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DISABILITY INCOME INSURANCE

For many Americans, going without a paycheck due to illness or injury is not an option. Disability income (DI) insurance helps replace part of a worker's pay so they can focus on their health while still covering everyday bills. Because health problems can happen to anyone, short-term and long-term disability coverage can protect against a sudden drop in income and help support overall financial stability.

WHY IT MATTERS

- **Disability risk is greater than most people realize.** One in four of today's 20-year-olds can expect to be out of work for at least a year because of a disabling condition before they reach the normal retirement age.
- **People are not prepared to take unexpected time off of work.** Two-thirds of DI insurance claimants said they would have faced financial hardship without coverage.
- **Life insurer products ease government burdens.** Access to DI insurance through life insurers will save $8 billion in Social Security Disability Income spending over the next 10 years.

WHAT DI INSURANCE IS

- DI insurance replaces a portion of earnings if an insured employee is unable to work due to a covered injury, illness or childbirth.
- Coverage can be through a group policy, usually provided by an employer, or through an individual disability policy. Benefits can last from several weeks to several years depending on the relevant coverage.

In 2024, life insurers paid out $20.8 billion in disability income payments.

WHO DEPENDS ON DI INSURANCE

- **Individuals** who rely on a paycheck to maintain their standard of living and meet financial obligations.
- **Professionals** with specialized skills, those who are self-employed or those entering the workforce.
- **Anyone** who supports themselves and their family and wishes to build long-term financial security.

View a real story about the importance of the product:

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