

## Disability Insurance for Lawyers - Good Idea or Not?

Wondering about general consensus on disability insurance - for office jobs, do the insurance companies try to get out of paying on claims? Is the consensus that must have disability insurance or wondering if my premiums are better spent elsewhere?

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I have a friend hurt in a bike accident. He has had to stop practicing law because of it. He is getting full pay from disability insurance and has been for several years.

Shell Bleiweiss, Illinois

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Your best investment is individually purchased disability insurance (own occupation specific), rather than premiums on a group (ERISA covered) long term disability policy.

Happy to chat if you have questions. These cases are my main area of practice (disability insurance - group and individual).

Jennifer Danish, Illinois

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For what it is worth, my friend's was a group plan from the firm.

Shell Bleiweiss

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I had a boss who developed a disability and was out of the office for several months. When he returned to the office, a disability adjuster came to visit. I showed him the appointment book (this was before we started keeping appointments and court dates online) which showed a sudden bunch of dates with no appointments or court. And I had documented all the continuances that I had to get from the courts and OCs while he was out. If you need to make

a claim, make sure you can show your absence from the office, in case medical records aren't enough.

As far as I know, the company paid the boss's claim in full.

Marilou, a retired legal secretary who misses those days...

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It is important that the policy applies to you practicing as an attorney. There are policies that only pay out if you suffer a disability that prevents you from doing any kind of work.

I recommend it. If you suffer a serious injury or get a bad medical diagnosis, you probably won't have an adequate financial fallback without insurance.

Bert Krages, Oregon

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A friend of mine, a very good litigator and trial lawyer, was T-Boned in an intersection collision and suffered severe concussion and likely some brain damage when her head was thrust violently sideways into her car's side pillar. (she was wearing a seat belt). She lost some slight cognitive functioning and had to give up all trial work and within a year or so, all litigation - anything which required accurate recall or quick decision making. Fortunately, she had maintained a disability policy that covered her disability, so she was able to retire from active law practice.

Michael L. Boli, California

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And you want a high minimum payment. They will require you to file for SSA and then offset their payment by your SSA amount and many times end up only paying the minimum payment (of like \$25/month) though I have seen some with much higher minimum payments (closer to \$500)

Erin M. Schmidt, Ohio

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My law school mentor was a partner in a major firm here, billing 3000+ hours a year when he got a head injury. Out of the practice. And I have a sui generis condition that affects rapidity of thinking, and I'm retiring from trial work as a result. I was ready anyway, so not a big deal, and I'm continuing to do local counsel work where I'm not in the well of the courtroom myself.

I suppose your friend's T-Boner didn't have insurance...

In my friend's case, the insurance companies fought him tooth and nail. He was relatively young and the likely bill ran into millions of dollars.

Paladin Law

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I have an individual policy through the ABA. One thing to consider is whether you have your firm pay the premium (and write that off as a business expense) or pay it out of your pocket. The big difference comes if you ever use the policy: The monthly disability payments are taxable to you if your business pays the premiums. If you pay the premiums out of your own pocket, the monthly disability payments are not taxed. Makes a big difference.

Andy Simpson, U.S. Virgin Islands

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Apologies if this has been mentioned already, but most disability policies expire at age 65, on the theory that people retire then (yeah, right) and that one becomes eligible for social security. But for an extra premium, you can buy a rider that continues the payouts for life or as long as the disability lasts, whichever ends first.

(This was the case when I was shopping policies, but that was a long time ago. YMMV.)

James S. Tyre, California

