

## Facts from LIMRA

### 2015 Disability Insurance Awareness Month

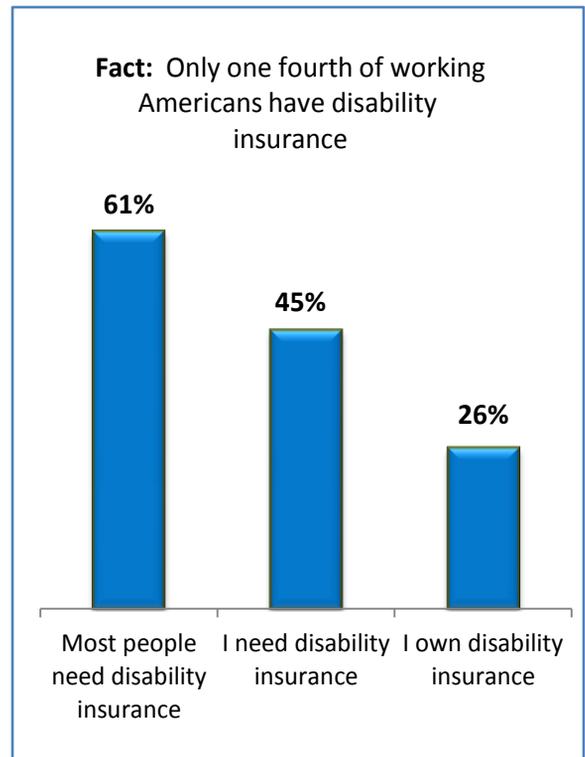
Most consumers agree that people need disability insurance but only 26 percent of Americans own any. One reason is the misunderstanding about the product.

Disability Awareness Month is an opportunity to de-bunk the myths and provide the facts for consumers and advisors. LIMRA has compiled the latest research data about disability insurance to provide the right information.

**Myth: The chances of becoming disabled are slim, around one in one hundred chance.**

**Fact:** The Social Security Administration estimates that one in four 20 year-olds in the workforce today will suffer a disability before they retire.

A LIMRA study found 6 in 10 Generation X and Y consumers said an income loss due to illness or injury would have a significant financial impact on their households.



**Myth: Most disabilities are caused by catastrophic, one-time events, such as serious accidents or injuries.**

**Fact:** Insurance statistics show that only nine percent of long-term disabilities actually resulted from serious accidents. Social Security Disability Insurance (SSDI) statistics show more than one third of workers receive benefits for “musculoskeletal” issues. The most common examples of these are back problems, joint pain and muscle pain.

***Myth: Disability insurance isn't as essential for women because men are more likely to become disabled.***

***Fact:*** The percentage of women who receive benefits as disabled workers has risen steadily over the years. In 1990, 35 percent of women received SSDI benefits, by 2013 the number increased to 48 percent. Since more than 70 percent of American households rely on two incomes, it is important that **both** men and women protect their income with disability insurance.

***Myth: Sick leave and vacation time can be used to cover expenses during a disability.***

***Fact:*** There is a 3 in 10 chance of a person suffering a disabling illness or injury that would keep them out of work for three months or more. In a separate study, 30 percent of full-time employees said they are not confident about paying their bills if they or another family member was out of work for three months.

While sick leave and vacation time are certainly helpful, the benefits from them usually run out in a matter of weeks—at a time when the expenses are often increasing.

*Advisors who dispel the myths and misunderstandings about disability insurance take an important first step toward helping their clients determine the right amount of coverage for their situation.*

Information sources: LIMRA, Life Happens, Council for Disability Awareness (CDA), and Social Security Disability Insurance (SSDI)

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