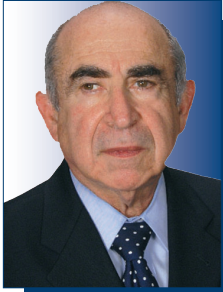


## Disability Insurance Insights...



**EUGENE  
COHEN**

*began his insurance industry career in Cleveland, OH, with a company that specialized in disability income protection.*

*In 1981 Cohen founded the Eugene Cohen Insurance Agency, Inc., Skokie, IL, which specializes in DI, life, LTCL, fixed annuities, and impaired risk cases. The agency is a member of LifeMark Partners, NAILBA, the IDIS and is a founding member of The Plus Group.*

*Cohen received the W. Harold Petersen Lifetime Achievement Award from the IDIS and NAILBA's Douglas Mooers Award for Excellence.*



**MICHAEL  
COHEN,**

*CLU is president of the Eugene Cohen Insurance Agency, helping brokers, general agents, broker/dealers and financial advisors serve their clients.*

*Cohen has served on carrier advisory boards and organization boards of directors. He is a member of the Risk Appraisal Forum.*

*Eugene and Michael can be reached at Eugene Cohen Insurance Agency, Inc. Telephone: 800-333-4340. Website: [www.cohenagency.com](http://www.cohenagency.com). Emails: [michael@cohenagency.net](mailto:michael@cohenagency.net); [eugene@cohenagency.net](mailto:eugene@cohenagency.net).*

# Even AI Recommends Disability Insurance! Asking ChatGPT

If you haven't heard of ChatGPT, you most likely will sooner rather than later. This new artificial intelligence was developed by OpenAI with heavy investments by Microsoft and others. ChatGPT is part of the new wave of search engine technology that combines traditional internet searches with AI to create a more conversational response.

We were curious about the answers that ChatGPT would give a consumer that engages in the platform. So we asked

ChatGPT, "Should I buy disability insurance?"

The answer that ChatGPT gave was very interesting and confirmed many of the reasons we've been espousing throughout our careers. But, then again, the AI part of the system can pull out reasons that would need more commentary as well. Let's look at the answer to the question:

*"Whether you should buy disability insurance depends on your personal situation and priorities. Here are some factors to consider when making this decision:*

1. *Your Income: If your income is the primary source of support for yourself and/or your family, then disability insurance can be an important consideration to ensure you have a financial safety net in case of a disability.*
2. *Your Job: If you have a high-risk job or work in a profession that involves physical labor or mental stress, then disability insurance can be particularly important.*
3. *Your Savings: If you have substantial savings that can cover your expenses for an extended period in case of a disability, then you may not need disability insurance as urgently.*
4. *Your Dependents: If you have dependents who rely on you for financial support, then disability insurance can be essential to ensure they are taken care of if you become disabled and unable to work.*
5. *Your Health: If you have pre-existing medical conditions or a family history of disabilities, then disability insurance can be particularly important.*
6. *Your Lifestyle: If you have a high standard of living or are accustomed to certain luxuries, then disability insurance can be important to ensure that you can maintain your lifestyle in case of a disability.*
7. *Your Employer: If your employer offers disability insurance as part of your benefits package, then you may want to consider taking advantage of this option.*

Overall, disability insurance can provide financial protection and peace of mind in case of a disability. It's a good idea to assess your personal situation and priorities and consult with a financial advisor or insurance agent to determine if disability insurance is right for you."

Let's go through the answers:

1. The system pulled in the concept of a financial safety net. This is so true and should be the primary focus in discussing why disability insurance should be so important to every client.
2. Type of job: While we would agree on the surface that certain jobs may give one concern, it should never be the primary determinate if one needs disability insurance. Diseases such as cancer, heart disease, autoimmune disorders, diabetes, MS, and the thou-

*"When assets designated for the long term all of a sudden must be liquidated, it's possible that the liquidation would be at fire sale prices."*

sands of conditions in the *Merck Medical Manual* do not know what someone does for a living. So, this one would require some additional commentary.

3. Regardless of someone's savings, what tends to happen when someone is disabled is that they start to use their most liquid savings first and then have to start liquidating the more illiquid assets. When assets designated for the long term all of a sudden must be liquidated, it's possible that the liquidation would be at fire sale prices. The loss, in theory, could be much greater than the cost of a disability policy. Also, typically, one works hard to build savings. Often years of an individual's career goes into establishing even moderate savings. Most individuals save to ensure they enjoy a comfortable retirement down the road. Many individuals also diligently save to accumulate assets to pass on to their children and others. Because no one knows today how serious a future total disability could be or how long a disability could last, having an individual disability insurance policy could be the difference between preserving some, if not all, of one's liquid and non-liquid assets and seeing those assets vanish due to a disability.
4. Dependents are one of the biggest reasons that clients obtain disability insurance in addition to the other products that we recommend. We couldn't agree more.
5. Health concerns: The AI system didn't realize that while your client's money pays the premium, it's someone's good health that allows them to obtain a

policy. If someone waits for a medical condition to occur, the disability insurance company could exclude the condition from coverage or not allow a policy to even be issued.

6. Lifestyle: This one we would disagree with, as it doesn't matter how luxurious one's lifestyle while discussing disability insurance. Anyone who works needs to protect their income from a disability that can prevent them from working. With that being said, we do find that there tends to be a correlation between a client's income and their willingness to buy the coverage.
7. Employer coverage can be a whole topic in itself. If a company offers group insurance, the coverage is usually mandatory and not voluntary. We think Group STD (short-term disability) and Group LTD (long-term disability) coverage is a great start, but it is often not enough. The AI system definitely glossed over the need for many clients to layer an individual disability insurance policy on top of their employer provided group DI coverage. Often the quality of group coverage can be suspect at times and group coverage is rarely portable if someone changes jobs.

We are very pleased to see that the AI system recommends that an individual consult with their financial advisor or insurance agent to determine if disability insurance is right for them. Will you be ready for the conversation with your client when they come asking for advice? Be sure to talk to your MGA or other resources about individual disability insurance.👏