

WHAT'S THE BREAK-EVEN POINT?

Cost vs. Benefits

Years of Premium Paid	Months of Benefits Received to Break Even
2 years	0 months, 20 days
4 years	1 months, 10 days
5 years	1 months, 20 days
7 years	2 months, 11 days
10 years	3 months, 11 days
20 years	6 months, 22 days

Assumed Age: 35

Monthly Benefit: \$5,000

Monthly Premium: \$140.04

* Monthly Guard-O-Matic premium for ProVider Plus coverage (1400) for a male age 35, Class 5, 90-day EP, to age 65, with Residual Disability Benefit rider.

WHAT'S THE BREAK-EVEN POINT?

Objection: “DI costs too much.”

Prospects often think the following: “Is disability insurance really a good buy? The premium seems high. I want to be sure that I’m getting a good value.” Use this chart to demonstrate what a short time it would take for the prospect to recoup the premiums paid if he or she becomes disabled.

At every age during a normal working career, the average duration of a long-term disability ranges from 2½ to more than 3 years.*

*Source: 1985 Commissioner’s Individual Disability Table; assumes that disability lasts for at least 90 days.