



# DISABILITY INCOME INSURANCE

What is **Disability Income Insurance**? And why do I need it?

If you get sick, or injured and unable to work due to a disability, properly structured disability insurance can give you a tax-free monthly payment to help replace your salary and cover your expenses. While a disability can often be visible to the naked eye, not all disabilities are easily recognized. Chronic pain or a mental health issue can also qualify as a disability in certain situations. A disability may be complete, not allowing you to work at all, or partial, allowing you to work, but not full time.



## Why do You Need Disability Insurance?

- Up to 40% of Canadians become disabled for 90 days or longer before age 65.
- Can replace much of your current pay cheque - potentially receive up to 60-85% of your take-home pay.
- Protect your retirement savings - disability insurance can help you meet your financial obligations so you may be able to avoid dipping into your retirement savings sooner than planned.



## Do You Need Disability Insurance if You Have It Through Your Employer?

Employer-provided (group) insurance is a good starting point, but it usually only provides basic coverage for a fixed period. A personally owned disability policy can enhance your group insurance coverage to better protect you and your family's cash flow needs if you become disabled.

Consult your accountant, financial planner, or insurance specialist to determine which type of disability insurance is right for you

## GOT QUESTIONS?

Contact DJB Wealth Management Inc. today - we can help you stay on the right path!

Connect with a Certified Financial Planner™ professional by phone at 905.684.9221 or email [wealth@djb.com](mailto:wealth@djb.com).



## Group Coverage

## Individual Coverage

**How much coverage do I get?**

Coverage amounts are often limited

You choose your coverage amount

**How flexible is it?**

Your employer often picks the coverage options

You choose your coverage amount and how long you need it

**Can I change my coverage?**

Typically, you can make changes once per year or if there's a life-changing event

Yes, you can adjust your coverage

**What happens if I leave my employer?**

Your coverage ends unless there's an option to convert to individual coverage

Your coverage stays the same because it's not tied to a job or a membership

**How much does it cost?**

Typically, it's low cost

Typically, it's a higher cost than group coverage

**Will the cost ever change?**

Costs can change every year

Costs stay the same for the duration of the coverage