

Using auto-fill to project future premiums, CSVs, and death benefits

Insurance is a fundamental aspect of a client's financial plan. Depending on the features and type of policy entered, *NaviPlan Standard* will index the cash surrender value (CSV), death benefit, and premium of a life insurance policy for you. This feature allows for the calculation of inflation or investment growth within the policy, which in turn allows for more precise future planning.

Procedure

1. To use this feature, first click the *Insurance* category. You must select the **If Client dies and Co-client survives** check box to be able to use the *Coverage Owned* button. Click the **Coverage Owned** button and insert a policy.

Proposed Plan (2005) Settings

Life Insurance | Disability Insurance | Critical Illness Insurance

Justin | Kathryn | Justin and Kathryn

If Justin dies and Kathryn survives Method: Goal and Expense Coverage

Percentage of Retirement: 90% Assume surplus is spent:

Goal to cover* Additional Annual Expenses: \$32,000

Pct. of expenses to cover*: 95% Additional Annual Income: \$0

* these values are the same for both the client and the spouse.

Lump Sum Needs: \$35,000 Cover Major Purchases: Paydown outstanding loans:

Survivor Retirement Date (Age / Start of Year): 59 / 2021

Proceeds earn: 5.000% Asset Availability:

Life Insurance Required: \$2,169,000

Coverage Already Owned: \$558,200 Coverage Owned:

Add'l Insurance Required = \$1,610,800 Premium/\$1000: \$0.0000

Estimated Premium: \$0.00

Note: changing these values may change the required savings for your other goals.

<< Back Next >> Cancel OK

2. A new dialog box will prompt you for the details of the policy. Within this dialog box click the **Edit Future Premiums** button. Another dialog box appears that allows you to specify the amount by which you would like to index the premiums.

Life Insurance Policy Details

General Information

Name: Life Insurance Premium Payer: Justin

Type: Universal Life Insured(s): Justin

Effective Date: Jan 1 2005 Policy Owner: Justin

Beneficiary: Kathryn

Premiums

Payment Frequency: Annual Premiums cease at (Age/Date): 59 Dec 1 2021

Modal Premium: \$400.00

Annual Premium: \$400.00

Adjusted Cost Base Before 2005: \$0.00

Disability Waiver Included

Edit Future Premiums...

Death Benefit and CSV's

Death Benefit: \$100,000.00 Death Benefit(s) payable when Coverage Ceases

Current CSV: \$0.00 CSV Payable with Death Benefit

Coverage ceases at (Age/Date): 59 Dec 1 2021 **Edit Future Death Benefits & CSV's...**

Policy Surrender

Surrender Date: Never CSV: \$0.00 Calculated

Cancel OK

3. Once you add the rate for indexing, click the **Fill Values** button and the premiums will be updated to the indexed values. Scroll through the years to see the indexed premium owed per year.

Future Life Insurance Premiums

Age	Year	Annual Premium
42	2005	\$400.00
43	2006	\$412.00
44	2007	\$424.36
45	2008	\$437.09
46	2009	\$450.20
47	2010	\$463.71
48	2011	\$477.62
49	2012	\$491.95
50	2013	\$506.71
51	2014	\$521.91
52	2015	\$537.57
53	2016	\$553.69
54	2017	\$570.30
55	2018	\$587.41
56	2019	\$605.04
57	2020	\$623.19
58	2021	\$641.88

Use this dialog to enter the future premiums for your life insurance policy. You can enter the values manually in the table, or use the Auto-fill section to populate the entire table quickly.

Auto-fill

Fill values every 1 years.

Index values at 3.00%

Index rate by 0.00%

Index values every 1 years.

Fill Values

Cancel OK

It is reasonable to index the premium to the plan because it is coming from cash flow as an expense and therefore the buying power of the premiums will change as inflation changes. You may opt to have additional indexing to the base rate by using the *Index rate by* field. Doing so will allow you to have incremental increases to the values that have already been indexed.

The cash surrender value and death benefits can also be indexed in the same manner by selecting **Edit Future Death Benefits & CSVs** from the *General Information* dialog box for the insurance policy, and following the same steps outlined above.

Life Insurance Policy Details

General Information

Name: Life Insurance Premium Payer: Justin
 Type: Universal Life Insured(s): Justin
 Effective Date: Jan 1 2005 Policy Owner: Justin
 Beneficiary: Kathryn

Premiums

Payment Frequency: Annual Premiums cease at (Age/Date): 59 Dec 1 2021
 Modal Premium: \$400.00
 Annual Premium: \$400.00 Disability Waiver Included
 Adjusted Cost Base Before 2005: \$0.00 [Edit Future Premiums...](#)

Death Benefit and CSV's

Death Benefit: \$100,000.00 Death Benefit(s) payable when Coverage Ceases
 Current CSV: \$0.00 CSV Payable with Death Benefit
 Coverage ceases at (Age/Date): 59 Dec 1 2021 [Edit Future Death Benefits & CSV's...](#)

Policy Surrender

Surrender Date: Never CSV: \$0.00 Calculated Cancel
OK