



Future-Proofing Your Family:

An Insurance Guide for New Parents

Table of Contents

Understanding insurance is beneficial for new parents. Choose the right provider to help protect your family and business. With our deep industry knowledge, we're here to help. Click below to learn more:

[Introduction](#)

[Your New Family's Financial Wellness](#)

[Why New Parents Should Consider Insurance](#)

[An Overview of Life and Disability Insurance](#)

[Life Insurance](#)

[Disability Insurance](#)

[New York Life, Trusted for over 175 Years](#)

[Group Insurance](#)

[Your Next Steps](#)



Introduction:

Welcoming New Beginnings

Welcoming a new baby is not only a joyous celebration of life but also an initiation into a significant financial journey. Entry into parenthood can bring with it some of the most challenging financial pressures you might face. With major expenses such as your home, transportation, food, and now childcare, as well as possibly being in the early stages of your career, the financial path may seem steep.

But remember, it's a marathon, not a sprint. It's essential to view this as the beginning of a long-term financial blueprint. True financial stability is sculpted over time, stemming from a blend of savings, investments, and insurance coverage. As you advance in your career and witness a growth in your income, you'll see your financial foundation strengthening too. So, as you celebrate this new chapter, take a moment to ensure you're laying a robust financial groundwork for your family's future.

¹ Just How Much Does It Cost To Raise a Child These Days? <https://www.parents.com/the-cost-of-raising-a-child-7503595>.

\$374,634

The average cost of raising a child in a middle-income household over 18 years.¹



Your New Family's Financial Wellness

Many parents can find it challenging to assess their overall financial wellness, possibly hindering their ability to understand their readiness for any life-altering moments. Understanding financial wellness can help lead to positive changes in spending behaviors and adopting more effective money management habits to achieve fiscal stability and freedom.

Maintaining sound financial health means having the capability to lead a fulfilling life within your means. It involves safeguarding what is most important, navigating smoothly through life-changing events, and retiring with dignity, all without the worry of exhausting your savings.

It's important to start with an assessment to better understand your financial health. Understanding your financial assessment may help set the foundation for where to turn for information and support.

- **Do you pay bills in full and on time?**
- **How are you managing debt?**
- **Are you building and using credit wisely?**
- **Are you maximizing your workplace benefits?**

Another important factor is considering how you might help protect what matters most to you.

- **How long could your household cover current expenses without borrowing?**
- **How confident are you that you have enough insurance for major life events?**
- **To what extent would your household be able to maintain its current lifestyle if you could no longer work?**

Answers to these questions may help to determine savings and protection needs, like emergency savings, life insurance, and disability insurance. You'll begin to have the tools to make more informed decisions to better protect your family's welfare in the event of unforeseen circumstances.





Why New Parents Should Consider Insurance: Laying Foundations for Your Family's Future

Prioritizing Your Family's Protection

Your journey to financial security begins by addressing the most significant risks. Ask yourself: What if an unforeseen event, like an illness, injury, or even death, were to happen to you or your spouse? These scenarios could severely impact your family's financial stability. This is where the importance of comprehensive insurance planning can help.

You're probably familiar with the essentials like auto, home, and health insurance. Yet, other key measures are important for securing your family's future. Life insurance, coupled with disability insurance, forms a core part of a robust financial plan. For many, the joy of welcoming a child often prompts the purchase or evaluation of life insurance. Similarly, considering disability insurance is valuable as it provides financial security in case of inability to work due to disability. You should consider when looking for insurance to explore your professional association or affinity group who often offer group insurance at reduced rates with member-specific features.

Insuring Both Parents

In today's world, with both parents often financially contributing and handling major expenses like mortgages, the importance of adequate insurance coverage for both is significant. This includes recognizing the invaluable role of a stay-at-home parent, whose contributions, if replaced, would incur significant expenses. Life and disability insurance are important, not just as bills, but as investments in your family's future. Disability insurance particularly safeguards against loss of income due to illness or injury, complementing life insurance in providing support in unforeseen circumstances.

Contemplate Insurance Independent of Your Employer

While many professionals secure coverage through their workplaces, exploring disability insurance can be advantageous. Notably, New York Life group insurance coverage offers portability. So, if career shifts or entrepreneurial ventures are in your future, this coverage can move with you.

Your expanding family deserves protection for every aspect of life.

Reassessing Income Protection

Welcoming a new member into your family is the opportune time to review your disability insurance. Such insurance can act as a safety net, covering a portion of your income if you're sidelined by illness or injury. Plus, disability insurance can cover more than accidents. Most disabilities are caused by sickness, so having a layer of protection against the unknown can put your growing family on solid footing.²

Contemplate the financial challenges if your regular income were to halt abruptly. Many firms provide foundational group disability insurance, either as an included benefit or for an additional fee. However, be cautious. Disability Insurance benefits you receive usually cannot exceed a percentage of your gross monthly earned income as set by state/federal guidelines.

It's important to consider life insurance alongside disability insurance. Life insurance helps to secure financial stability for your dependents after your passing, complementing disability insurance which helps to protect your income. Both are valuable to your comprehensive financial plan. Also, try to avoid relying solely on Social Security Disability, which might not suffice for your family's growing needs, making supplemental disability insurance a wise consideration.

