

Silicon Benefits Insider

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Disability Insurance



Disability Insurance is the cornerstone of your Employee Benefit Program!

Wikipedia defines Disability insurance, often called disability income insurance, is a form of insurance that insures the beneficiary's earned income against the risk that disability will make working (and therefore earning) impossible. In other words, it answers the question, "How would I pay for my living expenses if I became unable to work?"

FACT:

- The odds of a 35 year old person having at least one long term disability that lasts three months or longer before that person reaches age 65 is 41%
- 46% of all home foreclosures on conventional mortgages are brought about by a disability
- Social Security Disability Insurance program pays \$722 per month on average. The requirements to receive disability benefits are so stringent that only 35% of the individuals who apply, actually qualify and receive payment

Solution:

- Don't get disabled, although it appears the odds are against us
- Secure a disability insurance policy to protect you against financial catastrophe

What to look for in a disability policy?

- Be sure to consider coverage on a group (employer offering) and/or an individual basis and learn the advantages of each
- Ask if the policy is non-cancellable and guaranteed renewable
- Review and customize policy specifics such as Elimination Period, Benefit Period, Monthly Benefit, Own Occupation protection, COLA, etc.
- Determine if your policy is paid for on a pre-tax or post tax basis.
- Investigate the financial stability of the insurance company's ability to pay your claim at www.ambest.com

Review your policy! The contract language and definitions vary widely between insurance companies and working with an expert is paramount.

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