

Approve in all states Except for NY

Protecting Your Income-Part 2

Disability insurance is known by various names such as **Disability Income Protection, Disability Income Insurance, or Income Replacement Insurance**. The basic function of all of the policies is the same: To replace a portion of your earned income in the event you cannot earn a living due to a sickness or accident. The different names are mostly a factor of what the insurance company chooses to label their product.

There are several factors that affect what your premium will be. Because of this, two people of the same age who are at the same income level may be charged different premiums. The following are the most common factors that affect premiums:

1) **Occupation** - The more day-to-day hazards involved in your occupation, the higher the premium. For example, someone who works with heavy equipment will pay more than someone who works primarily at a desk. Also, many occupations such as chiropractors, dental assistants, dental hygienists, beauticians, and jewelers may pay a higher premium than accountants and attorneys due to the fact that a relatively small occurrence such as a sprained finger or a strained back can prevent them from working at their occupation.

2) **Health** - A person with a history of potentially disabling conditions will usually have to pay more for disability than one without such history. A brief list of potentially disabling conditions would include, but would not be limited to, back/spinal injuries or disorders, arthritis, asthma, heart conditions, etc.

3) **Benefit Period** - The amount of time for which the company will pay for a disability. A benefit period of 2 years will cost substantially less than a lifetime benefit period.

4) **Elimination Period (Waiting Period)** - The amount of time you must be disabled before a benefit is payable. The most common elimination periods are 30, 60, 90, and 180 days. For example, with a 90 day elimination period, a person must be disabled for 90 days before benefits are payable. Once the 90-day elimination period has passed, payments begin retroactive to the first date of disability. Waiver of Premium (which is a separate feature) will refund premium paid for the first 3 months, once the elimination period has been satisfied.

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5) **Policy Provisions** - For example, a policy that pays both total and partial disability will cost more than one that pays only for total disability. There are several other provisions that can affect the cost of a policy. Be sure you understand all provisions of a policy when comparing it to others. A properly licensed agent or financial representative can help you decide which policy provisions are best for your individual situation.

Disability insurance is one of the most cost-effective ways to help cover your expenses if you become unable to work due to illness or injury. The purchase of such coverage should be made carefully with the assistance of a qualified professional.

By-(Agent)
(Agency name & address)
(Agency phone #)

Like most disability insurance policies, MetLife policies contain certain exceptions, waiting periods, reductions, limitations and terms for keeping them in force. I'll be glad to provide you with more information -- including costs and details.

The opinions expressed in this article are for general information only and are not intended to provide specific advice or recommendations for any individual. We suggest that you consult your representative, attorney, or accountant with regard to your individual situation.