



Managing Your Money

Protecting Your Most Valuable Financial Asset

(NAPSA)—Many Americans, especially the younger generations, tend to underestimate the risk of experiencing an illness or injury. Unfortunately, the chances of facing a disability are greater than most would want to believe. Research from Life Happens shows that one-third of Americans will experience a disability that will interfere with their ability to work at some point during their career. The implications of an illness or injury can extend beyond the physical. Northwestern Mutual's 2015 Planning and Progress Study revealed that unplanned financial emergencies and medical expenses ranked among Americans' top three financial fears and an unexpected disability can transform these fears into an instant reality.

Despite the potential financial consequences, people are taking few steps to protect their income and savings. As a result, nearly half of Americans are likely to find themselves in financial trouble in just one month or less after incurring a disability, according to Life Happens research.

"May is Disability Insurance Awareness Month, so it's a good time for Americans to assess their financial plans to see if they are adequately prepared to manage the financial implications of short- or long-term disability," said Steve Sperka, Vice President, Disability Income for Northwestern Mutual. It's a wise move at any time of year, however.

Disability insurance is a solution specifically designed to replace a significant portion of income and help with expenses and lifestyle needs if sickness or injury prevents a person from earning a living. The U.S. Department of Labor estimates that two-thirds of Americans do not have



Disability insurance can help you save money if an illness or injury keeps you from working.

access to disability insurance through their employer. Even those whose employers do offer group disability may want to consider an individual supplemental policy for added protection and flexibility. Aside from paying a monthly benefit, an individual policy is portable if an employee changes jobs. The benefits may also be tax exempt.

Sperka emphasizes that while the ability to pay bills is important, with both the cost of living and longevity increasing, considerations around disability should extend beyond routine obligations.

"Northwestern Mutual's 2015 Planning and Progress Study found that outliving their retirement savings is the top financial concern for Americans," continued Sperka. "Disability insurance can help preserve an existing nest egg and also provide the flexibility to keep contributing to retirement savings, which could substantially reduce the stress and pressure of playing catch-up later."

For a variety of tools and educational resources that provide insight and guidance on planning around the possibility of a disability event, working with a financial professional and other resources to help you protect your income now and into retirement, you can visit Northwestern Mutual at www.NorthwesternMutual.com.