² Disability Benefits Center, "What Are The Top 10 Conditions That Qualify For Disability?" <https://www.disabilitybenefitscenter.org/blog/top-10-disabilities>



A Quick Overview of Our Product Family

Ensure a balanced lifestyle and financial well-being for your growing family. Our suite of life and disability insurance products offer added security tailored to your unique needs as a new parent.



Life Insurance: Safeguarding Your Family's Future and Well-being

When families welcome a new child, their financial responsibilities grow immensely. At this delicate juncture, many lack a substantial safety net for unforeseen challenges. The loss of a primary earner during such a time can be devastating. That's precisely why new parents should consider life insurance — to ensure their family's well-being and help secure their future.

A few key reasons for considering life insurance through group coverage options:

100 million

Americans have no life insurance or not enough life insurance.³

1 in 4

would feel a financial impact in just one month after the unexpected loss of a loved one.⁴

50%

U.S. households believe they need more life insurance.⁵

Why Life Insurance Matters

As you embark on the journey of parenthood, life insurance stands as a steadfast protector for families navigating the uncertainties of life. While no financial safety net can mend the emotional impact of a loss, life insurance ensures that your family's daily needs and future aspirations remain covered. Moreover, with the death benefit typically being tax-free⁶, every cent goes directly to help support your family's future needs and dreams.

Cost of Life Insurance

The premium you pay for insurance depends on factors like your age, health, and the term you choose. Often, you can find the lowest rates when you are young and most likely in your best health. Waiting to purchase insurance can lead to higher costs or even denial of coverage if health issues arise.

Being a member of your association or affinity group offers an added benefit: insurance tailored specifically for its members. This means the benefits available through this insurance are exclusive to you as a member, with features and costs designed solely for the group's members.

³ Life insurance statistics and industry trends 2024 <https://www.usatoday.com/money/blueprint/life-insurance/life-insurance-statistics/1/24/24>.

⁴ "Interest in Life Insurance Stays Strong," Life Happens, March 2022.

⁵ LIMRA's Insurance Barometer Study, 2023.

⁶ Insurance coverage purchased with your own funds is generally not taxable under current tax regulations. You may wish to consult a personal Tax Advisor for further information.



Prioritizing Your Family's Protection

While it's impossible to precisely determine the financial needs of your loved ones should you pass away, there are three straightforward calculations to approximate that sum.⁷ Remember, experts often advise securing a slightly higher life insurance coverage than you might initially consider necessary.

Calculation 1:

A simple way to gauge your life insurance requirements is to multiply your pre-tax income by 10 to 15. Furthermore, factor in an additional \$100,000 for each child's projected college education costs.

Calculation 2:

To estimate your life insurance coverage needs, follow these steps:

Calculate Expenses: List all immediate, ongoing, and future costs your loved ones might face upon your passing, such as funeral costs, housing, and college fees.

Assess Financial Assets: Sum up your loved ones' current assets, including earnings, savings, investments, and existing insurance.

Find the Gap: Subtract assets from expenses to determine the insurance coverage you should target.

Getting Help

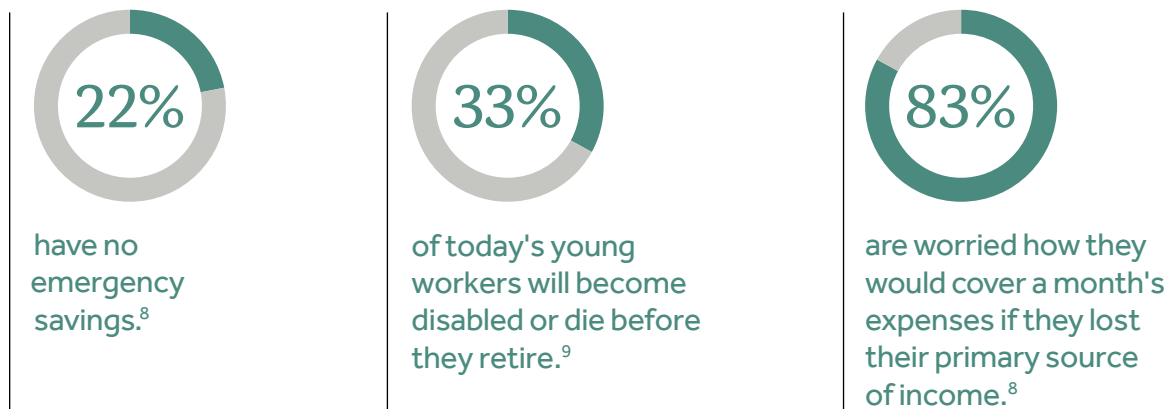
Consider chatting with a financial or insurance advisor to help you decide the best way to cover your expenses and keep your family's lifestyle steady both now and down the line. They can offer personalized advice and insights tailored to your unique situation, ensuring that your financial decisions are well-informed and beneficial for the long term.

