

Protect your earnings

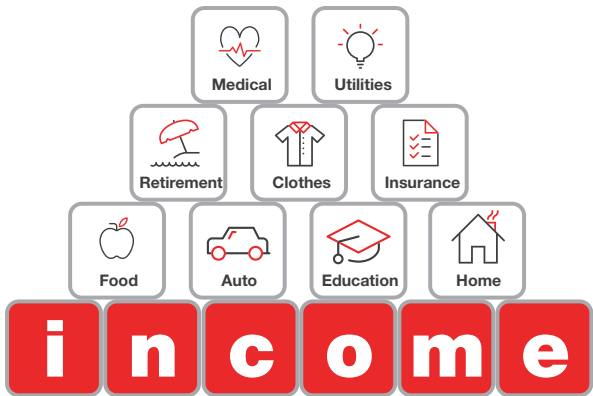
What would you and your family do without your paycheck? Now, more than ever, you need to protect your earnings with disability income insurance. It provides a solid foundation for your financial future. It can help protect against the unexpected while ensuring your future.

Could you survive without your paycheck?

“If you can’t work, your whole world can fall apart quickly. Most people are only about 90 days away from bankruptcy. Studies have found that medical problems play a role in more than 60% of bankruptcies and half of all foreclosures.”

–Matt Tassey, past chairman, LIFE Foundation. Leading Causes of Disability WebMD Feature, R. Morgan Griffin

Income is the foundation, supporting everything else. It’s the beginning of a solid financial plan. Your income provides your ability to afford all the things you hope to provide for your family.



Disability insurance

The building block to a strong financial foundation.

The chart below shows how much you can expect to make by age 67 based on your current yearly income and age. You would miss out on a lot of income if it suddenly stops due to an illness or injury.

Average income to age 67							
Current Age	\$50,000/yr	\$75,000/yr	\$100,000/yr	\$150,000/yr	\$200,000/yr	\$250,000/yr	\$300,000/yr
30	\$1,850,000	\$2,775,000	\$3,700,000	\$5,550,000	\$7,400,000	\$9,250,000	\$11,100,000
35	\$1,600,000	\$2,400,000	\$3,200,000	\$4,800,000	\$6,400,000	\$8,000,000	\$9,600,000
40	\$1,350,000	\$2,025,000	\$2,700,000	\$4,050,000	\$5,400,000	\$6,750,000	\$8,100,000
45	\$1,100,000	\$1,650,000	\$2,400,000	\$3,000,000	\$3,600,000	\$5,500,000	\$6,600,000
50	\$850,000	\$1,275,000	\$1,400,000	\$1,750,000	\$2,100,000	\$4,250,000	\$5,100,000
55	\$600,000	\$900,000	\$1,200,000	\$1,800,000	\$2,400,000	\$3,000,000	\$3,600,000
60	\$350,000	\$525,000	\$700,000	\$1,050,000	\$1,400,000	\$1,750,000	\$2,100,000

Reality check

“People tend to think about disability in terms of catastrophic events, like a terrible car accident that leaves you paralyzed or in a nursing home. Less dramatic and much more common conditions such as arthritis, back pain, heart disease, cancer, depression, diabetes and even pregnancy are some of the leading causes of disability in the U.S.”

–Richard Frank, PhD, deputy assistant secretary for disability, aging and long-term care policy at the U.S. Department of Health and Human Services in Washington, D.C., WebMD Feature, R. Morgan Griffin.

Disability income insurance goes to work when you can’t.

No one expects to have a serious illness or injury. But the threat is greater than you may think.

A male, age 35, nonsmoker, who works an office job and leads a healthy lifestyle, has the following risks*:

- A 21% chance of becoming disabled for three months or longer during his working career,
- With a 38% chance that the disability would last five years or longer.

A female, age 35, nonsmoker, who works an office job and leads a healthy lifestyle, has somewhat higher risks*:

- A 24% chance of becoming disabled for three months or longer during her working career,
- With a 38% chance that the disability would last five years or longer.

* <http://disabilitycanhappen.org/pdq-2/>

The most common reasons for long-term disabilities*

Disabilities are not usually the result of an accident. Most result from illnesses. Do you know anyone who suffers from any of these ailments? Disability can happen to anyone at any time—even to you. Take this opportunity to protect yourself in the event you become disabled.



Musculoskeletal disorders (29%)



Cancer (15%)



Pregnancy (9.4%)



Mental health issues (9.1%)



Injuries such as fractures, sprains, and strains

*Integrated Benefits Institute, Health and Productivity Benchmarking 2016 (released November 2017), Long-Term Disability, All Employers. Condition-specific results.

Group LTD gaps

When employees rely solely on their group long-term disability coverage, the percentage of income replaced can be inadequate. A better strategy is to add individual supplemental DI coverage because the combination of the two, protects a larger percentage of income by filling in the gaps left by group LTD.

Things to consider

	Group LTD	Supplemental DI
Benefit amount	Replaces a percentage (60% is common) and has a cap on the benefit amount.	Replaces a percentage of an employee's complete salary minus other existing DI insurance.
Variable compensation	Rarely covers variable compensation such as commissions, bonuses or other wages not included as base earnings.	Option to cover variable compensation.
Plan design	Generally one plan for all employees with limited amounts and no added features or riders.	Provides design flexibility for classes of employees, offering built-in features and riders.
Disability benefit	Benefits are usually taxed, if premiums are paid by the employer which means the employee receives less.	Benefits are received tax free when premiums are paid with after-tax dollars by the employee.
Employment	Coverage typically terminates when employment ends.	Coverage is portable, with no changes to the premium or benefit amounts.

Apply now

There is a risk to waiting. Each day you go without adequate income protection is another day of putting yourself and your family at risk.

- The initial premium calculation is based partly on age. The older you are, the more it costs to start a DI insurance policy.
- You have to medically qualify for DI insurance. If you're healthy, apply now! Once a sickness or injury strikes, it may be too late.