
NAIC Expanded Life Situations Survey

**A Survey Research Project Prepared for:
National Association of Insurance Commissioners**

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**National Association *of*
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Executive Summary

Custom consumer research was conducted on behalf of the NAIC to ascertain the auto, home, health and life insurance needs of American consumers in four specific life situations. The four life situation segments surveyed included: domestic partners, and single and divorced parents, grandparents raising grandchildren and members of the military.

By using specialized lists of consumers, 838 telephone surveys were completed. Samples were randomly generated via computer and a minimum of 200 interviews were completed with each of the four life situations. Actual sample sizes were as follows:

<u>Life Situation Segment</u>	<u>Sample Size (#)</u>
Domestic partner.....	210
Grandparents raising grandchildren.....	200
Members of the military.....	205
Single and divorced parents.....	223
Total.....	838

The research highlights for each life situation are presented in the following report.

Domestic Partners

I BACKGROUND

This report highlights the findings from a national telephone survey among domestic partners, conducted by Roslow Research Group in March 2008. Designed to provide information regarding the (auto, health, homeowner and life) insurance characteristics of this segment, the research was conducted on behalf of the National Association of Insurance Commissioners (NAIC).

A total of 210 interviews were completed with a national sample of domestic partners. Eligible respondents had to be in a domestic partnership; defined as “either an opposite sex or same sex couple in a committed relationship – similar to a marriage – but without an official marriage license.” The sample was randomly drawn from a national sample of listed telephone numbers. Once eligibility of the respondent was verified (i.e., that it was, indeed, an individual in a domestic partnership), the specific interview questions were administered. A copy of the questionnaire is included in the appendix of this report.

Survey dates were March 5 – 24.

II SPECIAL NOTES

Maximum error ranges for the results shown in the tables (at a 90% confidence level) are as follows:

<u>Sample Size</u>	<u>Maximum error range</u>
210 (Total)	+/- 5.7 points
173 (# with auto insurance)	+/- 6.3 points
122 (# with auto insurance who share one or more vehicles with the partner).....	+/- 7.4 points
79 (# who have shared driving of rental vehicles with the partner).....	+/- 9.3 points
153 (# with homeowners or renters insurance)	+/- 6.6 points
168 (# with health/medical insurance)	+/- 6.3 points
91 (# with life insurance policies that list the partner as beneficiary)	+/- 8.6 points

III HIGHLIGHTS

- Forty-nine percent of domestic partners have formal documentation of the domestic partnership, such as a domestic partnership affidavit or a copy of a homeowners policy listing both names. Forty-seven percent of the domestic partners in the survey acknowledge that they do not have such documentation, and 4% were unsure if they have such documentation.
- Eighty-two percent have auto insurance. And among those with auto insurance, 71% share one or more vehicles with their partner. Two-thirds of those who share vehicles with their partner affirm that both partners are listed on the auto insurance policy.
- Seventy-three percent have homeowners or renters insurance, and 59% of those with insurance have both partners listed on the homeowners/ renters policy.
- Among domestic partners, 80% have health insurance coverage. Forty-seven percent have health insurance plans that allow covering the partner; 44% have plans that do not allow such coverage, and 9% are unsure if their plans allow coverage of domestic partners.
- When asked about healthcare proxies, 43% have arranged for such a proxy (designating each partner as able to make medical decisions for the other). Forty-nine percent do not have a healthcare proxy, and 8% aren't sure or don't know.
- Forty-three percent have life insurance policies that name the partner as beneficiary. For 21% of those with such policies, the policy is owned by a trust.

Single & Divorced Parents

I BACKGROUND

This report highlights the findings from a national telephone survey among single and divorced parents, conducted by Roslow Research Group in March 2008. Designed to provide information regarding the (auto, health, home-owner and life) insurance characteristics of this segment, the research was conducted on behalf of the National Association of Insurance Commissioners (NAIC).

