Single Mom Life Insurance

FREE WORKSHEET

One Paycheck Coverage Worksheet for Single Moms

Nine lines that turn your monthly bills into a starting amount

This worksheet shows the arithmetic behind a coverage amount. Fill in the lines in order, use pencil, and round freely. The goal is a starting number you understand well enough to defend, not a perfect one. A licensed agent can turn it into a real price.

Step 1: Fill in the lines

Line	What to enter	Where to find it
A	Monthly household cost: rent or mortgage, food, childcare, transport, school, phone, extras	Last three months of bank and card statements
B	Years your kids need you, until the youngest is on their own	Your youngest child's age subtracted from the age you choose
C	Debts to clear, not counting a mortgage you will keep paying	Statements for cards, car, student and personal loans
D	Mortgage balance, if you want your kids to keep the home	Your latest mortgage statement
E	Funeral and final bills	Ask one funeral home for its price list
F	Savings your kids could use quickly	Bank balances, not retirement accounts
G	Life insurance you already own, counting only what you will keep	Policy statements; work cover may end if you leave
H	Monthly Social Security estimate for your kids (optional)	Your Social Security statement, then see Step 3

General education, not insurance, legal or tax advice. Figures are examples unless a source is named. Prices and rules vary by state and insurer.

A Monthly household cost

B Years kids need you

C Debts

D Mortgage

E Funeral and final bills

F Savings

G Cover you own

H Social Security per month

Step 2: Do the arithmetic

1. Multiply A by 12, then by B. This is the cost of the years. Write it as J.
2. Add C, D and E to J.
3. Subtract F and G.
4. The result is a starting amount before Social Security.

(A x 12 x B) + C + D + E - F - G

Starting amount
Round to the nearest $50,000

Worked example, with made up numbers: A is $4,200, B is 12, C is $8,000, D is $0, E is $9,000, F is $15,000 and G is $50,000. The years cost $604,800. Add $17,000 and subtract $65,000. The starting amount is $556,800, about $550,000.

Step 3: Check what Social Security may pay

The Social Security Administration says a child generally gets 75% of the worker's basic benefit amount, and a family gets at most 150% to 180% of it. Enter your estimated benefit on line H, multiply by 0.75 for each child, and stop at 1.5 times your benefit as the lower limit.

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Subtract H x 12 x B from the starting amount to see the amount if you count Social Security. Benefits end at 18, or 19 in high school, so many moms keep line H out of the final number.

Step 4: Questions to ask an agent

- [ ] What does this amount cost for a 10, 20 and 30 year term?
- [ ] What does half of it cost, and what does one and a half times it cost?
- [ ] Is the term renewable, and what would the price be at the end?
- [ ] Can the policy be converted to permanent cover, and until when?
- [ ] Which insurers are you comparing, and what is the exam or no exam path?

Sources

- NAIC: Life insurance buyer's guide (PDF)
  content.naic.org/sites/default/files/publication-lig-lp-consumer-life.pdf
- Social Security Administration: Survivors Benefits booklet
  www.ssa.gov/pubs/EN-05-10084.pdf

Prefer to type it? Use the coverage calculator at singlemomlifeinsurance.com/tools.

singlemomlifeinsurance.com/quote or call (888) 635-3511

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