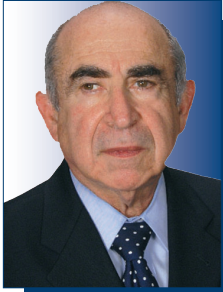


Disability Insurance Insights...



**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.

Don't Miss Your Opportunities During Enrollment Season

Individual Disability Insurance And Lost Opportunities To Help Your Clients!

When you hear, "the end of the year," many of us think about Thanksgiving and the holidays while others think about enrollment season. They both can be fun depending on your point of view. For us, Thanksgiving is a wonderful family get together, the food, the football, and the conversations. For many firms, it happens to be enrollment season as well. Our other most-favorite time of year.

Many corporations have their annual enrollments for their benefits at the end of the year. The choices that one needs to make during this time can cause a lot of indecision as to the right benefits to take for a family. At the end of enrollment, the employees go back to their daily routines and the benefits

departments start their mad dash getting ready for benefits to start at the beginning of the year.

For employee benefit producers, the opportunity to help clients is tremendous. We are assuming that most producers would recommend taking long term group disability (LTD) coverage to go along with other company benefits being offered. Employee benefit clients offering LTD may have employees who have additional "DI carve-out" needs as well.

We know when employers pay for the LTD benefit for their employees, the benefits are most likely taxable at claim time unless some other arrangement is made. We also know that LTD is capped at a certain amount,

regardless of the employee's income. This leaves many employees getting a net amount of benefit which can be significantly lower than they anticipated. In addition, depending on the provisions in the group LTD, some business owners who receive passthrough or K-1 income may discover their group LTD benefits could be reduced or not available at all.

Individual disability insurance is the answer for employees who are capped out on their group disability insurance. This is a very large marketplace that we see producers miss year after year. Any high-income earner who has group coverage or owner of a business is a client for individual plans. Higher income earners tend to have higher expenses to support their own and, more importantly, their family's lifestyle. High-income earners tend to also be in need of other products that many of our firms support. From life to property and casualty, the opportunities can be endless... all from

asking the right questions.

"What's the longest vacation you've ever taken?" Most likely two weeks or less will be the answer. One may ask, "Why didn't you take a longer one? If you had a sickness or accident that kept you from coming back to work, how would that affect you and your family?" A client may say that this is why the company gave group disability coverage at work. It's important, actually very important, to keep asking questions. This is where many producers stop. You want to ask your clients if they know how much monthly benefit they have with their group LTD. Also, you need to ask them if they know that the monthly benefit could be taxable if there were a claim. Most likely they may not know, which will open up the reason for the conversation and the problem that can be solved with individual disability insurance.

Many high-income earners have a gap in coverage that they may have never even known about without someone asking the

right questions. Questions can uncover need, and need, when identified, can prompt action to solve the problem. The need for individual disability insurance in this example is to fill in the gap between one's estimated monthly living expenses and the estimated "net after taxes" income that would be paid by a group or other type of disability insurance for a qualifying disability.

Any producer who has clients going through the enrollment process has an opportunity to help their clients. Many times a client may even ask their producer about what benefits they should choose. So, during the enrollment season, don't forget to mark your calendars in January and February to do an enrollment review with your clients. You may be surprised by what you find!

We wish you and your families a happy and healthy new year! Here's to a great 2024!🍀