Protecting Your Most Valuable Asset

ContinuON Income Solutions®
Is anything protecting your income?
Disability happens. You can’t predict whether it will strike you or not. But you can prepare in case it does, with a customized disability income insurance plan. This protection can replace a portion of your income, and help maintain your current lifestyle, if you suffer a disability. Your income is your most valuable asset and has the potential to be substantial over your working lifetime. But to earn it, you must have the ability to work.
What do you do when the income stops?

These days, if you can say, “Life is good,” you’re fortunate.
- Fortunate to have your health.
- Fortunate to have an income.
- Fortunate to have a comfortable lifestyle.
But what if all three were suddenly taken away by a disabling sickness or injury?

It happens to people every day. No one expects it, and many, unfortunately, have not planned for it.

One day it’s there, the next day it’s not.

We often take our income for granted – even in the most “secure” of jobs; however, nobody’s income is guaranteed. You are earning a living. But if you came down with a serious sickness or suffered an injury and could no longer work, your income would stop.

How would you live with no income for weeks, months, or even years?

Life doesn’t stop at disability. Your basic needs continue – food, clothing, shelter – after your ability to provide for them is cut off.

A long-term disability can be financially devastating, when no money is coming in and expenses for medical care are rising. Your ability to earn an income is a valuable asset that can, and should, be well-protected.
The facts are unsettling:

**25% chance**¹
The odds of a 20-year-old becoming disabled before retirement.

**65% of workers**²
That’s how many American workers could not cover their normal living expenses for even a year if they couldn’t work.

**1,825 days**³
More than 1 in 5 workers will be disabled for 5 years or more during their working careers.

**Every 90 seconds**⁴
That’s how often someone files for bankruptcy in the wake of serious injury.

Most people think they are insulated from a life-changing disability and think: “It won’t happen to me.”

**Leading causes of disability**
Many people associate disability with accidental injuries. But approximately 90 percent of disabilities are caused by illness rather than accidents.⁵

A recent industry survey on the causes of disability found that fewer than 10 percent of long-term disability claims were caused by accidental injuries (as illustrated below). The single biggest cause is musculoskeletal problems, such as chronic back trouble.

The same survey found that disability claims increase with age. Fifty-seven percent of long-term disability claims approved in 2012 were from people age 50 and older.

<table>
<thead>
<tr>
<th>Percent of Existing Long-Term Disability Claims⁵ by Cause</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Back and Neck Pain, Arthritis, Osteoporosis (and other musculoskeletal/connective tissue disorders)</td>
<td>30.7%</td>
</tr>
<tr>
<td>Multiple Sclerosis, Epilepsy, Alzheimer’s (and other nervous system-related disorders)</td>
<td>14.2%</td>
</tr>
<tr>
<td>Heart Disease, High Blood Pressure, Strokes (and other cardiovascular/circulatory diseases)</td>
<td>12.1%</td>
</tr>
<tr>
<td>Cancer and Neoplasms</td>
<td>9.0%</td>
</tr>
<tr>
<td>Mental Disorders</td>
<td>7.7%</td>
</tr>
<tr>
<td>Injuries and Poisoning</td>
<td>7.7%</td>
</tr>
<tr>
<td>Complications of Pregnancy and Childbirth</td>
<td>1.5%</td>
</tr>
<tr>
<td>Other</td>
<td>17.1%</td>
</tr>
</tbody>
</table>

³ National Association of Insurance Commissioners’ Disability Insurance Tables A and C, assuming equal weights by gender and occupational class.
They didn’t think it could happen to them.

Disability seldom announces itself ahead of time. It often strikes out of nowhere, and can be financially and emotionally devastating. It also does not discriminate. It can strike anyone regardless of age, occupation or income level. Here are some real-life examples.*

DAVID, AGE 48, suffered a disabling stroke

David led an active life, with a job that required some travel. He also found time to spend with his family, along with playing volleyball and serving on the local ski patrol.

In the spring of 2005, David suffered a stroke that put him in a wheelchair. He tried going back to work, but physically it was just too much for him. “I wasn’t able to keep up with my colleagues and resume traveling – even part time,” he said. “So I permanently retired.”

The stroke could have devastated David and his family financially. “Thank goodness we were prepared,” David said. He had purchased a disability income policy through his employer.

“Who would have expected to be permanently disabled from a broken arm?”

