Senator Fuschillo Informs Residents How to Find Out if They Are Entitled to Unpaid Life Insurance Benefits

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Following a New York State Department of Financial Services (DFS) investigation which recovered $386 million in unpaid life insurance benefits for New Yorkers, Senator Charles J. Fuschillo, Jr. (R-Merrick) is informing residents how they can check and see if they are entitled to unpaid life insurance benefits.

"There are hundreds of millions of dollars in unpaid life insurance benefits which are owed to New York families. Using the Department of Financial Services' free lost policy finder, families can find out more about these benefits and see if they may be entitled to unpaid funds," said Senator Fuschillo.

DFS' investigation found that many insurance companies regularly received a list of recent deaths from the Social Security Administration but were not using that list to determine if a policy holder had died. That means if a family member did not know there was a life insurance policy or simply forgot to file a claim to the insurance company, that policy went unpaid. As a result, thousands of families did not receive life insurance benefits to which they were entitled.

Meanwhile, the investigation found that insurance companies often used the list of recent deaths to verify the status of people getting annuity checks, and, when a death was verified, the insurance company stopped the annuity payment.

As a result of its investigation, DFS directed insurers to use the U.S. Social Security Administration's Death Master File to investigate policies for which no claims have been made and to find beneficiaries who are eligible for benefits but have not filed claims. New York was the first state to order the cross-check policy and issued a regulation to mandate this action in the future. New York State law now requires permanent regular searches of records to identify when a policyholder died and to locate beneficiaries so that life insurance proceeds can be paid.

The Department of Financial Services launched a free online Lost Policy Finder, which was developed in partnership with the insurance industry, to help New Yorkers locate lost or misplaced life insurance policies and annuity contracts. Residents can get more information or file an application to search for a lost policy by visiting www.NYPolicyFinder.com.