⁷ Life Happens. "How Much Life Insurance Do I Need?" <https://lifehappens.org/life-insurance-101/how-much-life-insurance-do-i-need/>

Disability Insurance: Protecting Your Family's Finances Against Unexpected Losses

New parents often find that the delight and duties of child-rearing are accompanied by a unique set of financial challenges. Living paycheck to paycheck becomes even more challenging with a growing family. This makes disability insurance essential, ensuring that even in unexpected circumstances, your family's financial stability remains intact. It's more than just a safety net; it's peace of mind for today's working families.

A few key reasons for securing disability insurance through group coverage options:



Why Disability Insurance Matters

As you embrace the journey of parenthood, group disability insurance can be a valuable safeguard, providing financial stability by replacing your income if you're unable to work due to illness or injury. It ensures that you're covered, even for incidents that happen at home, which aren't covered by workers' compensation. Disability insurance offers portability, setting it apart from employer-provided disability plans. This means it remains with you through job changes. Its flexibility is another key advantage. Tailored for your group, this insurance allows customization to fit your lifestyle. Additionally, Riders or Provisions can serve as add-on benefits to enhance the coverage you receive.

Prioritize "Own Occupation" Disability Coverage

Ensure your disability coverage covers you if you are incapable from working in your own profession. This is different from "any occupation" coverage, which only kicks in if you're unfit for basic jobs, like being a store greeter. Also, think about benefit length. Short-term coverage is usual, but for lasting disabilities, aim for policies offering support over five years or more. Be mindful of tax implications too: benefits could be taxable if premiums are paid with pre-tax dollars.

Approximately

1 in 4

individuals entering their 20s today will face disability before reaching their retirement age.¹⁰

⁸ <https://www.bankrate.com/banking/savings/emergency-savings-report/> 1/24/24

⁹ <https://usafacts.org/data-projects/disability-benefit-process>, 12/12/23

¹⁰ Social Security Administration. "About Social Security Disability Benefits." Last Updated June 2023. <https://www.ssa.gov/benefits/disability/>

Helping Families in Good Times and Bad



With a history of over 175 years, New York Life has stood the test of time, through the Civil War, the Great Depression, and pandemics. We have received the highest ratings¹¹ for financial strength currently awarded to any U.S. life insurer, and our surplus has never been greater than it is right now.¹²

A++ Superior A.M. Best	AAA Exceptionally Strong Fitch	Aaa Exceptional Moody's	AA+ Very Strong Standard & Poor's
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Financially Strong. Singularly Focused.

New York Life is a mutual company. This means that unlike publicly traded companies, we don't have shareholders. Instead, we operate for the benefit of our current and future policy owners. Since mutuality means that we don't have to answer to Wall Street, our interests are aligned with those of our policy owners.

We have remained mutual for over 175 years because it gives us the power to put promises before profits and enables us to be singularly focused on the best interests of our policy owners. This means putting our permanence as an institution first, which has led us to avoid numerous risky business practices. We may forgo some short-term gains or miss out on momentary market wins, but in the long run, it's this adherence to what's tried, true, and tested that delivers for our policy owners, whenever they need us.

¹¹ Source: Individual Third-Party Ratings Reports as of 10/19/2023.

¹² Total surplus, which includes the AVR, is one of the key indicators of the company's long-term financial strength and stability and is presented on a consolidated basis of the company. NYLIC's statutory surplus was \$23.89 billion and \$24.57 billion at December 31, 2022 and 2021, respectively. Included in NYLIC's statutory surplus is NYLIAC's statutory surplus totaling \$8.54 billion and \$9.73 billion at December 31, 2022 and 2021, respectively, and LINA's statutory surplus of \$1.65 billion and \$1.67 billion at December 31, 2022 and 2021, respectively. AVR for NYLIC was \$4.23 billion and \$4.17 billion at December 31, 2022 and 2021, respectively. AVR for NYLIAC was \$1.89 billion and \$1.87 billion at December 31, 2022 and 2021, respectively. AVR for LINA was \$0.09 billion and \$0.08 billion at December 31, 2022 and 2021, respectively.



Group Insurance: How Your Association or Affinity Group Offers a Helping Hand

Your association or affinity group offers insurance at specially negotiated rates, exclusive to members like you. The insurance provided by your group can serve as your primary life and disability insurance or supplement any existing coverage you may already have. Discover why other members have taken advantage of this group insurance:

Access

It's usually easier to apply, and the underwriting criteria are often different than those for individual coverage.

Price Stability

Premiums are based on the experience of the group, resulting in more uniform, stable pricing.

Group Pricing

Group pricing can be less than it would be if group members applied individually.

Portability

Unlike employer-provided coverage, you can take this coverage with you if you switch jobs.



Next Steps

Navigating the complexities of insurance coverage can be daunting, even for the well-informed. Here are some steps you can take to help you:

1. **Call:** Contact your dedicated Insurance Specialist for a deeper exploration of the insurance options available.
2. **Visit:** Go online today to review details of coverage options and to apply.
3. **Apply:** Apply online or with the help of your Insurance Specialist. Start today!

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[Table of Contents](#) ►