



Common Disability Myths and Misconceptions

“Disability? It’s not going to happen to me.”

Unfortunately, 9 out of 10 workers grossly underestimate their chances of becoming disabled¹. The odds are 3 in 10 that a worker entering the workforce today will become disabled sometime before retiring². Plus, a disabling accident occurs every 2 seconds in the US³. There are over 50 million people in the US classified as disabled, and the numbers are rising⁴.

“If I do become disabled, it won’t last long.”

This myth is not surprising since 85% of workers express little or no concern that they may suffer a disability over three months¹. While it’s true many disabilities only last a few months, the average disability actually lasts 2.5 years⁵. Before retiring, a disability will keep 1 in 5 workers out of work for at least a year⁶ and 1 in 7 workers can expect to miss work for more than 5 years⁷.

“I think I’m covered at work?”

Most large employers provide some form of sick pay and long term disability benefits to their employees. That’s not the case for most small employers where few offer disability benefits. More employers are offering their employees the opportunity to buy disability insurance at the workplace, but most employees don’t elect the coverage –“it’s not going to happen to me”. Many employees also mistakenly think their medical insurance covers lost wages, it doesn’t. It’s best to get the facts from your employer about what benefits are available and what is covered.

“Workers’ compensation should cover me in most situations.”

Unlikely. Over 90% of disabling accidents and illnesses are not work related³. Workers’ compensation does not cover the vast majority of disabilities.

“I have Social Security - that should be enough.”

Social Security Disability Insurance (SSDI) is a very important benefit for over 150 million US workers. Close to 7 million workers are currently collecting monthly disability payments from the program. Almost half are under age 50. But, SSDI may not be adequate for many workers: the average monthly benefit is \$978 and less than half of the workers who apply for SSDI are approved².

“I have enough savings and investments.”

We all wish that was true. But, for most working Americans that’s just not the case. 70% do not have enough savings to meet short-term emergencies⁸ and the average household savings rate is negative, the first time since 1933. Two-thirds of American families live paycheck to paycheck and the average household credit card debt is \$9,300⁹. Most simply can not afford to be disabled.

Visit the CDA Web site for more information: www.disabilitycanhappen.org

The Council for Disability Awareness



“If I become disabled all I have to worry about are my daily living expenses.”

Being able to continue to pay your daily expenses during a disability is paramount. But, losing your income can impact you in many other ways too. Disability causes nearly 50% of mortgage foreclosures¹⁰ and unexpected illnesses and injuries cause 350,000 personal bankruptcies each year¹¹. How will you continue to pay your mortgage, fund your retirement plan, pay for your added medical costs or afford care giving? The “costs” of being disabled today are much more than meets the eye.

“People don’t do disability financial planning.”

That’s partially correct. Almost 60% of workers *have never discussed* how they would handle a loss of income due to a disability¹. That’s surprising since employees’ number one financial concern is being able to pay bills if their income suddenly stops¹². For those workers who *have discussed* how they would manage an income-limiting disability; 83% feel highly confident that they can maintain their current lifestyle during a period of disability¹. As the “costs” of being disabled increase, the value of “disability financial planning” becomes more important.

¹ Council for Disability Awareness, Disability Awareness Survey 2007

² Social Security Administration, Fact Sheet 2007

³ National Safety Council, Injury Facts 2004 Ed.

⁴ “Americans With Disabilities: 2002,” U.S. Bureau of the Census, May 2006

⁵ Commissioner’s Individual Disability Table A

⁶ U.S. Census Bureau, December 1997

⁷ “Commissioners Disability Table, 1998,” Health Insurance Association of America, the New York Times, February 2000

⁸ National Investment Watch Survey, A.G. Edwards Inc. 2004

⁹ Parade Magazine, *Is the American Dream Still Possible?*, April 23, 2006

¹⁰ Health Affairs, The Policy Journal of the Health Sphere, 2 February 2005

¹¹ “Illness and Injury as Contributors to Bankruptcy,” *Health Affairs*, February 2, 2005

¹² MetLife, Study of Employee Benefits Trends 2007

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