

A Wise Decision

By Sarah Watts

A father's commitment to protecting his family gives them financial security when he's gone.

In June 2016, Danielle Witwer's life changed forever: After a long battle with pancreatic cancer, her husband, Mike, died at age 44. Heartbroken, Danielle and her two daughters, who live in Medina, Ohio, had to figure out how to live without the gregarious, math-minded engineer they adored.

But thanks to Mike's careful financial planning, one thing Danielle didn't have to figure out was how to pay the bills. Life insurance, which Mike and Danielle had purchased in their late 20s, covered his burial expenses and would provide enough income for the family for years to come.

"Mike purchased this big contract, and at the time I thought it sounded nuts," Danielle says. "You don't think anything like this will ever happen—but then it does. Now I'm like, thank the Lord he prepared for this."

Danielle and Mike were raised in financially conscious households, and both sets of parents had taken out life



Angela (left), Danielle and Bethany Witwer

insurance contracts on their children. These would cover burial and other expenses if their children were to die. When Danielle and Mike welcomed their first daughter, Bethany, and then Angela four years later, buying juvenile life insurance for each of them just seemed like responsible parenting, Danielle says.

But Mike went above and beyond to protect his family.

HOW MUCH DO I NEED?

For help determining how much life insurance coverage your family should get, see "Mind the Gap" on page 20.

PHOTOS BY MICHAEL MCELROY



Thrivent Financial professional Stephanie McCarty (right) helped the Witwer family after Mike Witwer's death.

AVOID THIS TRAP

Relying solely on Social Security after a spouse's death is a mistake Stephanie McCarty, a Thrivent Financial professional from Copley, Ohio, sees people make far too often. "A lot of people say to me, well, I'll just get Social Security if my husband dies. The answer to this is maybe you will, but if you do, it might not be enough. If you have a career and make the choice to keep working, you may not qualify for that survivor benefit from Social Security because of income limits."

When a spouse dies and leaves behind minor children, the surviving spouse may be eligible for Social Security benefits. But McCarty warns surviving spouses not to rely on that for future expenses. "There's something called a 'widow(er) blackout period' where once the youngest child turns 16, the surviving spouse is cut off from Social Security survivor benefits until they turn 60," McCarty says. "I encourage family members to get their own life insurance contract so that it continues to pay out."

"Mike was a big planner and on top of everything financially," says Stephanie McCarty, a Thrivent Financial professional from Copley, Ohio. "He would come into my office on his way to work, and we'd go over his finances on a quarterly basis," McCarty says. During these quarterly talks, Mike decided to purchase a life insurance contract to support his family if he died prematurely. With this coverage, his family would be able to stay in their house, pay for the girls' college education and maintain their same standard of living.

“It's a relief to know that my girls are taken care of.”

—Thrivent member Danielle Witwer

Insurance Helps Give Comfort and Security

"When Mike got his diagnosis, we were all devastated," McCarty says. "But the fact that he had done all the right things financially was such a relief."

Purchasing an inadequate contract—or not purchasing life insurance at all—could leave families in financial ruin, McCarty says. "A lot of people think, Oh, I've got a million bucks in my 401(k); my spouse will be fine. But that

money is for retirement, and your spouse could have 50 years left to live. What about today?"

There aren't hard-and-fast rules for how much life insurance a family should purchase. "You have to consider everyone's circumstances individually," McCarty says. "Will one spouse decide to keep working? Will you want a fully funded education for your child? There's a lot to consider. Owning enough life insurance provides you choices and options at a difficult time."

Today, Danielle continues to work as a music teacher and raise her two daughters, now 14 and 18. Life insurance has afforded them a comfortable life and a secure future. But the comfort it brings is the biggest benefit,

Danielle says.

"There's nothing that can replace a father," she says. "But it's a relief to know that my girls are taken care of." ■

Sarah Watts is a freelance writer and content strategist based in the Chicago suburbs.

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