The Benefits of Simplified Issue Term Life Insurance

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Simplified Issue Term life insurance is often called quick issue or guaranteed term life insurance. As the name suggests, the process of getting coverage is simplified. Instead of going through a lengthy process that requires applicants to under a medical exam, applying for simplified issue term life insurance only requires answering a few health and lifestyle questions. Who benefits from such policies? People who suffer from a chronic illness, obesity, work in high-risk occupations, or receive government assistance as well as those who would not qualify for traditional life insurance coverage. Some people just donâ€™t like diagnostic tests or are afraid of needles but still need life insurance coverage. Almost anyone can be eligible for simplified issue term life insurance!

Advantages of Simplified Issue Term Life Insurance

You donâ€™t need to go through a medical exam. However, there will be health and lifestyle questions that you need to answer honestly. Any dishonesty or discrepancy could lead to cancellation of your policy, or worse, if it is discovered after you die, your family may not receive death benefits from the life insurance company.

You donâ€™t have to wait long for your Simplified Issue Term Life Insuranceto be effective. Coverage begins in about two weeks from the date you apply provided premiums are paid.

Most people can easily qualify for Simplified Issue Term Life Insurance. In spite of the condition of your health or your lifestyle you can be eligible for this type of policy today.

In spite of premiums being more expensive than a traditional policy, Simplified Issue Term Life Insurance offers peace of mind to those who suffer from factors that would disqualify them from getting coverage. For those whose lives always hang in a balance because of ill health, or know that they would suffer the consequences of obesity or a chronic smoking habit, or because they face the risk of death everyday because of their occupation, this type of policy would secure financial stability for their families if they were to die.

The Disadvantages of Simplified Issue Term Life Insurance

There are a few drawbacks to Simplified Issue Term Life Insurance.

Policyholders have to pay higher premiums than a regular life insurance policy.

You can only buy limited coverage. Because there is no medical exam for underwriters to accurately assess the risk of insuring such an applicant, life insurance rates for these policies are more expensive and coverage is limited. The maximum coverage with most life insurance companies is up to $300,000.

Some companies do not guarantee coverage. They may refuse paying death benefits if the result is cheaper than paying out claims. Most companies will include a waiting period in the contract before full benefits can be availed. If the policyholder dies within the waiting period, the beneficiary may not receive the entire amount of death benefits. Youâ€™ll need to read your policy carefully before signing it.

Check out your chances for traditional life insurance policy

You should always try applying for regular life insurance first before applying for simplified issue

term life insurance. Donâ€™t assume that youâ€™ll be denied coverage. According to some statistics, mo than 90 percent of life insurance applicants get coverage.

Finding a traditional life insurance policy, in spite of high-risk factors, is possible if you shop around. There are life insurance companies that specialize in certain health conditions, high-risk occupations, and chronic smoking. You can easily locate these companies by using aggregator websites that offer free life insurance quotes. In fact, the more you shop the more you will be able to find the best life insurance rates for yourself. Donâ€™t get me wrong. Traditional life insurance policies may be expensive if you have a high-risk factor, but it is still cheaper than Simplified Issue Term life insurance!

Online life insurance quoting services will give you instant access to hundreds of life insurance companies and you can shop with all of them all at one time! They search their database for quotes from top-rated life insurance companies that specialize in your specific high-risk area. This will give you opportunity to compare quotes and ce the policy that best suits your needs.

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