

## Focus On... Long Term Disability

*No one can predict the future course of their health. That's why we offer a full range of comprehensive and portable disability insurance products that you can rely on throughout your working years.*

In a recent survey of the Canadian public<sup>1</sup>, 39% reported being "very concerned" about having enough money if they become disabled. An additional 31% were "somewhat concerned" on the same question. This issue ranked 3rd on the list of financial concerns for Canadians, behind unease about the government's ability to fund health care and pension programs.

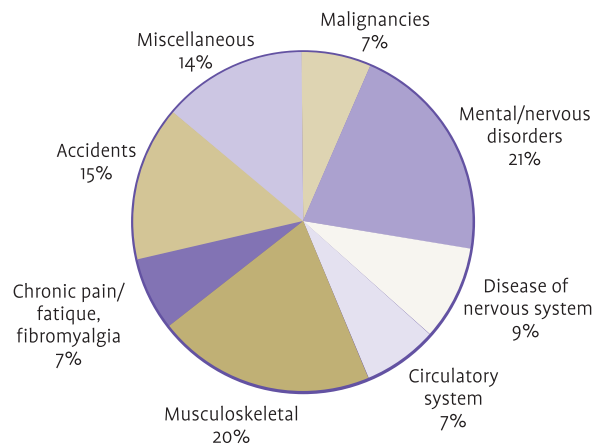
The concern is valid. Industry statistics<sup>2</sup> show that the risk of disability during a person's working years is considerably higher than the risk of premature death. For disabilities that last for more than 90 days, the average claim will be longer than 3 years.

***That's a long time to be without a paycheque!***

We recently took a look at our claim files to see how many had lasted for more than 5 years, and what they were caused by. We have hundreds of open claim files that fall into this long-term category. (See reverse for samples.) The most frequent cause of such disabilities is mental and nervous disorders, including major depression and bi-polar disorder. The next most frequent cause is musculoskeletal conditions.

These range from degenerative disc disease to arthritis to more generalized problems with the back and joints. For about 1/3 of our long-term disability claims, critical illness coverage would have also paid a benefit.

**Causes of Long Term Disability**



<sup>1</sup> 2001 Topic - Tracking Opinions of the Public in Canada, LIMRA

<sup>2</sup> Commissioners' Individual Disability Table A, Society of Actuaries

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Occupation	Sex	Nature of Disability	Issue Date	Age at Disability	Date of Disability	Current Monthly Benefit	Total Paid Out*
Chartered Accountant	M	cancer of spleen	Sept 84	48	Feb 94	\$5,050	\$540,000 **
Secretary	F	major depression	July 91	53	July 96	\$1,920	\$120,000
Dentist	M	spinal degenerative	Sept 87	39	Oct 94	\$3,200 (residual)	\$360,000 **
Doctor	F	depression	Feb 86	35	Jan 89	\$7,815	\$1,100,000
Canvasser (fundraising)	M	mitral stenosis and insufficiency	Feb 89	56	June 95	\$3,000	\$240,000
General Contractor	M	ethylene glycol renal dysfunction	June 89	35	Feb 94	\$2,300	\$210,000
Chiropractor	M	chronic fatigue syndrome	Oct 84	36	July 87	\$3,310	\$520,000
Teacher	M	diabetic neuropathy	July 87	47	Jan 93	\$1,200	\$120,000
Registered Nurse	F	osteoarthritis	Sept 87	45	Aug 93	\$1,532 (residual)	\$150,000
Dentist	M	MVA resulting in soft tissue injury	Sept 85	44	Sept 87	\$13,500	\$2,300,000 **
Computer Programmer	M	bi-polar disorder	Sept 92	41	Aug 95	\$4,700	\$350,000
Store Manager	F	severe stress reaction	Feb 87	47	Jan 90	\$3,240	\$410,000
Dental assistant	F	MVA resulting in spinal damage	Dec 90	37	Apr 91	\$1,450	\$190,000
Insurance	M	depression	Apr 90	40	Dec 94	\$3,840	\$470,000 **
Dentist	M	astrocytoma	Oct 94	45	Nov 96	\$3,700	\$240,000

\* As of May 2002

\*\* Including earlier office overhead claim