

What are the differences between Term Life and Permanent Life Insurance?

There are many things to consider when enrolling in life insurance, here are key items to consider:

	Mass Mutual Group Whole Life Insurance	Traditional Group Term Life Insurance
 Overall value	More than just a death benefit – includes several guarantees and living benefits	Typically limited to just a death benefit
 Premiums	- Guaranteed level premium for a lifetime - Higher short-term cost for greater long-term value	Level premium generally limited to term and may increase upon renewal
 Death benefit	- Permanent and non-expiring while premiums are paid - May use dividend option to increase death benefit at no additional cost*	- Coverage expires at end of term - Death benefit may reduce at older ages
 Cash value	- Guaranteed cash value for a lifetime - Increases over time - Not affected by market changes	Does not typically produce any cash value
 Chronic Care Benefit	- Automatically included - Provides portion of death benefit if insured has a qualified chronic illness***	Generally not available
 Dividends	Though not guaranteed, certificate owners can receive dividends as cash, increased death benefit, or reduction of future premiums**	Not eligible for dividends in any form
 Continuation of coverage	Permanent coverage regardless of change in employment or retirement, although out-of-pocket premium may increase if employer payment of premiums ends	- Coverage may not continue when employment ends or at retirement - Can sometimes be continued at a higher cost

* Dividends are not guaranteed. The certificate is eligible to earn dividends beginning on the second anniversary.

** Only available after porting.

*** When using the Chronic Care Benefit, an acceleration of the death benefit will reduce the certificate's death benefit, any cash value and any loan values. The certificate's premium payments will be based on the reduced amount of insurance at the current rate. There is no premium required for this benefit, however, there is a fee (referred to as an actuarial discount in the endorsement) if the provision is exercised.

Contact us to learn more:

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