



First Responders Often Face Gaps in Insurance

Our nation salutes its first responders, who put their lives on the line to protect us. And although first responders understand the dangers they face in their jobs, many aren't aware of how much danger they—and their families—face when it comes to financial security, especially with respect to insurance.

The Data



There are over **one million firefighters** in the United States, of whom approximately **750,000 are volunteers.**



Sheriffs' offices reported approximately **291,000 full-time employees.**



Local police departments have an estimated **556,000 full-time employees.**



There are over **155,000 nationally registered emergency medical technicians.**



Disability Insurance

Your value as a first responder often dramatically exceeds the value of your financial assets. According to the Social Security Administration, more than 25 percent of today's 20-somethings will become disabled before age 67.

While this number has not been extrapolated to first responders, intuition suggests the number would be higher. Further, the Council for Disability Awareness adds that the average long-term disability claim lasts 34.6 months.

Disability insurance typically provides 45 to 66 percent of your income and comprises paid sick leave, short-term (when you're out of work a few weeks to 90 days) and long-term coverage. Yet less than one-third of the U.S. workforce carries private disability insurance, which typically costs between one and three percent of one's income.

You generally obtain long-term disability (LTD) insurance through a group/employer plan or in the form of individual coverage. Many large employers offer group LTD as a company-provided benefit that you can buy with pre-tax dollars as a payroll deduction. Trade organizations often offer the same kind of group insurance.

Insurance Gaps

Many first responders believe that their insurance or workers' compensation will take care of their families if they are injured or disabled. But there are often gaps in coverage that need to be filled.

The reality is that for most people—and that includes first responders—your current insurance doesn't cover as much as you think. And unfortunately, most people discover the hard way that, when they suffer a loss, their coverage has gaps.

When you think of insurance the first things to pop in your head are probably life, health, homeowners and auto. The first two relate to the physical and financial well-being of you and your loved ones. The last two, known as property-casualty insurance, cover your belongings.

Look at it this way: If you're like many people, you may buy insurance for your \$400 smartphone but fail to insure something worth a lot more—the loss of your future wages if you suffer a long-term disability, arguably the most critical risk for you to insure.

Talk to a Financial Planner

Purchasing insurance to cover the risks you can't pay for is important. Whatever your personal need and preference for coverage, you're best off securing some form of disability insurance.

Meet with a financial advisor to gain peace of mind that you have comprehensive and correctly targeted coverage.