

\$1 million of life insurance? It may not be as much as you think.

When it comes to life insurance, it's important to have the right amount to cover the expenses you expect, and some you don't. Here's a look at some of the many expenses that a typical American family may need to consider.

\$420,000

Housing costs over 20 years, based on a monthly payment of \$1,750.



\$156,000



Childcare costs over ten years.

Source: (Care.com, 2016 Cost of Childcare Survey: Based on average weekly costs of after-school sitter, au pair, child care center, family child care center, and nanny.)

How much it costs to send two children to **college** for four years.



\$184,000

Source: (College Board, 2016: Based on average of tuition for private, public (in-state) and public (out-of-state) universities for the 2016-2017 school year.)

\$10,000

Average cost of **final expenses**.



Source: (Parting.com)

Health insurance

premiums for a family, over 20 years.



\$245,000

Source: (Zane Benefits, 2017)

\$184,000

20 years' worth of **retirement savings**.



(Based on IRA contributions of \$5,500 per year for 20 years.)

\$82,000

The cost for one year of **nursing home care**.



Source: (Longtermcare.acl.gov, 2016:
Based on national average monthly cost of a semi-private room in a nursing home.)



The average amount of individual **student debt**.

\$37,000

Source: For a 2016 college graduate (US News, 2016)

Did you know?

15.4 years

The number of years a \$65,000 after-tax income would be replaced by a \$1 million of life insurance.



(After-tax income based on 2017 federal tax bracket of 25% applied to an income of \$86,600.)

\$554,000

The purchasing power of \$1 million in 20 years assuming

3% inflation.

Source: (Based on \$1M in 2017 subject to 3% inflation over 20 years.)

Talk to your New York Life Agent to create a personalized coverage plan that will take care of the people you love in the way they deserve.

Plan ahead.

What are the financial responsibilities ahead of you? Let's make sure you're prepared to take care of them.

Some common expenses include housing, childcare, college tuition, student debt, healthcare, retirement, and long-term care.

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AR09483.032018 SMRU1757247 (Exp. 02.14.2020)