

Are Americans Protecting Their Most Valuable Financial Asset?

MILWAUKEE, May 5, 2015 /PRNewswire/ -- Unplanned financial emergencies and medical expenses ranked among Americans' top three financial fears, according to [Northwestern Mutual's 2015 Planning & Progress Study](#). While an unexpected disability can transform both fears into an instant reality, people are taking few steps to protect their income and savings. In fact, sobering research from [Life Happens](#) revealed that nearly half of Americans would find themselves in financial trouble in just one month or less after incurring a disability.

"Unfortunately, people tend to underestimate their risk of disability as well its potential to wreak havoc on both physical and financial health," said Steve Sperka, vice president, disability insurance for Northwestern Mutual. "May is Disability Insurance Awareness Month and a good opportunity for Americans to examine their financial plans to assess if they are adequately prepared to manage the financial implications of short or long term disability."

[Disability insurance](#) is 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. However, as both costs and longevity continue to increase while retirement safety nets ebb, the considerations around disability extend beyond routine obligations.

"Our 2015 Planning & Progress Study found that having insufficient savings to retire comfortably is a 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, reducing the need to play catch up later."

Sperka advises the [two thirds of Americans who do not have access to disability insurance](#) through their employer to consult with a professional regarding their options. For those whose employers offer group disability coverage, he suggests adding an individual supplemental policy to further minimize the potential for financial disruption. Aside from paying a monthly benefit when an individual is unable to work, an individual policy is portable if an employee changes jobs.

Visit [NorthwesternMutual.com](#) for a variety of [tools and educational resources](#), including the video "[Help Protect Your Paycheck with Disability Income Insurance](#)," that provide additional information on planning for the possibility of a disability event.

About Northwestern Mutual

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