

Insurance Beneficiaries and Unclaimed Property

Life Insurance Industry Investigation

With the April 17, 2016 broadcast by *60 Minutes* of the Life Insurance Industry Investigation, <http://www.cbsnews.com/news/insurance-industry-under-investigation/> clients may be ready for your help in seeing that their life insurance policies have up-to-date beneficiary information, and assuring that if, and when, a policy claim can be paid out, it gets all the way to the hands of the intended beneficiary and not just as far as their state's unclaimed property account.

Here are some ideas for addressing any concerns raised as a result of the insurance company audits, as well as ways to reassure clients that your familiarity with their policies and with their beneficiaries can help prevent this from happening to them, or to their loved ones.

- 1) If you are not the agent of record, help your client contact the insurance company that issued the policy to update any missing beneficiary data.
- 2) Request that you hold copies of insurance policy records at your office.
- 3) Conduct an annual policy review with your client that includes updates to beneficiary contact information.
- 4) If desired, help clients with drafting a letter to their loved ones that tells each beneficiary about the policy and who to contact in the event of death.
- 5) Check the respective state's website under "**unclaimed property**" for any delayed life insurance beneficiary payouts made by the insurance companies listed in the above report.

Create a Client Campaign or Advisory Group Discussion

Consider using a campaign to research **unclaimed property** records for your clients as an extension of the services you offer, or, include a discussion on **unclaimed property** on the agenda for an upcoming **Client Advisory Group** meeting. Some state records can be located through: <http://www.missingmoney.com/> in addition to finding a list on your state's website page.

Examples of unclaimed property:

- Bank accounts and safe deposit box contents
- Stocks, mutual funds, bonds and dividends
- Uncashed checks tax returns and wages
- Insurance policies, CD's, trust funds
- Utility deposit accounts
- Escrow accounts

Situations that may create unclaimed assets include:

- Former spouses
- Divorced parents
- Birth parents of adopted children
- Estate settlements from estranged family members and relatives