

How to File a Life Insurance Claim

Following the death of an insured loved one, it is important to file a life insurance claim in a timely manner. There is paperwork involved, and the process may seem burdensome at such a difficult time.

However, beneficiaries must file the necessary paperwork in order to receive their funds, comply with the law and meet tax rules. When faced with this process, it is important to know what to do and have a checklist. This will help beneficiaries make sure they are doing everything necessary to complete the process efficiently.

Contact us

The first step in filing a claim includes a call to the life insurance agent. Ask what paperwork is required. If a loved one's policy was part of a workplace benefits package, it is also necessary to contact the deceased's previous employer to obtain information about any specific steps to take.

Find all the policies

When filing claims, some people may not know what types of insurance a loved one carried. Credit card companies offer special life insurance policies, so check with the deceased's card sponsors for existing coverage.

Group life insurance policies are sponsored by employers. Some private financial institutions also offer a variety of life insurance policies. It is important to obtain data about all of these and understand the differences between the various types of coverage.

To find these policies, review the deceased's credit card records, bank statements and employment records. Also, it is helpful to check files or folders with stored information.

Additional provisions

Some additional specialized types of life coverage a person may carry include mortgage life insurance, travel life insurance, credit life insurance and accidental death coverage.

Each type comes with its own benefits and fine print, which must be reviewed carefully. In many cases, part or all of remaining account balances may be covered.

If any of these types of insurance may be relevant to the deceased and cannot be found, contact lenders to ask about death benefits before filing a claim.

Organize the paperwork

Contact the funeral director handling the final arrangements to obtain a certified copy of the death certificate. If the deceased was a spouse, a copy of the marriage certificate will be helpful to include.

Any relevant loan paperwork, employee insurance information or credit card statements are also helpful. Make sure the death certificate that is submitted is a certified copy and not a photocopy.

A proof of death form must also be submitted. To obtain this form, contact us if you bought the policy with our help.

Choosing a benefit disbursement plan

With most policies, the benefits can be distributed in four ways:

Lump sum – The entire benefit amount is provided in a single payment.

Specific income provision – The insurer pays the beneficiary both the interest and principal using a set schedule of payments.

Interest income option – The life insurance carrier holds the proceeds and pays the beneficiary interest on the sum. The entire benefit amount remains the same and is disbursed to a secondary beneficiary upon the death of the initial beneficiary.

Life income option – With this option, the beneficiary receives a set income for life. The amount depends on the benefit sum, the beneficiary's age and the beneficiary's gender at the time of the policyholder's death.

Processing the claim

After the claim has been submitted, processing usually takes about one week. Insurance companies must analyze the claim, confirm the policy and ensure requirements are met. If requirements have not been met, the process will take longer. During the delay, additional information will be collected.

For answers to any questions regarding claims, please give us a call.

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