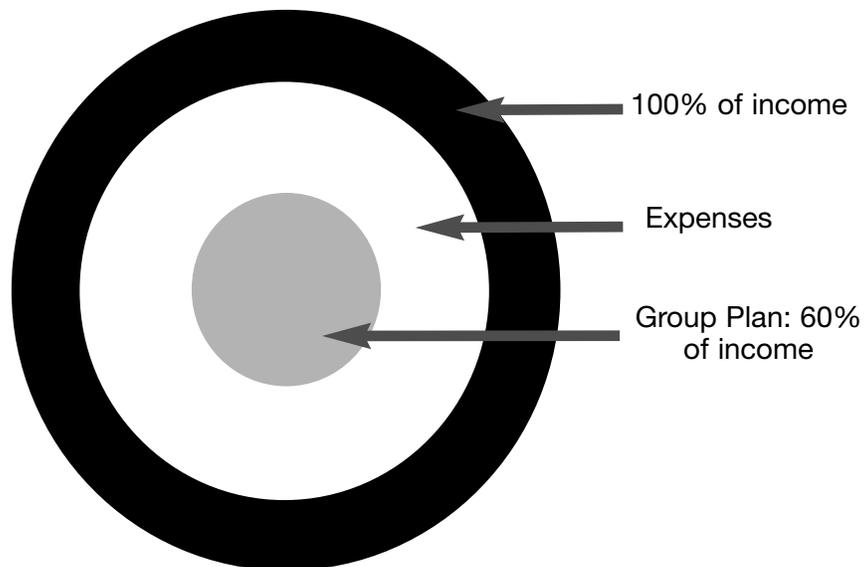


HOW MUCH OF YOUR INCOME IS USED ON EXPENSES?



Will your group disability plan really do the job?

HOW MUCH OF YOUR INCOME IS USED ON EXPENSES?

Objection: “I have a group plan”

Many prospects mistakenly think that their group plans will support their lifestyle in the event of a disability. Help your prospect figure out what percentage of his or her income is used on monthly expenses. More than likely, it will be greater than the 60% (or less, for higher income individuals) provided by the typical group plan. Now discuss with them how individual disability insurance can maximize their income protection program. It is most effective if you draw this out.

SCRIPT:

(Prospect’s first name) you have made a smart decision by choosing to protect some of your income with group disability coverage. This proves that you are aware of the risk of losing your income in the event of an unexpected illness or injury. What you may not be aware of is that group coverage only protects 60%* of your income and, if your employer is paying some or all of the premiums, it is taxable. That means that you may actually have to live on as little as half of your income.

Draw the big circle representing 100% of your client’s income. Draw a circle inside to show what percent of income is used on their expenses.

Then draw another circle inside this one to show that, at 60% of income, it would be hard or impossible to cover monthly living expenses.

COULD YOU LIVE ON 60% OF YOUR INCOME, especially if that income were taxable? This is what your group plan will pay.

The only way for you to assure that you are adequately protected is by purchasing individual disability insurance.

*Note: Use the correct percentage for your client’s situation. Group plans are subject to a monthly cap on benefits, which may drastically reduce the percentage of income replaced. To perform a detailed analysis of your client’s group plan and how individual DI fills in the gap, use Pub. 7125 (Income Protection Analysis).