'll have to meet before this can happen. Also, a viatical settlement is only recommended if the lump-sum payout you'll receive is more than the cash value of the policy.

No matter what you decide to do, talk to your financial advisor to be sure your actions are aligned with your financial goals. If your policy is paid up so you're no longer paying premiums, then you won't have to do anything to keep it, so you might as well get the full benefit from it. An advisor can help you understand the best way to do that.

Have questions? Need help? Call the CAPTRUST Advice Desk at 800.967.9948, or [schedule an appointment](#) with a

retirement counselor today.