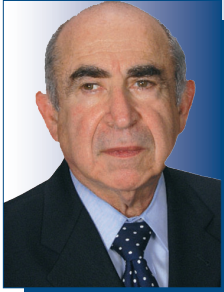


Disability Insurance Insights...



**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.

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A New Year, A New Resolution: Talk To More Clients About Disability Insurance

Happy New Year! Welcome to 2020 and a clean slate of new resolutions. If you are not talking to your clients every week about disability insurance, this is a great time to make it part of your new year planning. To start, you'll need to make a list of clients who are good candidates for various types of disability insurance. To make it easier for you, we've given you a few scenarios that should be on your radar. Remember, everyone who needs to work usually needs some type of disability

insurance. So, our number one request for illustrations is for individual disability insurance clients who work full time. The following list was designed to help you recognize opportunities that are sometimes not recognized and should be part of your 2020 planning.

Client: Business owner

Product: Business Overhead Expense Disability Insurance (BOE)

Think small business, usually a profes-

sional, such as a dentist, attorney, engineer, physician, architect, CPA, or any small business in which the firm is supported by an individual owner or two. You most likely have these clients in your database. When someone owns a business, they usually will have fixed expenses that they've obligated themselves to pay, regardless of whether they have the ability to work or not. The rent or mortgage still needs to be paid, the support staff still need their incomes, business equipment leases still need to be paid, the utilities, business loans, and other monthly obligations still need to be paid. Every business owner should look into BOE insurance. Be resolved to talk to your business owner clients about BOE coverage.

Client: Firms with multiple partners and a business operating agreement

Product: Disability Buy Out

Think about the firms you insure in which you have put in a life insurance policy to help fund a buy/sell agreement. I'm sure you can think of many cases in which you've put in life insurance, but didn't even discuss the disability insurance aspect. Most operating agreements or buy/sell agreements have some type of disability provision... and if not, then there should be a provision to address what will occur if a partner is disabled.

Client: Business owner or individual client

Product: Loan Protection

If you have been selling life insurance

for more than a few years, you most likely have been asked for life insurance to cover a loan or mortgage. This is a great entre to discuss disability insurance. Since most clients are more likely to suffer a disability than pass away before the end of a loan period, a plan should be in place in case of a disability. For a business, without some type of disability loan protection, even if the business owner survives, the business may not survive without disability coverage. For the individual who has a mortgage, having disability insurance is a must as well. For many people, full recovery from a disability may never happen and a permanent disability may become reality. If so, how will the mortgage be paid? In addition, most people have many other expenses that still must be paid regardless of whether they work or not.

Client: Dual income, no kids yet

Product: Personal Disability Insurance

These tend to be your younger clients who may be first time home buyers or clients requesting rental insurance or car insurance. You may have talked to them about some life insurance and perhaps they took your advice and bought a policy. Most people don't realize that the risk of becoming disabled before age 65 is greater than that of passing. If one member of the couple gets disabled, the couple will have two financial pressures: First, the couple will naturally feel stress due to a decrease or total loss of income. The couple was relying on this income to pay their expenses

and maintain their lifestyle. Second, due to the disability, many individuals will experience a sudden increase in unanticipated expenses. These include home and car modifications to accommodate the disabled partner, and extra medical bills for expenses not covered by insurance. An individual disability plan on one or both spouses will sometimes resonate better than some other types of insurance that may have been suggested.

This is not an all-inclusive list, as there are Key-Person DI policies, Retirement Security DI products, Guaranteed Standard Issue products, and Surplus Lines products that can fill many different needs. It's essential to keep disability insurance on the top of your list of products to present.

If it hasn't happened yet, there will most likely come a day when a client becomes disabled and wants to know the type of disability coverage they have with you. What will be your answer? Work with your manager, MGA, mentor, or just sit down and create a plan to review your book of business for disability insurance opportunities. It could be the best holiday gift you give your clients and their loved ones.

May you and your family have a happy and healthy New Year and a great 2020! 🌍