

## **Are You Protecting Your Most Valuable Asset?**

Many people know about insurance that covers health care costs such as prescription drug costs and dental bills, but are you as familiar with coverage that helps protect your income?

Income protection insurance pays benefits if you are sick or injured and unable to work. It can help protect an individual's or family's financial security by "continuing" a substantial portion of income that can be used for normal daily expenses. It's usually available from two major sources:

- Group plans- these can be paid for by the employer or the employee. They offer great basic coverage, but may replace only 60% or less of your income. Self-employed and contract workers may not be eligible for a group plan.
- A private policy you own personally can be a solution if you don't have access to employer benefits, or when those programs do not adequately meet your needs. Today's individual policies contain pricing and coverage options that make them flexible and affordable, no matter what your income. These policies can help you replace more of your income if you have other coverage.

You may not have focused on the economic situations that could threaten your lifestyle. The reality is that illness or injury can keep you from working and earning an income. Statistics show that disability is more common than you think. Most people are well covered by life insurance, but have not considered insuring for disability. At any given time in your career, the chance of a long-term disability occurring – one lasting more than 90 days – is three times more likely than death.<sup>1</sup>

When reviewing your income protection needs, it's important to consider whether you already have access to benefits and how much coverage those benefits would offer you during a disability. It's a good idea to talk to an insurance agent or your Human Resource benefits representative at work. If your benefits will not replace an adequate portion of your pre-disability income, you may want to consider personal income protection to help close the gap in your financial plan.

1 1985 Commissioners Individual Disability Table A.