



"As a life insurance agent, I am charged with bringing financial security to my clients."

—Gib S., Houston, Texas

"We advocate for families to plan ahead and make the right decisions for their future."

—Bill O., Asheville, North Carolina

"We make a difference for our clients, and that's all that really matters to me."

—Tracy J., Scottsdale, Arizona

"I thoroughly enjoy being in the life insurance business and providing products that give financial security to people across the country."

—Barry R., Williamsport, Pennsylvania

Protecting Americans' Financial & Retirement Security

The Need

Financial Protection: American families need protection against life's financial uncertainties. In fact, most experts suggest an individual's life insurance coverage should equal at least seven to 10 times his or her annual income. Yet today, about 40 percent of families are unprotected by life insurance. In addition, the 60 percent of households with life insurance only have enough to provide financial support for less than three and a half years, on average.

Savings: American families worry about retirement savings. According to a 2017 Gallup Economy and Personal Finance poll, 54 percent of Americans are worried about not having enough money for retirement, and 40 percent are worried about not being able to maintain their standard of living. The fact that fewer workers have traditional pension plans to rely on for lifetime income, combined with the growing strain on government programs like Social Security and Medicaid, adds to Americans' concerns.

Lifetime Retirement Income: Every day, about 10,000 Americans turn 65—and many are underestimating their longevity. A Society of Actuaries study found that nearly half of retirees underestimated their life expectancy by at least five years. This means they likely will miscalculate how long their savings need to last, and risk spending their retirement years in financial stress.



Real Life Stories courtesy of Life Happens®

"I really think if there was anything he was so happy and proud that he did, it was to have purchased that life insurance. It allowed him to leave this earth comfortable, knowing that we would be financially okay."

—Tonia Wachtel

The Answer

Only life insurers provide products that protect families from the impact of certain financial risks—providing peace of mind through life insurance, disability income insurance, and long-term care insurance. And only life insurers deliver lifetime income guarantees through retirement annuities—protecting individuals and families from the risk of outliving their retirement savings. These protections and guarantees are not available from any other financial services companies.

Dedicated agents work with American families and businesses every day to help them achieve financial and retirement security. Industry professionals are uniquely positioned to serve consumers and help them navigate their range of financial challenges over the course of a lifetime. Life insurers' products are vital to a well-functioning society, and for millions of families, build on the floor of financial security that government programs provide.

75 million families depend on life insurance, annuities, retirement plans, long-term care insurance, disability income insurance and reinsurance products. Taking into account additional products including dental, vision and other supplemental benefits, **life insurers provide financial protection to 90 million American families.**

Providing Financial Protection

Life insurers' products allow Americans to safeguard against financial risks, protecting the financial security of families and businesses.

Life insurance protects families against financial loss from the death of a loved one by providing a source of reliable liquid assets if the need arises to pay for death-related expenses, such as medical bills and funeral costs. It also provides funds to replace the lost income from a provider – helping families cover daily living costs, mortgage and tuition payments, childcare, and other expenses.

Life insurance is also important for businesses of all sizes, which often purchase it to protect jobs after the death of an owner or key employee or to finance employee benefits, including important survivor and supplemental retirement benefits.

Life insurers pay out \$1.7 billion every day to families and businesses

through payments from life insurance, annuities, disability income insurance, long-term care insurance, and other types of insurance products.

Disability income insurance provides workers with paycheck protection—helping to ensure mortgage payments, rent, or utilities can be paid in the event that a worker becomes disabled.

Long-term care insurance can protect a lifetime of savings and help individuals maintain financial independence and dignity should long-term care services be needed.

Supplemental benefit products provide flexible benefit choices that build on the basic coverage offered by an employer. Offered at the workplace at discounted rates, supplemental products include additional life and disability income insurance as well as products, like dental and vision insurance, that help offset employees' out-of-pocket medical expenses.

Providing Retirement Security

Life insurers are leading providers of retirement security solutions—helping families plan for a secure retirement through section 401(k), 403(b), and 457 plans, IRAs, and retirement annuities. Currently, life insurers manage 18 percent of all defined contribution plan assets and 14 percent of all IRA assets. In total, 12 percent of Americans’ retirement savings is in annuities—the only financial products that ensure retirees cannot outlive their savings by guaranteeing a paycheck for life.

More than 16% of Americans’ long-term savings is in permanent life insurance and retirement annuities.

Life insurers are leading providers of retirement plans to small businesses—representing 60 percent of the small plan marketplace. Life insurance companies and their agents play an important role in helping these small businesses offer retirement solutions to American workers.



“I had a choice whether to put him in a nursing home or take him home. My choice was to take him home. If I didn’t have the long-term care insurance, I don’t think I would have had that choice.”

—Theresa Mollicone

Investing in the Economy

Life insurers' products help employers of all sizes by providing businesses with more stability and certainty, fueling economic growth. The industry is a driving force in the economy, generating 2.6 million American jobs. Life insurers are also one of the largest sources of investment capital in the nation, having invested \$6.4 trillion in the U.S. economy to support economic stability and growth.

The life insurance industry holds **22 percent of all U.S. corporate bonds.**

Life insurers invest in American business for the long term and are a major source of bond financing for American businesses. More than 39 percent of general account bonds held by life insurers had a maturity of more than 20 years at the time of purchase. Seventy-two percent had a maturity of more than 10 years.

Real Life Stories courtesy of Life Happens®



"The disability insurance I took out allowed me to not worry about who's taking care of our family; it allowed me to focus on recovery and getting better."

—Tim Meredith

The Role of the Life Insurance Industry in Public Policy

Congress should look to the life insurance industry as a partner that promotes responsible financial decision-making. The industry hopes to work together with Congress and the administration on public policy solutions that encourage Americans to protect their financial and retirement security.

Smart public policy will help families plan for the long term and encourage financial solutions that result in greater self-reliance and less strain on government programs.

As new laws and regulations are considered, policymakers must not make it more difficult or expensive for families to build their own financial safety nets.

To help all Americans prepare for retirement, the life insurance industry is committed to working with policymakers to advance solutions that expand access to retirement savings vehicles and increase savings. Additionally, families need continued access to education and information from financial professionals that help them navigate their range of financial challenges over a lifetime.

About Us

The American Council of Life Insurers (ACLI) advocates on behalf of 280 member companies dedicated to providing products and services that promote consumers' financial and retirement security. 90 million American families depend on our members for life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, dental and vision and other supplemental benefits. ACLI represents member companies in state, federal and international forums for public policy that supports the industry marketplace and the families that rely on life insurers' products for peace of mind. ACLI members represent 95 percent of industry assets in the United States.

Contact

Federal Relations

Alane Dent Senior Vice President, (202) 624-2112; alanedent@acli.com

Kathleen Coulombe Vice President, Retirement Security, (202) 624-2445; kathleencoulombe@acli.com

Mo Goff Vice President, Tax, (202) 624-2013; mogoff@acli.com

Dianne Sullivan Vice President, Tax & Trade, (202) 624-2106; diannesullivan@acli.com

Nancy Perry Legislative Director, (202) 624-2421; nancyperry@acli.com

Anita Ryan Senior PAC Director, (202) 624-2035; anitaryan@acli.com

LaVette Johnson Executive Secretary, (202) 624-2141; lavettejohnson@acli.com

Ian Steger Senior Legislative Analyst, (202) 624-2444; iansteger@acli.com

Channing Ruff Legislative Analyst, (202) 624-2464; channingruff@acli.com



Financial Security...for Life.

American Council of Life Insurers

**101 Constitution Ave., NW, Suite 700
Washington, D.C. 20001**

acli.com