

Education Is Key to Selling Disability Insurance

“If you work and rely on your income, you need disability insurance.”

That statement appears straightforward, but the results of the [2022 Insurance Barometer Study](#), by Life Happens and LIMRA, reveal that people need to be educated about what disability insurance *is* and *why* it's important coverage to have.

When asked how quickly their household would feel the financial impact if the primary wage-earner was sick or injured and couldn't work, **29% said it would take a month or less**, according to the study, and **half (49%) said it would be six months or less**. A full **17% said they didn't know**.

What's more, when asked where they would seek financial help if they were out of work due to an illness or injury, people said they'd tap a myriad of sources, with ***individual disability insurance coming in last***:

- Savings – 49%
- Asking family – 30%
- Tapping their retirement accounts with penalties – 24%
- Credit card loans – 19%
- Employer disability coverage – 18%
- Supplemental insurance coverage – 17%
- Workers' comp – 14%
- Individual disability insurance – 10%

In addition, **18% said they “didn't know” where they would get the money** if they were sick or injured and unable to work and earn an income.

The Approach

The pandemic may have opened some people's eyes to the need, as **27% said they are familiar with the impact that not having disability insurance can have**, which would drive them to purchase coverage.

Another equally strong “prompt” to buy disability insurance was retirement planning (27%). That's especially important if almost a quarter of people said they'd consider drawing money from their retirement savings to deal with the potential financial impact.

Here are the events that prompt consumers to buy disability insurance:

- Retirement planning – 27%
- Familiarity with the impact of not having coverage – 25%
- Entering the workforce – 25%
- Getting married – 15%
- Birth of a child – 14%
- Starting a business – 13%

For your company's access to the full Barometer Study and [all the consumer resources for selling disability insurance](#), go to app.lifehappens.org.