MomLifeInsurance

FREE WORKSHEET

The coverage and term worksheet for moms

Find a starting amount and a starting term in about fifteen minutes

This worksheet uses a common rule of thumb, not a rule of law. It gives you a number to bring to a licensed agent, who can price it from several insurers. Use your own numbers from statements and pay stubs.

Part 1: How much coverage?

Line	What to enter	Your number
A	Yearly income, or the yearly cost of replacing your work at home	
B	Years to cover. 10 to 15 is the common rule of thumb	
C	A times B	
D	Debts: mortgage, car, cards, student loans	
E	Childcare and school costs still ahead	
F	One-time costs: time off work, a move, a change in childcare	
G	Savings your family could use	
H	Coverage you already have, such as a work benefit	
Result	C + D + E + F, minus G, minus H	

> If you pay for childcare, ask a tax preparer how the IRS child and dependent care credit applies. It covers care for children under 13.

General education, not insurance, legal or tax advice. Figures are examples unless a source is named. Prices and rules vary by state and insurer.

A worked example (made up numbers)

Rosa earns $44,000, has two kids ages 5 and 9 and rents her home. A is $44,000 and B is 12, so C is $528,000. Debts are $10,500. Childcare is $0 because her sister helps. One-time costs are $8,000. Savings are $6,000 and her work benefit is $44,000.

$500,000

Rosa starts with about

$528,000 + $10,500 + $8,000, minus $6,000 and $44,000, rounded

Part 2: How long a term?

Date to write down	The date
The day my youngest turns 18	
The day the mortgage is paid off	
The day I expect our income needs to fall	

1. Circle the latest of the three dates.
2. Count the years from today to that date.
3. Round up to a length insurers sell, such as 10, 15, 20, 25 or 30 years.
4. If the result is much longer than you need for most of the years, ask the agent to price two policies: one large and short, one smaller and long.

Part 3: Take it to an agent

The amount I want priced

The term or terms I want priced

Who I plan to name as beneficiary

The question I most want answered

A planning figure, not a quote or an offer. Your real price depends on your age, health and answers to an insurer.

General education, not insurance, legal or tax advice. Figures are examples unless a source is named. Prices and rules vary by state and insurer.

Sources

- NAIC: Life insurance consumer guide
  content.naic.org/consumer/life-insurance.htm
- CFPB: Buying a house
  www.consumerfinance.gov/owning-a-home/
- IRS: Child and dependent care credit information
  www.irs.gov/credits-deductions/individuals/child-and-dependent-care-credit-information

Done? Enter your amount in the quote form at momlifeinsurance.com/quote.

momlifeinsurance.com/quote or call (888) 635-3511

General education, not insurance, legal or tax advice. Figures are examples unless a source is named. Prices and rules vary by state and insurer.