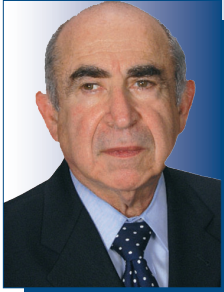


## Disability Insurance Insights...



**EUGENE  
COHEN**

*began his insurance industry career in Cleveland, OH, with a company that specialized in disability income protection.*

*In 1981 Cohen founded the Eugene Cohen Insurance Agency, Inc., Skokie, IL, which specializes in DI, life, LTCL, fixed annuities, and impaired risk cases. The agency is a member of LifeMark Partners, NAILBA, the IDIS and is a founding member of The Plus Group.*

*Cohen received the W. Harold Petersen Lifetime Achievement Award from the IDIS and NAILBA's Douglas Mooers Award for Excellence.*



**MICHAEL  
COHEN,**

*CLU is president of the Eugene Cohen Insurance Agency, helping brokers, general agents, broker/dealers and financial advisors serve their clients.*

*Cohen has served on carrier advisory boards and organization boards of directors. He is a member of the Risk Appraisal Forum.*

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# How Are You Planning Your 2021 Disability Insurance Campaign? Here Are 12 Resolutions For 2021.

**A**s we wind down 2020, it is time to start planning for 2021 and how you can support your clients' financial goals. Disability insurance should be part of most of your working clients' financial plans. There are many ways to help your clients and many great products, so it is good to start planning your 2021 goals.

**January's Resolution:** "I'm going to review my client database and create a list of all of my clients who I have helped buy a disability policy. I'm going to make

appointments to review their current coverage and needs to determine if more disability insurance is needed." There are so many stories of clients who bought a disability policy when they first started working, but no one has reviewed it for years and more coverage is needed. We've never seen a claim in which someone wished they bought less coverage.

**February Resolution:** "I'm going to identify clients who own a business and have an office (that's not in their home) and are the

primary income producer of the business. I'm going to discuss with them the need for Business Overhead Expense (BOE) coverage and how this product can help save the viability of their business if they are able to come back to work." BOE can reimburse a disabled business owner for qualified expenses that are incurred in operating a business. A business owner who becomes disabled, and due to that disability can't produce the income that pays the expenses, can have a tremendous burden on their shoulders. Think about a sole practitioner physician, dentist, attorney, accountant, or any business in which the business owner primarily creates the income coming into the firm.

**March Resolution:** "I'm going to identify business clients who have bought key-person life insurance and discuss the need for key-person disability insurance." If a business has multiple owners or any employee(s) who are key revenue producers for the business, it's important to discuss key-person disability insurance. The need is similar to key-person life insurance. But the key person didn't pass away, they became totally disabled!

**April Resolution:** "I'm going to learn about DI retirement policies and discuss this product with my clients who save money via their retirement plans." Many planners miss the fact that if a client becomes disabled they most likely will no longer be able to contribute to their qualified plan. There are companies that can help create an alternative type of plan if someone becomes disabled.

**May Resolution:** "I'm going to identify all of the clients I helped buy life insurance to fund a buy-sell agreement and I'm going to discuss disability buy out insurance." Many partnership and/or buy out agreements contain provisions if a partner becomes disabled. It's important to have these provisions funded.

**June Resolution:** "I'm going to review my clients who have group disability insurance at work or clients who I have assisted buying LTD for their firm. I will explain to those whose incomes exceed the plan's cap why obtaining more coverage may be in their best interest, primarily due to taxes and inherent limitations in most group policies." Many times employer paid group plans can be a taxable benefit, which can reduce the net coverage. In addition, most group coverage has inherent limitations compared to individual disability coverage.

**July Resolution:** "I'm going to review any clients who have been declined for disability insurance in the past to see if I can now get them coverage." It's possible that clients who have been turned down for disability insurance in the past can be accepted for disability insurance in the future due to changes in their health, occupation, or income. In addition, there are more companies specializing in impaired risk policies.

**August Resolution:** "I'm going to identify clients who are owners or work for a business with multiple high-income earners and establish a multi-life discount by insuring three or more people." There are various multi-life discount programs available.

**September Resolution:** "I'm going to

reach out to clients who have loans and discuss with them how they would pay for the loan(s) if they became disabled." There are so many types of disability policies and riders that can help ease the financial burdens caused by a disability and the lack of ability to pay contractual obligations.

**October Resolution:** "I'm going to understand the three basic parts of disability underwriting so that I can better pre-screen clients for individual disability insurance." There are three areas of disability underwriting: Occupational, financial and health underwriting. Knowing the basics of these three areas can save a lot of time in product selection and preparing a client for various underwriting outcomes.

**November Resolution:** "I'm going to go to <https://lifehappens.org/videos> and watch the video testimonials of clients who have been disabled." While many of us have personal stories of people who have been disabled, you may not know someone personally. These stories show how important disability insurance can be to individuals and families.

**December Resolution:** "I'm going to give myself a grade, from A+ to F, on how many clients I helped protect themselves or their businesses with some type of disability insurance in 2021." What grade would you give yourself today? Have you discussed disability insurance with all of your working clients? If you have a client who gets disabled and they ask you what type of disability insurance they have, what will be your answer? 🙋