A total of 223 interviews were completed with a national sample of single and divorced parents. The sample was computer generated and randomly drawn from directories/lists (with phone numbers) of households where the resident(s) were single and where the households included one or more children. Once eligibility of the respondent was verified (i.e., that it was, indeed, a single parent or divorced parent raising one or more children), the specific interview questions were administered. A copy of the questionnaire is included in the appendix of this report.

Survey dates were March 5 – 24.

II SPECIAL NOTES

Maximum error ranges for the results shown in the tables (at a 90% confidence level) are as follows:

<u>Sample Size</u>	<u>Maximum error range</u>
223 (Total)	+/- 5.5 points
153 (# with auto insurance)	+/- 6.6 points
121 (# who are homeowners)	+/- 7.5 points
111 (# with homeowners insurance)	+/- 7.8 points
155 (# with health/medical insurance)	+/- 6.6 points
183 (# whose children have health/medical insurance)	+/- 6.1 points
82 (# with life insurance that has a child as beneficiary)	+/- 9.1 points
53 (# whose child is beneficiary of someone else's life insurance)	+/- 11.3 points

III HIGHLIGHTS

- Just under 70% of the single parents had auto insurance, and 88% were the sole owners of the auto insurance policy (i.e., the respondent was the only person listed as policyholder).
- Fifty-four percent owned their residence, and just over three-quarters of the homeowners were the sole owner of the residence. Twenty-two percent share ownership of their residence.
- Ninety-two percent of the homeowners had homeowners insurance. Most of the balance didn't know or weren't sure if they had such insurance. And among those with homeowners insurance, 81% were the sole policyholders listed on their policy. Of the balance (of 19%), over half had their children listed as policyholders, and approximately one-fifth (or 4% of total respondents) had their former partner or ex-spouse listed.
- Among the children of these single parents, 82% had health insurance. Fifteen percent of the children did not have coverage, with the balance (of 3%) not sure if their children were covered.
- As for who's policy the child was covered by, for 48% it was via the parent's plan, for 25% it was via the child's own plan, for 11% it was via the child's grandparent's or great grandparent's plan, and for 9% it was via the ex-spouse or ex-partner of the parent.
- Thirty-seven percent of the single parents had life insurance listing their child(ren) as beneficiary. The vast majority (70%) had the child listed directly as beneficiary, while another 16% had policies that named a trustee to act as a beneficiary for the child (with the balance of 15% not sure if the child was listed directly or not).
- Those respondents with policies naming their child(ren) as beneficiary were asked if the information in the policy (such as beneficiaries, current address and other details) was up-to-date. Over 90% were confident that the information was, indeed, current.
- Just under one-quarter of these single parents had children who were listed as beneficiaries on someone else's life insurance. Two-thirds were confident that these policies were up-to-date in terms of details. Eight percent said that these details were not up-to-date, and 25% didn't know or weren't sure.

Grandparents Raising Grandchildren

I BACKGROUND

This report highlights the findings from a national telephone survey among grandparents raising grandchildren, conducted by Roslow Research Group in March 2008. Designed to provide information regarding the (auto, health, homeowners and life) insurance characteristics of this segment, the research was conducted on behalf of the National Association of Insurance Commissioners (NAIC).

A total of 200 interviews were completed with a national sample of grandparents raising grandchildren. The sample was computer-generated and randomly drawn from directories/lists (with phone numbers) of households with grandparents and households with children. Once eligibility of the respondent was verified (i.e., that it was, indeed, a grandparent raising a grandchild), the specific interview questions were administered. A copy of the questionnaire is included in the appendix of this report.

Survey dates were March 5 – 24.

