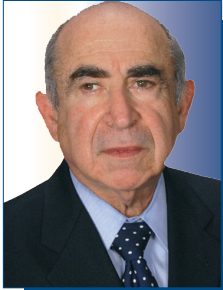


Disability Insurance Insights...



**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. Emails: michael@cohenagency.net; eugene@cohenagency.net.

Ability Insurance

You may have noticed that words are chosen very carefully in our insurance world. If you review the language of any insurance policy, you'll see that companies are quite deliberate with their use of language.

There have been many articles written and studies conducted that have suggested that consumers, not familiar with our industry, misunderstand the term "disability insurance" (DI) until it's explained to them by their advisor.

There are various ways to describe disability insurance and we know that the name, in itself, can't be changed, so that is why we focus on what disability insurance can do for our clients. Of course, each policy is different and a client needs to be eligible for claim based on the contract that was bought. In addition, a disability policy may not replace someone's income in full as there are issue limits and so forth. But, when a client does qualify for a claim, that policy can be their financial lifeline to help them get through some tough times.

Concentrating on ways that disability payments can help is another way to explain the importance of this product. Dis-Ability, or lack of ability to work, also causes a lack of ability to earn money to pay for our monthly expenses.

Let's take a look at some "abilities" payments that a disability claim may help a client pay, partially or in full:

- The ability to continue paying monthly mortgage payments—which gives the client the ability to continue living in their home.
- The ability to pay property taxes, homeowner's insurance and monthly homeowner's dues.
- The ability to pay for common regular utilities and other expenses such as a cell phone, internet service, cable TV, home gas, electric service.
- The ability to pay for their required medical treatment(s), personalized health care (home care, respite care) and personal upkeep (haircuts, nail care, beauty care products, cosmetics).

- The ability to pay insurance premiums (car, home, medical, life, LTCI). Note: Most individual disability insurance policies have waiver of premium benefit.
- Emergency repairs or unexpected medical expenses that need to be done (car, home, pets, family members, dental expenses).
- Emergency travel to see a sick relative or a funeral.
- The ability to pay for basic home maintenance such as landscaping, snow plowing, house cleaning and extra costs that may be incurred in order to live in a house designed for someone that's disabled.
- The ability to help pay for a child's education (private schools and/or college).
- The ability to continue to pay credit cards or other debt that was incurred before the disability occurred such as college loans your client has been paying.
- The ability to have some relief that money will continue to be received while on claim. The mental stress caused by financial pressures can be a challenge for even healthy clients.
- The ability to provide for one's family, such as: Music lessons, gymnastics, school supplies, new school clothes, shoes, food, medical care, Boy Scouts, Girl Scouts, Little League, school tutors, test preparation classes, swimming lessons, ballet, religious school, summer camp, etc.
- The ability to have cars: Car payments, car insurance premiums, gas, car registration, repairs and maintenance.
- The ability to maintain dignity and pride that the provider can still provide in some capacity. The ability to not feel that they made a mistake by not insuring themselves and becoming a possible financial burden on family and friends.
- The ability to watch their savings be maintained instead of being possibly depleted by not having insurance.

What would you add to the list?

Everything starts with you, the advisor. Educate your clients on the need for disability insurance. What's your client's plan? Take a few minutes to walk through how that conversation will flow with your client, client's spouse, or your client's adult children. 🌐