MONICA, AGE 37, permanently disabled

Monica had a successful career, a son, and big dreams. That all changed in early 2003 when she fell and shattered her right elbow in a dozen places.

With surgery, she recovered from the injury, but soon Monica developed osteonecrosis, or “dying of the bone.” The bones in her body began to crumble and needed replaced. Ultimately, it put her in a wheelchair and she needed a caretaker. She applied for Social Security disability benefits, but it took 2½ years for them to finally start.

Because she had no disability income insurance, she had to pay her daily expenses out of her retirement savings.

“Who would have expected to be permanently disabled from a broken arm?”

*Source for stories: The Council for Disability Awareness (CDA), a non-profit organization founded in 2005 to inform and educate the public about the frequency and financial impact of disability (disabilitycanhappen.org).
To protect the privacy of those affected by disability, only first names are used and photos are not of the actual individuals profiled.
Life doesn’t stop at disability –
How would you cover your bills?
What other sources of help are there?

The typical backstops in case of disability are savings, your spouse’s income, other family members, friends, Worker’s Compensation and Social Security. Not one of these truly replaces your income. Workers’ Compensation pays benefits in case of an on-the-job accident. But it has strict limitations and applies to only a small percentage of disability cases.

Plan ahead – you can protect your income.

You insure your home and cars – why not insure your most valuable asset – your ability to earn a living? That’s what disability income insurance does.

Ohio National is a leader among companies that offer disability income insurance. We’ve helped protect people’s incomes for more than 50 years. With the help of your Ohio National financial professional, you can customize coverage to your needs and budget. More than 37 million Americans – 12 percent of the population are classified as disabled.7 The time to start protecting yourself is now.

6U.S. Social Security Administration, Disabled Worker Beneficiary Data, December 2012.
7U.S. Census Bureau, American Community Survey, 2011.
Personal Information

Name __________________________________________________________________________ Date of birth ____________________

Gender: □ Male □ Female  State (home) _____________________________ State (work) _________________________________

Occupation __________________________________________ Length of current employment _______________________________

Job duties __________________________________________

Businessowner/Self-employed – Current net annual earned income $ ____________________ Previous year $__________________

Do you own your business or own a 20% or greater share in a business? □ Yes □ No

Is the business a: □ Sole proprietorship □ Partnership □ S-corporation □ C-corporation □ LLC

Number of partners ___________________ Ownership percentage of each ____________________________ %

Number of full-time employees _________ Average monthly business overhead expenses $ __________________________

Your health history is an important consideration when applying for an individual disability income contract. Let’s discuss a few health questions.

Did you use any tobacco products or nicotine substitutes in the last 12 months? □ Yes □ No

What is your height and weight? _______________________ _________________________

Any significant health history, including long-term treatment, hospitalization or surgeries? ____________________________________________________________

Medications currently being taken: __________________________________________________________________________________

________________________________________________________________________________________________________________

Any antidepressant medications taken or mental health counseling received? _____________________________________________

________________________________________________________________________________________________________________

Sources of Income

Current annual salary $ ___________________ Previous year’s annual salary $ ____________ Annual bonus $ _________________

Income from spouse or family members $ __________________________ Annual investment income $ _______________________

Group Long Term Disability (in force)

Percentage of current income/Amount per month $ ____________________ Premium payer ______________________________

Maximum period _____________________ Benefit benefit _____________________ Elimination period _____________

Individual Disability (in force)

Percentage of current income/Amount per month $ ____________________ Premium payer ______________________________

Maximum period _____________________ Benefit benefit _____________________ Elimination period _____________

(Continued)
Monthly Expenses

Home $ _____________________________ Food $ _____________________________ Automobile $ _____________________________
Clothing $ _____________________________ Education $ _____________________________ Travel $ _____________________________
Personal savings $ _____________________________ Insurance $ _____________________________ Recreation $ ___________________________________
Credit-card payments $ _____________________________ Loans $ _____________________________ Utilities $ _____________________________
Medical expenses $ _____________________________ Retirement savings $ _____________________________ Child care $ _____________________________

DI Needs Analysis

Monthly income when healthy $ _____________________________
Monthly income needed during illness/injury* $ _____________________________
Monthly sources of income when sick or hurt (Including other Individual DI & group LTD) $ _____________________________
Shortfall (remaining monthly DI need) $ _____________________________

*Maximum DI available is between 40-70 percent of current income