



# INTERPOLATION IN LIFE INSURANCE VALUES

When working with a client, there are times you'll want to get specific, and times when it's okay to be more general. For example, if you're simply conveying a concept to a client, being "general" with numbers is okay. In fact, it's usually preferred, because then they can focus on the concept rather than what the demonstration says about their personal economy.

In cases like this, the interpolate function can be helpful, especially if you aren't ready to run an illustration on a client yet. In Life Insurance Values, the interpolate function allows you to take existing data and interpolate it based on either the desired cash value, death benefit, or premium payment. This makes it possible to estimate what a policy might look like.

Another reason interpolation can be useful is if you run an illustration for a client, and they want to see what would happen if they increased their premium or their death benefit. This allows you to get a fairly accurate read, before going through the process of getting another illustration.

## Life Insurance Values

In Life Insurance Values, you can load up to 6 permanent life insurance illustrations and 4 term life insurance illustrations. Once you save the file, these data points are permanently stored in that file, unless otherwise updated. Once you have data in this tool, you can pull it into any of the life insurance compatible calculators. That way, you can do this work behind the scenes, which takes time.



Additionally, you can pull in data from other Save files. If you have a file with life insurance data that's similar to what you want to illustrate, you can click "Import Values from Existing Case Files." If you want to interpolate life insurance data, pulling in existing data can give you a baseline.

Age	Year	BOY Annual Premium	BOY Annual WD And Loans	BOY Addl. Annual Payments	EOY Interest Paid From Policy	EOY Loan Balance	EOY Net Cash Value	EOY Net Death Benefit	TOTAL IRR NET CV	ANNUAL ROR NET CV	TOTAL IRR NET DB
1	1										
2	2										
3	3										
4	4										
5	5										
6	6										
7	7										
8	8										
9	9										
10	10										
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24	24										
25	25										
26	26										
27	27										
28	28										
29	29										
30	30										
31	31										
32	32										
33	33										

Note that you can also use the copy-and-paste method with an existing illustration for your baseline.

## Interpolating the Data

Interpolation is something that happens within individual calculators. When you're ready to "Load Stored Life Insurance Data" (this button is found on all Life-Values-compatible calculators) this is the screen where you'll interpolate.



For example, let's open a Funding calculator. When you click "Load Stored Life Insurance Data" it will show you every illustration you have stored in your current Save file, whether you loaded it in from an existing case or copied and pasted it in fresh.

First, you want to click the "Interpolate" button next to the policy you're interested in. This will give you 3 options: CV, DB, and Premium. Click the option you want to interpolate for, and you'll have the option to write in your own number. In this instance, we've chosen to interpolate the Premium for \$20,000.

The screenshot shows the "Funding Illustration" software window. At the top, there's a "Years To Illustrate" field set to 1. Below it, "Current Age" is 0 and "Policy Start Year" is 1. A "Load Stored Life Insurance Data" button is visible. The main area is titled "Permanent Life Insurance" and contains a table with columns "Yr. - Age" and "Cash Value". A "B.O.Y.N." (Best of Years Now) window is open, showing a list of illustrations to load. The first illustration, "Base Premium Pay Thru A98", is selected. To the right of the list, there are "Interpolate" buttons for each row. Below the list, there are radio buttons for "DB", "Premium", and "CV", with "Premium" selected. An "Initial Premium" field is set to 20000. At the bottom of the window, a status bar shows "Totals" with values 0, 0, 0, 0, 0.

Then, to load the illustration, you want to click on the NAME of the illustration under the column on the left labelled "Illustration to Load." This will populate your interpolation. A window should pop up asking if you want to overwrite the existing data in Funding, and you should hit "Yes." Then you can close out the Life Insurance window.



If you haven't yet, you'll want to change the "Years to Illustrate," "Current Age," and "Policy Start Year" to reflect the policy data you have. As you can see below, we've successfully interpolated the Premium to represent \$20,000.

Funding Illustration

Years To Illustrate: 35

Current Age: 35

Policy Start Year: 35

Load Stored Life Insurance Data

Alternate Account Inputs

Spreadsheet Options

- ☒ Permanent Life Insurance
- ☐ Alternate Account
- ☐ Comparison
- ☐ Life Ins. Inputs

ROR's

IRR

At-Risk

Permanent Life Insurance					
Yr. - Age	B.O.Y. Net Cash Value	Annual Inputs	Annual C.V. Increase	E.O.Y. Net Cash Value	E.O.Y. Net Death Benefit
35 - 35	0	20,000	0	0	1,301,439
36 - 36	0	20,000	810	810	1,302,228
37 - 37	810	20,000	11,447	12,257	1,305,711
38 - 38	12,257	20,000	16,156	28,413	1,309,154
39 - 39	28,413	20,000	17,039	45,452	1,314,865
40 - 40	45,452	20,000	18,863	64,316	1,322,287
41 - 41	64,316	20,000	19,818	84,133	1,331,051
42 - 42	84,133	20,000	20,455	104,588	1,340,165
43 - 43	104,588	20,000	22,832	127,420	1,353,976
44 - 44	127,420	20,000	25,744	153,164	1,370,755
45 - 45	153,164	20,000	25,952	179,115	1,389,707
46 - 46	179,115	20,000	27,783	206,899	1,411,554
47 - 47	206,899	20,000	32,199	239,097	1,436,499
48 - 48	239,097	20,000	32,556	271,654	1,463,808
49 - 49	271,654	20,000	21,287	292,941	1,492,715
50 - 50	292,941	20,000	37,607	330,548	1,526,899
51 - 51	330,548	20,000	39,376	369,924	1,562,848
52 - 52	369,924	20,000	37,840	407,764	1,600,819
53 - 53	407,764	20,000	43,251	451,016	1,641,529
54 - 54	451,016	20,000	49,016	500,031	1,685,622
55 - 55	500,031	20,000	41,786	541,818	1,728,894
56 - 56	541,818	20,000	47,624	589,442	1,773,585
57 - 57	589,442	20,000	53,233	642,674	1,820,182
58 - 58	642,674	20,000	48,410	691,084	1,867,014
59 - 59	691,084	20,000	54,224	745,308	1,915,753
60 - 60	745,308	20,000	60,570	805,878	1,966,702
61 - 61	805,878	20,000	54,960	860,838	2,017,881
62 - 62	860,838	20,000	61,335	922,173	2,070,798
63 - 63	922,173	20,000	71,477	993,651	2,127,145
Totals	1,348,326	700,000	1,427,160	1,427,160	2,491,907

Now, you should be an interpolation expert!