

## Life Settlements -- a More Valuable Option Than Ever, Says Life Insurance Settlement Association

by Life Insurance Settlement Asso

A Major American Insurer often runs ads that talk about how rapidly life can change. The Life Insurance Settlement Association, the voice of the industry, has always been aware of this fact. This is part of the reason it has so vigorously resisted efforts by insurers and some regulators to constrain consumer rights for a fixed period in the settlement market based on "indicative circumstances" rather than facts. With change, more consumers than ever may find themselves seeking a life settlement. Economic life for many consumers changed radically last week and life settlements are an option worth reviewing as many American families adjust plans. Life settlement growth in the last year has been as steady as in previous years of this decade and the fact of that growth has brought hundreds of millions of dollars of benefit to consumers. Today, the life settlement industry continues to mature and change as more information and understanding comes to light. More consumers than ever have recognized their property rights in insurance policies which have been a secured Law for over 100 years. These same consumers want to take advantage of the settlement option for their own reasons or because of changes in the economy. In today's market the settlement offer may mean that a policy owner is able to retain other, more cherished, assets. This may especially be the case if policy maintenance costs have become unsustainable due to adverse changes in circumstances. Commenting on the recent changes in the financial markets, LISA Executive Director Doug Head said, "Consumers are, in these difficult times, frequently faced with significant challenges in planning. Perhaps they have been over-sold on insurance or had expectations of greater assets that now seem realistic. A life settlement is both logical and appropriate for some consumers and represents a value judgment which is entirely appropriate for others. In any case, the settlement option is more valuable than ever." Mr. Head also noted that information on many state websites is out of date with changing law and public policy, inaccurately portrays the nature of the settlement market, or simply focuses on risk, rather than the potential of the settlement market for consumers who have radically changed circumstances. He urged that the National Association of Insurance Commissioners review their Settlement Model Acts and Regulations to make them timely and consistent, while recognizing that changing economic circumstances have not been fully considered in the models. "Unfortunately, the NAIC Model is just not friendly to consumers," explained Mr. Head. He added that the odd use of the 1990s term "Viatical Settlement," to deal with a market which is so radically different, had prevented many consumers from realizing that they can frequently obtain good offers for unwanted or unneeded policies while not suffering from great illness. Seniors with policies can obtain more information by visiting the LISA website and reviewing LISA's informational brochure titled: "The Basics of Life Settlements - An Educational Guide for Consumers." Established in 1994, the Life Insurance Settlement Association is the oldest and largest trade organization in the industry. Its goal is to promote the development, integrity, and reputation of the life settlement industry, and to promote a competitive market for the people it serves. LISA now represents over 180 members with a wide variety of interests in the industry. For more about the Association, visit [www.lisassociation.org](http://www.lisassociation.org). Contact: Doug Head, LISA Executive Director, PH: 407-894-3797-----SOURCE:

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