



# Know Your Benefits

## Long-term Disability Insurance

Disability insurance is coverage that provides you with income protection should you lose time on the job due to an injury or illness. With disability coverage, you receive partial replacement of lost income.

For working-age individuals, disability refers to a medical condition that reduces your ability to perform your job duties.

### What Is Long-term Disability Insurance (LTD)?

LTD is a type of disability insurance coverage that pays employees a set percentage of their regular income after a specified waiting period. For example, if a worker is covered under short-term disability (STD) insurance as well, the LTD insurance would kick in once the STD policy is exhausted, typically after three to six months.

LTD insurance protects workers in the event they become disabled for a prolonged period prior to retirement. LTD policies are often offered through employers as part of a standard benefits package.

The length of LTD plans varies; some may be limited to a period between two and 10 years, while other plans continue paying out until age 65.

### Why Is Disability Insurance So Important?

The risk of disability is greater than most employees realize. When you become disabled and lose time at work, your source of income is eliminated. In addition to lost income,

you are most likely experiencing an increase in medical expenses to deal with your disabling injury or illness.

### What Is Supplemental Disability Insurance?

Traditional medical insurance doesn't cover every expense related to an injury or illness. Bills and expenses can continue to add up, especially if you have to stop working and lose your income.

In addition, the policy offered by your employer may not be enough to cover your financial needs in the event of a disability. Supplemental insurance is additional coverage that can help you pay whatever expenses may not be covered by your medical plan or employer's disability policy.

If you decide that the coverage offered through your employer-sponsored group plan does not adequately fill your personal needs, you should contact an independent agent or carrier to inquire about individual disability insurance coverage.