

## The Basic Three: Life, Health, and Disability Insurance

The sudden loss of a loved one, sustaining a serious injury, or becoming seriously ill can bring financial and emotional stress to your employees and, therefore, to your workplace. However, offering life, health, and disability income insurance policies as employee benefits can help your workers prepare for these situations and manage them more effectively.

### Life Insurance

The death of a loved one is an unfortunate reality that everyone must face at one time or another. If one of your employees dies unexpectedly, his or her family may be faced with some unexpected financial challenges. All expenses will continue, despite the sudden, very noticeable loss of income. Funeral costs, mortgages, and other outstanding debts, as well as daily expenditures, only add to the burden. Providing employees with group life insurance or offering them the option to buy into a policy can help them feel secure that, in the event of death, their families will receive the proceeds of the insurance policy. To protect your business from the loss of a key employee, consider obtaining key-person life insurance, which covers your business for losses sustained in the event of that valuable person's death. Health Insurance

Employee health and well being is critical to workplace productivity. Offering a group health insurance policy can help an employee afford necessary medical attention and expenses. Health insurance is also a benefit that will help you attract and retain a quality workforce. Currently, there are four major types of health insurance: 1) fee-for-service, also known as a conventional policy; 2) health maintenance organizations (HMOs); 3) preferred provider organizations (PPOs); and 4) point-of-service (POS) policies. Each plan presents unique benefits and limitations, so be sure to carefully evaluate each to determine what would be most appropriate for your organization. Disability Income Insurance

According to the Insurance Information Institute (2007), 43% of all people age 40 will suffer a long-term disability (lasting 90 days or more) by the age of 65. Yet, disability income insurance is an often over-looked insurance policy. While employers generally recognize a need for a group life insurance policy or a group health insurance policy, they often forget the importance of insurance for employees' paychecks. If, due to a severe illness or injury, one of your employees is unable to work for an extended period of time, a disability income insurance policy provides a source of at least partial replacement income to help cover financial obligations.

There are a variety of disability income insurance policies that differ in their coverage options. It is important to check the policy's definition of disability. Some may provide benefits only to those who are totally disabled and unable to work in any field. To protect your business from any loss that may occur should a key employee become disabled, consider the benefits of key-person disability insurance, which covers your business for losses sustained in the event of that valuable person's disability.

Illness, death, and disability are traumatic enough for your employees without adding the fear of financial ruin. For your trusted staff to avoid gaps in their insurance plans, make sure the policies you offer contain adequate coverage. Regardless of which plans you choose, we can help you pick a group policy that fits your needs. We are happy to help you evaluate all aspects of the policy to be sure it can help protect you and your employees.