



## Tapping into Life Insurance Value

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Dear OncoLink "Ask The Experts,"

I have stage 4 lung cancer and my health insurance is not too good. the bills are adding up and I fear that my wife could lose our home by the time I finish treatment or die. I read that I could "tap into" my insurance policy for money that my wife and I need to keep her in our home. Can you tell me more about that?

**William J. Wahl III, Financial Advisor at Rockwell Associates and Friend of OncoLink, responds:**

The availability of this option to you will depend primarily on the type of life insurance you have, and on the cash value of the policy. Term insurance has no cash value and can therefore not be used for this purpose.

Permanent insurance such as: Whole Life, Variable Life, and Universal Life may allow you to access cash value for any purpose you may have. Money can typically be taken from the policy tax-free as either a withdrawal or a loan. Withdrawals from the policy are simply the return of premium payments you made. Loans against the policy are essentially early distributions of the death benefit and do not need to be repaid. You should consult your insurance agent or a financial advisor to review your existing policy. The age of the policy, the current cash value, and contract stipulations will need to be reviewed to determine how much money is available to be taken from the contract without negatively affecting the contract guarantees.

**This question and answer was part of the OncoLink Brown Bag Chat Series, Legal & Financial Challenges Facing People with Cancer. [View the entire transcript here.](#)**

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No

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