



Mutual of Omaha

Can You Count on These Resources?

COPING WITH THE COSTS OF AN UNEXPECTED DISABILITY

The Council for Disability Awareness compiled a list of common notions about how people would cope with the costs of unexpected disability and what resources they may have available to them. As you read through this list, think carefully about what you would do. Could you count on these resources?

“I’d use vacation time.” That might work for an injury that heals quickly. But your time might be used up in a month or less. The average length of a long-term disability is 2 ½ years.¹

“My savings will help make ends meet.” Do you really want to tap into hard-earned savings to pay day-to-day living expenses and medical bills? Without an income, you won’t be able to save for retirement at the rate you previously were or at all.

“Social Security and Medicare will cover me.” Half of all people are declined when they first request these benefits and the average payment is under \$1,130 a month.² Medicare doesn’t cover long-term care unless it’s deemed medically necessary. Medicaid does cover long-term care, but only for low-income earning people.

“My spouse’s job will protect us.” If you and your spouse both work, your household will at least have some income if you had to stop working. Even so, does your spouse make enough that it wouldn’t be a problem to lose your entire salary? For many people, the answer is ‘no.’

“I don’t need much to get by.” Becoming disabled adds extra costs for health care, medical supplies, and support. You may not realize all the added expense during a disability.

“I have disability insurance through work.” Do you know how it pays? Some employer plans cover only short-term disability or they don’t begin paying benefits for 90 days or more. And, if you leave the company, you’re no longer covered.

“Workers’ compensation will cover me.” Only 10% of disability cases are caused by eligible on-the-job injuries.³

“I can always borrow money.” Your chances of borrowing money from a financial institution could be slim because you won’t have an income. If you borrow from family or friends, this could add more pressure on you at a time you need to focus on recovering.

But, the facts alone don’t tell the whole story.

A loss of income because of a disabling injury or illness has a very personal impact on you and your family. How will you keep it going if something happens to you?

You have options to help protect your income and all that it supports. When you add disability income insurance to your financial plan, you’re not only taking an important step toward securing your income during working years, you’re giving yourself a plan to help keep your life going.

These scenarios do not represent actual persons but are representative of questions or thoughts our customers may have.

¹ Council for Disability Awareness Study, 2010; most recent available • ² U.S. Social Security Administration, Disabled Worker Beneficiary Data (2012)

• ³ CDA Consumer Disability Awareness Survey, Long-Term Disability Claims Review, Council for Disability Awareness (2010); most recent available

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In New York, these policies provide disability income insurance only. They do not provide basic hospital, basic medical or major medical insurance as defined by the New York State Department of Financial Services. The expected benefit ratio for policies is 55 percent. The ratios are the portion of future premiums, which the company expects to return as benefits when averaged over all people with these policies.