

Why Gen Z Might Actually Care About Life Insurance—Thanks to Kaleido

*By Joel L. Franks, Founder of FinWizdom, Award-Winning Author, and Professor of Behavioral Economics***

What would you call receiving thousands of dollars today based on your future self-worth—with no debt, no interest, and no strings attached? I'd call that revolutionary.

Most financial systems reward what can be measured in the past: your income, your credit score, your employment history. But what if the most meaningful metric isn't where you've been, but where are you going?

That's the premise behind Kaleido Life, and it's a shift so fundamental that it has the potential to reshape how we think about insurance, access, and value itself. As a behavioral economics educator, financial literacy author, and lifelong observer of how systems shape human behavior, I believe Kaleido is one of the most promising models we've seen in modern finance—not just because it's new, but because it's necessary. They are rethinking how value is recognized, measured, and made available.

A New Kind of Insurance, Built for the Living

Kaleido Life isn't trying to make life insurance faster, cheaper, or slightly more digital. They've re-engineered the premise entirely. Instead of requiring death as the unlocking event for policy value, their model uses biometric and behavioral inputs to provide immediate access to a portion of one's future policy benefit.

This isn't a loan. There's no interest. No credit check. Just a deeply personalized, behavior-informed valuation of someone's future potential, made accessible now. Their algorithm goes beyond traditional actuarial risk. It draws on biometric data such as heart rate variability and sleep patterns, self-reported wellness inputs, and behavioral signals like consistency in health routines or engagement with digital coaching tools. These inputs combine to create Kaleido's Life Liquidity Score™, a dynamic valuation that reflects an individual's evolving potential. The system also helps users understand how their daily choices can influence access to benefits. In my world, that's more than math—it's meaning.

In short, Kaleido treats people not as liabilities to insure, but as evolving assets with untapped potential.

Meeting the Moment for Gen Z and Beyond

The traditional life insurance industry has failed to resonate with younger generations. (And since its inception, life insurance never successfully won over the majority of any generational cohort.) However, younger Millennials and Gen Z in particular values transparency, personalization, and purpose. Kaleido delivers on all three.

By focusing on how people live today—rather than just their financial history—it creates access for the underinsured, the underestimated, and those just starting their financial journeys. Healthy habits and consistent behaviors are not only encouraged but rewarded through Kaleido's gamified Wellness Matrix, turning daily actions into long-term benefits.

Behavioral Economics Explains Why This Works

We know from behavioral science that people struggle to act on behalf of their future selves. *Present bias* causes individuals to prioritize immediate needs over long-term planning, which is one reason life insurance has traditionally been a hard sell. Kaleido addresses this by bringing the future into the present, offering tangible benefits now.

Another key insight is *mental accounting*. People tend to separate their finances into strict categories—savings, debt, insurance—often missing opportunities to make better holistic decisions. Kaleido challenges that structure by reframing life insurance as both protection and a living benefit. The impact is not just financial; it's psychological, and the mental shift matters.

Kaleido also activates a *reinforcing feedback loop*. Good behavior leads to financial rewards, which increase motivation, creating a cycle of healthier, more empowered customers. In a system like Kaleido's, customers become participants in their own future—not passive payers waiting for it to arrive.

Beyond Insurance: A Third Financial Rail

Cash and credit have long dominated our financial ecosystem. Kaleido introduces something new: liquidity from your future value. Through a refined death benefit agreement, users receive upfront funds that are repaid only by a portion of their life insurance payout—without interest, debt, or monthly obligations. This approach has the potential to change how we think about access to capital, particularly for younger consumers and those left behind by traditional lending models.

And for Gen Z? This isn't just insurance... it's identity. It's being seen as more than a risk score. It's funding your dreams on your terms. And it's being valued not for what you've done, but for where you're headed.

Why I'm Paying Attention

I advise a number of organizations, but Kaleido Life stood out immediately. Their team blends actuarial insight with cultural fluency, financial depth with behavioral intelligence. They're not tweaking a product—they're redefining the entire asset class.

For an industry that hasn't fundamentally changed in 150 years, this isn't a disruption. It's an awakening. Of course, innovation in life insurance doesn't come without regulatory complexity. Kaleido's approach, particularly its offering of early liquidity based on future value, operates within a nuanced and still-evolving compliance landscape. To their credit, the company has engaged early with state regulators and industry bodies to build frameworks that prioritize transparency and consumer safeguards. While no new model is without friction, Kaleido seems committed to building its innovation within the guardrails of long-term trust.

The fact remains: The life insurance industry has not fundamentally changed in over a century. While many whole life policies do offer riders or access to a portion of the cash value, that typically means you have a qualifying health issue or that you are borrowing against your own accumulated savings—with possible fees, payout reduction or repayment, and the need to first build up significant value over time.

Kaleido takes a completely different approach. There's no need to borrow from yourself, no years-long wait to build up a balance. Instead, Kaleido uses biometric and behavioral data to determine an upfront value based on your future worth. That money becomes accessible now, without debt or delay.

This is a life insurance product that feels relevant from day one. By integrating AI, wellness metrics, and behavioral personalization, Kaleido offers something the industry has long lacked: immediacy with purpose.

And perhaps most importantly, it removes the stigma that a policy only has value when you're gone. Kaleido gives people a way to inherit from their future selves and use that value when it can actually change the course of their lives.

As someone who has spent a career making financial systems more human, I can tell you this: Kaleido doesn't just simplify. It dignifies. And that, more than anything, is what makes it one of the most important financial ideas I've seen in years.

The Bottom Line

I've spent my career helping people make smarter decisions by understanding the behavioral forces behind them. What Kaleido has built is more than a new product. It's a new mindset. It treats people as partners in their financial future, not just policyholders. It unlocks value based on how they live, not just whether they qualify. And it reflects a kind of financial innovation that doesn't just inform—it empowers.

That's why I believe Kaleido Life is a company worth watching. Not because it disrupts the industry, but because it reimagines it with human behavior at the center.

****Disclaimer:** While I serve as an advisor to Kaleido Life, this piece was written independently and reflects my own views.

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