It's too expensive and BTW I'm invincible.

Myths are an interesting mix of a little fact and a lot of fiction — they're often a way to validate long-held beliefs, regardless of their accuracy. One of the myths surrounding disability income insurance is that it's too expensive. In addition to that, it's common to come across a client who thinks they're invincible.

"I'll just prop a phone up to my head."

Early in my 50-year insurance career, I began working with a young attorney. He had been in practice for 10 years, and was married with two young children. It was an ideal time for him to consider the foundational resources of life and disability insurance. There was just one problem: He thought he was immortal! His reaction to the thought of becoming disabled: "I can just prop a phone up to my ear and I'll continue to earn my living."

Fortunately, I had the presence of mind to ask him if he knew anyone that had recently missed work due to cancer, heart disease, arthritis, muscular sclerosis or lupus, a handful of the common causes for disability. His blank stare was enough to tell me he did. He quickly realized that his solution for propping a phone up to his ear wouldn't actually cut it. He better understood the necessity and bought an individual disability income insurance policy to protect his income.

Don't *assume* away reality.

I was pleased with my client's decision. This story has been an important lesson to me to not so readily let a prospect "off the hook" with their natural resistance to face the realities of life. We generally can't imagine ourselves in less-than-perfect physical shape, and inevitably ignore or — worse yet — *assume* away the reality that one in four Americans will become disabled before they retire. (2010 Gen Re Disability Fact Book.)

As an insurance professional, I get it: The loss of income due to accident or disease can be devastating. So I work hard to help my clients accept those inevitabilities, especially when there's a relatively easy solution — in this case, income protection, in the way of disability income insurance. But, sadly, "I'll just prop a phone up to my head" isn't the only objection I come across…

"It's too expensive."

I hear the pushback about becoming "insurance poor." But, when you're considering the loss of income due to disability — that loss can be HUGE if it happens. When I consider what is at risk without disability income replacement for myself and my family, that's enough for me to overcome the price — which frankly — isn't as much as many people think.

The Result

During a time of stress, I'd still be receiving an income to help provide stability.

The Alternative

Without money coming in, I could deplete my savings, my retirement, lose my home, even ruin my credit rating.

Continued…

To help put the cost in perspective, I sometimes illustrate a choice between two jobs.

Job "A" pays a salary of $100,000 a year, but includes no benefits should you become too sick or injured to work.

Job "B," on the other hand, pays $98,000 a year, and provides $60,000 a year in tax-free benefits to those who are too sick or injured to work.

This illustration provides a different way of considering the cost. Most people choose Job "B" because for roughly 2% of their income, they'll have the protection they'll need to protect against the financial impact of a long-term disability.

	JOB "A"	JOB "B"
Healthy & Working	$100,000	$98,000
Too Sick or Injured to Work	$0	$60,000 Tax Free!

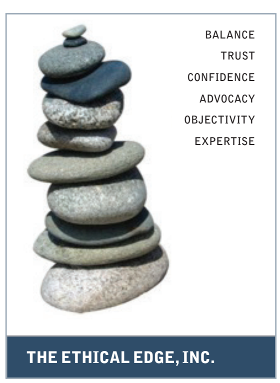
Income is the foundation.

Income is the foundation to just about everything — where we live, how we live, the house we live in, the decisions around our children's college, our assets, our lifestyles. Leaving it unprotected could be too great a risk. It makes financial sense to protect it.

Everyone should do their own financial checkup, including a review of group disability benefits and discuss with a financial representative. Individually owned disability insurance isn't as expensive as many people think. And when customized on top of a comprehensive base policy, you can dial it up or down to fit your needs and still obtain meaningful coverage for the benefit of you and your family at a reasonable cost.

To learn how a disability income insurance policy can help to protect your income and your lifestyle, talk to a financial representative from a highly rated carrier.

This article was written by Richard M. Weber, MBA, CLU®, AEP (Distinguished), of The Ethical Edge, Inc., a California-based, fee-only insurance fiduciary. Mr. Weber, 2012-2013 President of the 14,000-member Society of Financial Service Professionals, has more than 50 years of experience in sales, training, product design, senior management and compliance. His firm provides training and consulting services that help empower life insurance agents, financial professionals and their clients to explore and view life insurance in the broader context of financial planning.



Pub7974BL (11/22)
2022-146094 (Exp. 11/24)