



**State of Utah**  
GARY R. HERBERT  
*Governor*  
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# Insurance Department

TODD E. KISER  
*Insurance Commissioner*

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## As Millennials Approach 40, Life Insurance Should Be On The Agenda — But Many Aren't Prepared

*Understanding a beneficiary's responsibility is part of any preparation checklist.*

Today's millennials (24–39 years old) are getting older, and along with an impending milestone birthday as the first in the generation turns 40, they're also more likely to be the owners and beneficiaries of life insurance policies. Along with new life insurance policies come responsibilities to share and be aware of key information that will ensure that benefits get paid when needed.

There is a clear need for better communication about life insurance policies across all generations, according to a new survey by the National Association of Insurance Commissioners (NAIC). When the beneficiary is younger and potentially newer to the experience, the issue is even more significant. Overall, 55% of millennials surveyed said they are listed as a beneficiary on a friend's or relative's life insurance policy, yet only 30% said they are prepared for that role.

Lack of preparation — i.e., sharing and being aware of basic information about policies — leads to millions of dollars in unclaimed benefits each year by beneficiaries who can't find or don't know about loved ones' policies.

"Millennials are entering the stage of life where life insurance policies may unfortunately be paid, and it's important for them to know how that process works," said Utah Insurance Commissioner Todd E. Kiser. "Many are, or should be, thinking about how to provide for their loved ones in the future. A life insurance policy often offers a better benefit when it is purchased earlier rather than later."

### Beneficiaries Should Know Policy Basics

Millennials, who have grown up with cell phones and social media, recognize the power of communication and transparency. That's good news for buyers and their beneficiaries, who need to significantly improve their game when it comes to sharing and being aware of information about life insurance policies. According to the survey, only 29% of millennial beneficiaries say they know where the policy is kept, 30% know the name of the insurance carrier, and 26% know the benefit amount.

*Please note: Agency hours are 8am-5pm, Monday-Friday.*

Whether the owner of the policy or the beneficiary, it can be helpful to consider the information as part of a three-part checklist that includes knowing the answers to:

1. Who is the carrier?
2. What is the benefit amount?
3. Where is the policy stored?

To help consumers who do not have all the information that they need, the NAIC maintains a Life Insurance Policy Locator (LIPL) tool. The LIPL has helped consumers claim more than \$650 million in benefits since its introduction in 2016. It's free to use and available online, eliminating the need to contact multiple companies or agents to find a policy or identify whether there is a policy.

### **Survey Methodology**

The NAIC surveyed more than 1,000 consumers online using SurveyMonkey between Jan. 2–13, 2020. Respondents included approximately equal numbers of Generation Z (18–23 years old), millennials (24–39 years old) and baby boomers (56–74 years old).

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**The Utah Insurance Department** is a State agency. Its mandate is to regulate insurance marketed and sold in Utah. Currently more than 95,000 agents, agencies, and insurers are licensed; domestic insurers are audited to verify financial stability and compliance with insurance laws; administrative action is taken against licensees found to be in violation of insurance laws; calls from consumers with questions or complaints are taken; and licensees and consumers are educated regarding insurance. For more information visit <http://www.insurance.utah.gov> or call toll free in-state at 1-800-439-3805 or locally at 801-538-3077.