Odds of Disability

Insurance claims studies indicate that the odds of becoming disabled for 90 days or longer are much greater than dying during one's working years. Studies also suggest that, as the number of business owners or key employees increases, so do the odds that one of them will suffer a long-term disability.

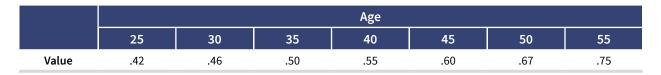
Probability of at Least One Long-Term Disability Prior to Age 65

^	Number of People in the Age Group								
Age	1	2	3	4	5	6			
25	58%	82%	92%	97%	99%	99%			
30	54%	79%	90%	96%	98%	99%			
35	50%	75%	88%	94%	97%	98%			
40	45%	70%	84%	91%	95%	97%			
45	40%	64%	78%	87%	92%	95%			
50	33%	55%	70%	80%	86%	91%			
55	25%	43%	57%	68%	76%	82%			

Note: Based on the 1985 Commissioners Individual Disability Table, most recent available.

Determining Odds of Disability Among People of Different Ages

Use the following table and worksheet to determine the risk of a long-term disability among your business owners or key employees.



Step 1: For each owner or key employee you wish to include in your analysis, choose the value from the table above that corresponds to the age closest to the actual age of the owner or key employee, and include the value in the space below.

Odds of Disability

Step 2	: Multiply all o	f the values	by each o	ther to arr	ive at a si	ngle value.	
		x	x	x	x	=	
Step 3	: Multiply the s	single value	by 100 to	convert it	to a perce	ent.	
			100 x	=	%		
	: Subtract the le of the group	Ū				<u> </u>	erm disability for
			100%	=_	%		
Note:	You can perform worksheet.	this analysis	for any num	ber of owne	rs or key em	nployees, not just	t the five shown in this