

LifeHealthPRO

Boosting Sales with More Comprehensive IDI Policies

BY STEVE BRADY
AUGUST 29, 2011

A serious disability is six times more likely than death. Forty-eight percent of mortgage foreclosures are caused by a disability. One in four 20-year-olds will experience a period of disability before they retire. Despite these [startling statistics](#), disability insurance still remains a tough sell for brokers. Often, the reason for this is not hard to decipher. Many people in today's economy are living paycheck to paycheck and can't afford to purchase personal insurance based solely on a "what if" scenario. In other cases, people are more concerned with gratifying immediate needs, like buying a car or a home.

In order to overcome these sales barriers, brokers need to show customers value for their dollar. One way to deliver on this need is by stocking their shelves with robust, comprehensive individual disability insurance policies designed to meet individuals' changing needs.

As you continue to look for the latest and greatest DI products to add to your offering, here are three unique features to look for.

1. Extended coverage benefit for loved ones

Caring for a sick family member can be a very time-consuming job, and many individuals at some point in their lives must face the decision to take a leave from work and potentially lose monthly income to meet family obligations and provide that care.

Time -- in some cases, limited time -- with a seriously ill family member is invaluable and should not have to be tainted with financial worry. For this very reason, policies that offer an extended coverage benefit to care for a loved one suffering from a serious health condition will be an extremely appealing feature.

This type of benefit delivers on a critical need for individuals, many of whom will have to face the loss of income, or even the loss of a career to stay home and tend to an ill family member. Individuals will truly see their insurance broker as a valuable resource for bringing this type of option to the table.

2. A partial disability provision that encourages returning to work

A partial disability, where someone suffers a loss of income because they are only able to work in a limited capacity, is more likely to occur than a total disability. Therefore, a policy that offers a partial disability benefit is a very valuable component.

A partial disability provision often pays benefits for an extended period of time if the disabled insured has a loss of time, duties or income, regardless of the amount of income earned when returning to work or while the individual continues to work. Oftentimes a policy with this provision will not require proof of a loss of income, making the filing and claims process very simple.

A partial disability benefit is even more advantageous for the individual that wants to return to work. The provision allows the individual to work part-time instead of filing for total disability just to collect benefits.

3. Mental health coverage

According to [Mental Health America](#) (2003), clinical depression has become one of America's most costly illnesses. Left untreated, depression is as costly as heart disease to the U.S. economy, costing more than \$51 billion in absenteeism from work and lost productivity, as well as \$26 billion in direct treatment costs. Mental health issues are becoming more common in the workplace, and therefore, many DI policies are beginning to offer coverage to remain competitive. However, these policies often have limitations on conditions they cover, or other restrictions that make this benefit less valuable to a customer when it's needed.

The best mental health policies have no special limitation on coverage for a variety of mental health disorders and substance abuse issues, as well as an extended benefit period rather than the typical two-year limitation.

As mental health challenges continue to increase and affect individuals, policies that offer this type of coverage are likely to thrive and become more in demand.

Becoming a go-to partner

Clients will continue to rely on brokers for the right options, and it's your job to ensure they're equipped with policies that are ready to deliver on these changing demands. By carefully considering your client's full spectrum of needs, you position yourself to be a truly valuable long-term partner.

Steve Brady is the second vice president of individual disability insurance sales and marketing at [The Standard](#). He can be reached at 971-321-8240 or at steve.brady@standard.com.

For more exclusive DI coverage, visit [ASJ's Disability Insurance Resource Center](#).