

The Need for Disability Insurance

When it comes to the prospects of becoming disabled, Americans tend to drastically underestimate the odds that it could ever happen to them. 64% of surveyed adults believe that they have a 2% or less chance of becoming disabled for a period of 3 months or more during their career. In reality, the odds are significantly higher.

See below to familiarize yourself with the facts about disability in your working years.

- 68%** Of Americans do not have money set aside for emergencies
- 48%** Of all home foreclosures are the result of a disability, while only 3% are the result of a death
- 90%** Of employees trust their employer for insurance information
- 65%** Of SSDI claims are denied, making it an unreliable option for income protection
- \$22,047** Median salary for disabled employees
- Men and women have nearly the same likelihood of going out on long term disability

- 1 out of 4**
20yr olds will become disabled before they retire
- 1 out of 8**
Workers will be disabled for a period of 5 years or more during their careers
- 34.6 months**
Average LTD claim duration

■ Actual chance of event occurring
■ % of people who saw it as more likely to occur than a disability

Event	Actual chance of event occurring	% of people who saw it as more likely to occur than a disability
IRS Audit	1%	27%
Having Twins	3%	17%
Hole in One	0.01%	16%
Winning Lottery	0.000040%	15%

Long Term Disability Insurance

When employees are unable to work due to a covered disability, LTD will **replace a portion of their lost income** while also providing them with resources to assist them in the healing process. LTD coverage provides 24-hour protection and is generally designed to start paying benefits once an employee's Short Term Disability plan or sick pay is exhausted. Benefits are paid on a monthly basis and, depending on the plan, can pay out benefits until Social Security Retirement Age.



About Aldrich Benefits LP

We assist employers with employee benefits consulting including medical, dental, group life, and disability insurance for their employees and executive benefits for high level and key employees. Our services include plan design, implementation, and annual review of benefits. Aldrich Benefits LP is known as Aldrich Insurance Solutions LP in California.

The information provided herein does not, and is not intended to, constitute legal advice; instead, all information, content, and materials available in this document are for general informational purposes only. Readers of this document should contact their attorney to obtain advice with respect to any particular legal matter.