

Is One Life Insurance Policy Enough?



Military members are automatically enrolled in Servicemembers' Group Life Insurance (SGLI) when they join the military, for up to \$400,000 of coverage. Those with dependents will receive Family SGLI coverage (up to \$100,000 for a spouse and \$10,000 per child) as well. Many civilian employers offer group life insurance coverage in the amount of one to two times an individual's salary. For individuals without financial liabilities or dependents, this coverage may be plenty. For others, especially when their paychecks support more than just themselves, additional coverage may be needed.

Several situations may indicate a need for multiple life insurance policies:

You want a specific rider.

Insurance riders are add-on features that allow you to customize your insurance policy. They may allow you to add coverage for a dependent child, renew your policy without undergoing a medical exam, or access your death benefit if you develop a need for long-term care. Not all riders are offered by all companies, though.

For instance, you cannot add an accelerated death benefit rider to an SGLI policy. If you wanted a life insurance policy in which the death benefit could also be accessed if you needed to pay for costs associated with long-term care, you would need to shop around for an additional policy that offers your desired feature.

Note that owning multiple policies can also ensure that your beneficiaries receive a death benefit even if you need to take advantage of a rider. Using the long-term care example, you would use the death benefit of your policy with the rider to pay for costs while still living, but your beneficiaries would receive the payout from any other policies upon your passing.

You want coverage outside of your employer.



Whether you are in the military or working for a civilian employer, group life insurance coverage generally doesn't carry over when you leave your position. Purchasing an individual life insurance policy outside of an employer-provided group policy ensures that you maintain some level of protection when you retire, quit, or otherwise leave the company.

You may also need *more* insurance than what is offered by your employer. While SGLI may provide enough coverage to protect some of the needs of your family, it may not fulfill all of the needs you have earmarked for the death benefit (e.g., paying off a mortgage, setting money aside for higher education for your children, and providing income replacement for your spouse). A civilian employer-provided policy may have an even lower coverage cap than SGLI – and therefore you would need a larger individual policy to make up for it.

Read more: [Why You Need Life Insurance Beyond SGLI](#)

Use our [Life Insurance Needs Calculator](#) to estimate how much coverage you need to provide the level of financial protection you want for your loved ones.

You want to use insurance to protect a particular need.

For planning purposes, it may be useful to purchase multiple insurance policies and designate the death benefit of each for a specific need. For example, a small, five-year term policy may be useful if you pass away while paying off your vehicle; a large, 20-year term policy could protect your family financially while your children are young; and a 30-year term policy in an amount equivalent to your home's purchase price would protect your family for the life of a mortgage. A permanent policy could provide income replacement to help your family maintain their standard of living regardless of when you pass away or be used to reduce the burden of finalizing your estate.

Thinking about your needs in terms of specific life events can help you determine the amounts and lengths of coverage that are right for you. Learn more [here](#).

You want more coverage than is offered.

Most people buy life insurance to replace their income should they pass away during their working years. Depending on how prematurely that happens, the coverage amount could be high. For example, someone who earns \$75,000 annually may want over \$1 million in coverage to protect their family in the event that they pass away 15 years before they would have retired. If one of their family members has special needs or requires frequent medical care, they may wish to apply for even more.

SGLI offers only up to \$400,000 in coverage. If your family's needs are higher, you may want to purchase additional coverage outside of the military. At Navy Mutual, our [Level II Plus Term](#) product offers coverage up to \$1.5 million and our [Flex Term](#) product offers up to \$1 million in coverage.

Life insurance seems complicated, but our representatives can make it simple. If you need help determining what products would best fit your needs, you can call us at **800-628-6011** or [schedule an appointment](#) at your convenience.