FOR YOUR INFORMATION

State regulators estimate that over the decades, life insurers have failed to pay well over $1 billion in death benefits to beneficiaries because standard language in a life insurance policy makes it clear that it is up to the beneficiaries to notify the insurer and file a claim when an insured person has died.*

Standard Insurance Companies Practices:

- Death benefit is triggered only when beneficiary makes a claim.
- Absent a claim, insurer commonly can keep policy on books until the insured person would be at least 95.
- Insurer then tries to contact policy owner, and if it cannot, sends the policy and death benefit plus any required interest to a state unclaimed property department following "dormancy period" of typically one to five years.
- States make efforts to locate owners, including website posts, in California the unclaimed property search website is http://scoweb.sco.ca.gov/UCP/
- State can use policy proceeds as they await claims.

A properly planned notification system can help to make sure your family and love ones receive the benefits you intended for them.

* The Wall Street Journal – Mon, Aug 13, 2012 "Life Insurers Pressed on Lost Policies", Leslie Scism