

## The State Farm Center® for Women and Financial Services At The American College Women and Disability Survey Fact Sheet

### About the Survey

A new survey from The State Farm Center for Women and Financial Services at The American College examines:

- How Americans understand the risk of disability
- How Americans view the need to protect themselves financially against the loss of income due to a disability
- How Americans understand disability insurance

The survey revealed that most people lack knowledge about the health risk; individual and family consequences; and financial preparation needed to face a life-changing disability. What you don't know *can* hurt you: The financial consequence of developing a disability can be severe without having a plan in place.

### Key Survey Findings

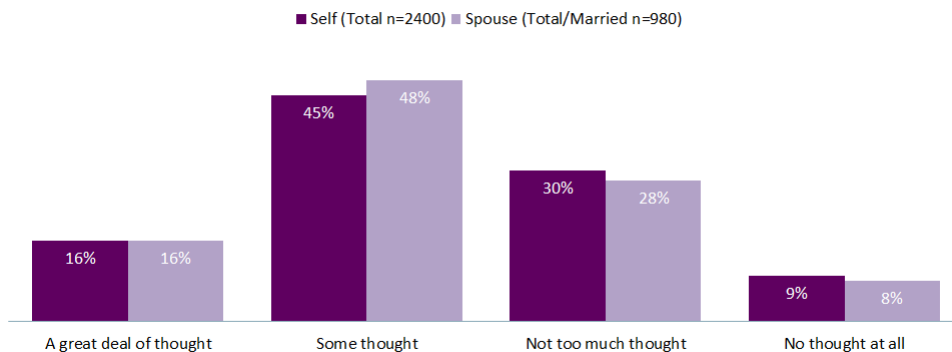
#### Risk

- **Most Americans think that being disabled is as likely as finding \$100 on the street.** Nine in ten say the chances that they or their spouse will become disabled for a period of six months within the next ten years is less than 35 percent. Only slightly more (95 percent) assess the likelihood of finding money in the street at less than 35 percent.
- **Additionally, most don't know the leading cause of disability.** Exactly 97 percent failed to identify arthritis as the leading cause of disability. More than 30 percent misidentified accidents as the leading cause. More than 25 percent of today's 20-year-olds will suffer a disability before they retire.
- **Although women are more likely to face disability than men, most Americans think men are more at-risk.** Only 20 percent know women are more likely to become disabled than men.

#### Consequences

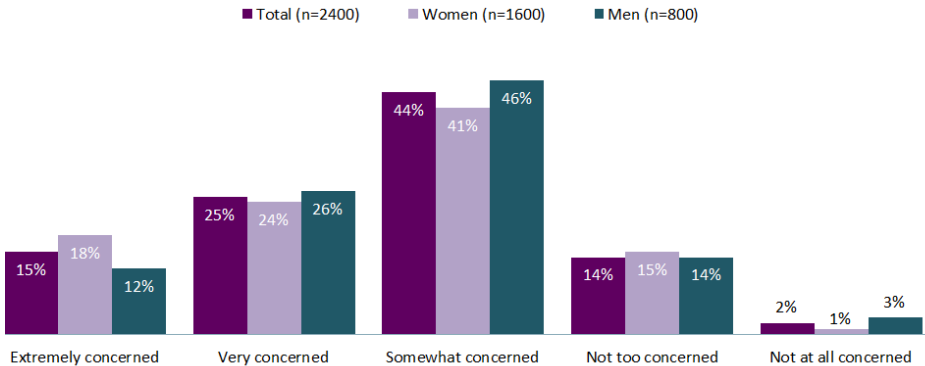
- **Few Americans have given substantial thought to how they would manage financially if they were impacted by disability.** Just 16 percent have given a great deal of thought to these issues; close to half report they have given some thought to the consequences of their own (45 percent) or their spouse's (48 percent) disability.

*How much thought have you given to how you and your family would manage financially if you/your spouse were to become disabled due to an accident or illness and were unable to work for three months or longer?*



- **Most would not be financially prepared if a disability hit.** Of the survey respondents, 44 percent indicated they are at least somewhat concerned about the impact on their household’s financial situation if they were to become disabled and unable to earn an income. Another 62 percent are not confident their family would have enough money to maintain their current lifestyle while 42 percent are concerned they would not be able to afford the medical care they need. Additionally, 30 percent are unsure if they would have enough money to cover basic expenses.
- **Women are more worried about financial impact of disability – and single women are particularly at-risk.** Eighteen percent of women (compared to only 12 percent of men) are extremely concerned about the impact a disability could have on their financial situation. Women (22 percent) are almost twice as likely as men (12 percent) to think their cash reserves would last less than one month in the event of a disability. Single women are especially vulnerable – more than one in four (28 percent) see the consequences of disability as totally devastating.

*Overall, how concerned are you about what would happen to your household’s financial situation if you were unable to work for an extended period of time due to a serious illness or disability?*



## Preparation

- **Researching disability coverage is not a top priority for Americans – especially with women.** Just 61 percent of women and almost half of men (46 percent) have never done any research on disability coverage. Just 6 percent of women and 8 percent of men have purchased individual disability insurance.
- **Cash reserves top disability insurance as the go-to financial resource for funding disability expenses.** For example, 66 percent of women and 76 percent of men cite cash reserves as the main financial resource they would use if they became disabled and were not able to work for a year. Only one in three Americans said disability insurance.
- **Most lack knowledge on disability insurance plans.** About half of the survey respondents who cited having disability coverage through work or independently do not feel knowledgeable about their policies. Furthermore, four in ten agree most people do not need disability insurance because it is covered by other things (39 percent) and it does not make sense to buy insurance that they might never use (36 percent).

**Methodology:** This survey was conducted by independent market research firm Mathew Greenwald & Associates on behalf of The American College’s State Farm Center for Women and Financial Services. Information was gathered through 15-minute online interviews with a total of 1,600 employed women and 800 employed men ages 25 to 64 with total household income of at least \$35,000. Interviewing took place November 8 to 18, 2011. The data are weighted by age, gender, marital status, presence of children, and education to reflect the total employed population ages 25 to 64 with household income of at least \$35,000. If this study were a random survey of 2,400 employed individuals, it would have a margin of error (at the 95% confidence level) of plus or minus 2 percentage points.