

Press Releases

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Press release - Insure.com examines 8 life insurance myths

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Understanding common [life insurance](#) myths can help steer your insurance decisions in the right direction.

“We want consumers to understand the life insurance process before, during and after they buy policies,” said Amy Danise, senior managing editor of Insure.com. “Misunderstandings can lead to bad financial decisions.” Below are some of the most common myths.

Myth #1: There’s a universal database of life insurance policies that I can use to find my relative’s policy number

This problem often starts with the insured person, who never fully divulges where the policy paperwork is kept. Beneficiaries can’t make a claim without knowing at least the name of the life insurance company. Unfortunately there is no company or agency that tracks all life insurance policies sold in the United States.

Myth #2: Anyone can take out a life insurance policy on you

Your friend, neighbor, sibling – even spouse – can’t [buy life insurance](#) on you without your knowledge. The application process usually requires a medical exam – or at least your signature on papers.

Myth #3: Life insurance companies look for ways to reject people

When we talk about buying life insurance, we often end up talking about medical conditions and other risks that can knock you out of the market. But life insurers do try to offer [life insurance quotes](#) to applicants with medical problems.

Myth #4: I have group life insurance through work so I'm all set

The life insurance you buy through work isn't portable. If you lose or leave your job, you'll be without life insurance. It's a much better plan to buy life insurance on your own.

Myth #5: A life insurance application rejection means you're uninsurable

A rejection from one company doesn't mean that others will do the same. It's important to keep looking.

Myth #6: My spouse is still young and can go back to work if I die

Assuming your surviving spouse will quickly find well-paying work isn't a good financial plan. Life insurance also allows you to provide college tuition and money for other large expenses if you're no longer around.

Myth #7: The government will take care of my family

Payments from government sources like Social Security are inadequate to provide financial stability in the event of your death.

Myth #8: You can't change your life insurance rate after you buy the policy

If your health has improved substantially since your policy purchase, you might wish you had waited to buy in order to get lower life insurance rates. But you can ask your insurer for a re-evaluation of your rate. And if your life insurance company won't lower your rate, you can still shop for a new policy at a better price and then drop your old one.

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