

**BUSINESS DAY**

# Variations on a Theme: Explore the Differences in What Policies Offer

By HILLARY CHURA JUNE 30, 2007

Disability insurance can stave off financial calamity, but policies vary significantly. Here are a few questions to ask about coverage:

¶How does it define disability? Some kick in if you cannot do your job, others if you cannot work at all.

¶Will it stop paying after a certain period? Some limit coverage to two years; others end at retirement.

¶When does it begin? Some policies have delays of 90, 180 days or longer.

¶How much income does it cover? If you can afford it, aim for 60 percent to 80 percent coverage.

¶Does it cap how much you can receive? Some policies limit payouts to \$6,000 or so a month.

¶Can the premium be raised or the policy canceled? Can you buy higher benefits later without an exam?

Most important, is the insurer reputable and financially strong. Check with your state insurance department. Ratings agencies — including the A. M. Best Company, Moody's Investor Services and Standard & Poor's — can tell you if a company appears stable.

A version of this list appears in print on , on page C7 of the New York edition with the headline: Variations on a Theme: Explore the Differences In What Policies Offer.

---

© 2016 The New York Times Company