

DO YOU NEED DISABILITY INSURANCE?

START

Do your financial goals depend on an earned income?

NO

YES

Do you have a disability income plan?

YES

NO

If you lost the ability to earn an income for 5 years or more, would you have to liquidate any of the following in order to make ends meet?

- a) home equity
- b) business equity
- c) retirement savings

YES



NO

Who pays the premium?

Employer paid

Employee paid

Are you aware of the disadvantages of relying on a Group LTD policy?*

And does this plan cover at least 60% of your salary, bonus, incentive compensation, and stock options (net of taxes)?

YES

NO

Wow, congrats! Sounds like you don't need income coverage.

Sounds like you are a candidate for income protection through a DI policy.

Downfalls of Group Long-Term Disability Insurance:

1. Typically capped to 60% of salary only—not commissions, incentives, bonuses, or stock options.
2. Benefits are fully taxable since most employers earn tax savings if they deduct your premium.
3. Benefits may be offset by “other income” like those mentioned above, or even outside income.
4. You might have to be unable to do “any occupation” in order to continue receiving benefits after 2 years.
5. You lose the coverage if you are fired.
6. You lose the coverage if your employer decides to cancel the policy.
7. You lose the coverage if you start your own business or go somewhere else.