

# LIFE Insurance Calculation

Use the LIFE approach to calculate the life insurance coverage you will need. Determine the dollar amount required for each category and add them to calculate the **Total Need**. Then subtract from your **Total Need** the combined value of any existing **Assets or Funding** from other sources to calculate your **Life Insurance Needed**. A positive number means you require additional life insurance for your needs and wishes.

**L — Liabilities:** These are debts to be paid so survivors are not left with the financial burden of repayment.

\_\_\_\_\_

**I — Income:** Include income that would be lost due to death, but still needed by your survivors.

+ \_\_\_\_\_

**F — Final expenses:** This could include funeral costs, medical bills, and other final expenses to be paid.

+ \_\_\_\_\_

**E — Education and other goals:** Consider including future goals for survivors like money for your children's college education.

+ \_\_\_\_\_

Total Need = \_\_\_\_\_

**Existing assets or funding:** Includes sources like savings balances, retirement plans, Social Security benefits, or existing life insurance policies.

\_\_\_\_\_

Assets and Funding = \_\_\_\_\_

Total Need \_\_\_\_\_

-

Assets and Funding \_\_\_\_\_

=

Life Insurance Needed: \_\_\_\_\_