

The Power of the Same Payor Discount



Term life insurance from Ameritas offers a 50% discount on policy fees if two policies are being paid from the same account. Be sure to factor that in when comparing prices for your clients.

For example, Jason, a 35 year old standard non-tobacco, wants to buy a 20 year term policy for \$250,000. His wife, Sarah, a 35 year old standard non-tobacco, wants the same type of policy. The chart below shows the lowest annual premiums that is available from two different carriers and the Ameritas base premium.



Jason



Sarah



Total

	Ameritas No Riders	Company A	Company B
Jason	\$275.00	\$272.09 Lowest Premium	
Sarah	\$252.50		\$229.68 Lowest Premium
Total	\$527.50	\$501.77	

Applying the same payor discount cuts the policy fee in half on both policies, which reduces the combined price by \$54.27 and means Ameritas has the most competitive premium for the combination of both products.

Ranking	Lowest Price Together	
1st	Ameritas Base Policy Only	\$447.50
2nd	Company A / B	\$501.77

If your clients intend to pay for their policies monthly or quarterly, be sure to factor that in to any price comparisons. Monthly rates are not usually the annual rate divided by 12, so it's important to have complete and accurate information when making comparisons.

When submitting applications for policies that are eligible for the same payor discount, be sure to request it in your cover letter or in the "producer remarks" section of the application. Keep in mind, policy fees are not commissionable so this discount won't impact your compensation.

Small differences can really add up over the life of a policy.

Ameritas is also among the industry leaders in conversion privileges and the discount can also be deducted when using the Conversion Extension Rider.

Rates obtained from Compulife as of June 15, 2022.

Value Plus Term (form 3021) life insurance is issued by Ameritas Life Insurance Corp. in approved states. In New York, Value Plus Term (form 5021) life insurance is issued by Ameritas Life Insurance Corp. of New York. Product and riders may vary and may not be available in all states.

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