II SPECIAL NOTES

Maximum error ranges for the results shown in the tables (at a 90% confidence level) are as follows:

<u>Sample Size</u>	<u>Maximum error range</u>
200 (Total)	+/- 5.8 points
168 (# with auto insurance)	+/- 6.3 points
42 (# with grandchildren who had drivers licenses)	+/- 12.7 points
180 (# with homeowners or renters insurance) ...	+/- 6.1 points
171 (# with health/medical insurance)	+/- 6.3 points
57 (# with life insurance that had a grandchild as beneficiary)	+/- 10.9 points

III HIGHLIGHTS

- There are a number of benefits to having legal proof of the grandparent's role as raising grandchildren. Documents such as court guardianship papers or adoption papers are examples of such proof. Among these grandparents, a majority (52%) did not have such documentation ...plus another 5% who did not know if they had such documentation.
- Once a grandchild has a driver's license, it's important to ensure that the grandchild is named as a secondary driver on the grandparent's auto insurance policy. Only 38% of those grandparents whose grandchildren had licenses had arranged to add the grandchild to the policy. Fifty-seven percent did not have the grandchild listed as a secondary driver, and another 5% did not know if the grandchild was listed.
- Among the grandparents with homeowners or renters insurance, 35% acknowledged that their (homeowners or renters) policy did not provide coverage of the grandchild's possessions ...and another 9% did not know if their policy provided such coverage.
- Thirty-eight percent of the grandparents with homeowners or renters insurance had added an umbrella policy to their coverage to provide extra liability insurance. Roughly one-third did not have such additional coverage, and another one-third did not know if they had such coverage.
- When it comes to health/medical insurance, there are a number of low or no-cost government programs that a grandchild might be eligible for. Only 27% of grandparents had looked into whether they might qualify for such programs, vs. 62% who had not looked into such programs, and 12% who didn't know/weren't sure.
- When a child under 18 years of age is the beneficiary of an insurance policy, it is recommended that the insurance benefit not be left directly to the child, but rather that the policy name a contingent beneficiary or trustee who will act as a beneficiary on behalf of the child. A majority (51%) of grandparents who had life insurance policies naming a grandchild as beneficiary had not made such provision in their policies, and another 19% did not know if such arrangements had been made. Only 30% had policies that named a trustee to act as a beneficiary for the grandchild.

Members of the Military

I BACKGROUND

This report highlights the findings from a national telephone survey among members of the military, conducted by Roslow Research Group in March 2008. Designed to provide information regarding the (auto, homeowner and life) insurance characteristics of members of the military, the research was conducted on behalf of the National Association of Insurance Commissioners (NAIC).

A total of 205 interviews were completed with a national sample of military members and/or the spouses of those in the military. The sample was computer-generated and randomly drawn from directories/lists (with phone numbers) of those in the military. A copy of the questionnaire can be found in the appendix of this report.

Survey dates were March 5 – 14.

II SPECIAL NOTES

Maximum error ranges for the results shown in the tables (at a 90% confidence level) are as follows:

<u>Sample Size</u>	<u>Maximum error range</u>
205 (Total)	+/- 5.7 points
153 (# that have been deployed outside the U.S.)	+/- 6.6 points
187 (# with auto insurance)	+/- 6.0 points
159 (# with homeowners insurance)	+/- 6.5 points
175 (# with life insurance)	+/- 6.2 points

III HIGHLIGHTS

- Among those members of the military who had been deployed outside of the U.S., 64% had arranged for a power of attorney. Thirty percent had not arranged for a power of attorney, and 6% did not know/were not sure.
- Just over 90% of these military members have auto insurance.
- Slightly less than half of those with auto insurance knew that their policies included provision for reduction or suspension of coverage (and payments) when their vehicle was not in use for extended periods. Twenty-one percent responded that their policy did not include such provision, with the balance - of 31% - unaware/unsure if their policy contained such provision.
- Fifty-five percent of those with homeowners insurance had provisions in their policies that ensured coverage when their residence was unoccupied for extended periods. Thirteen percent did not have such provision in their policies, while 32% did not know if their policies included this.
- Among those with life insurance policies, 41% acknowledged that the policy included coverage for “acts of war”. Twenty-one percent said that their policies did not include such coverage, and 38% did not know/were not sure.
- Twenty-nine percent were aware that their insurance agent had authorization to sell insurance at military installations. Just over one-fifth said that their agent did not have such authorization, while one-half were unsure/did not know.
- For 61% of those with life insurance policies, the agent was licensed by a state insurance department. One third did not know if the agent was licensed ...and 6% said that the agent was not licensed.