THE TREND OF DISABILITY INSURANCE

The Vice-President of one of the disability Companies writing a large volume of accident and health business, in an interview with The Casualty Review, said in part:—

The company that makes a strong play on heavy death indemnities, is really getting away from the true principle of accident and health insurance. It is offering for sale a contract that is not representative of the accident and health business and certainly does not provide the policyholder with anything like the proper amount of disability insurance protection. We find that our agents are getting away from these freak contracts very largely. The agent who is building a business, who is trying to keep the great majority of his policies in force, finds after a time, that he must sell a man a policy that actually provides protection.

What a man needs is a fair amount of death indemnity, enough coverage against ordinary accidents and sicknesses to take care of his family while disabled. I do not think any liability contract is complete that does not provide fairly good sized amounts for the loss of a hand, eye, foot, leg, arm or finger. Unless a policyholder's contract covers against these contingencies, he cannat be indemnified for them in any other way. If for instance, a policyholder carriess a contract with a large death benefit and $25 or $30 a week, for disability, and losses an arm, his contract does not provide him with full protection. He gets nothing for the loss of an arm and is paid only for the time that he is laid up. This is a feature that is very often overlooked. There is no other way that a man can be paid for the loss of a member, and protection of this kind is important.

"On the whole, I think that people are exhibiting more intelligence in buying disability insurance. They are not so easily swept off their feet these days with a glowing account, and how the company pays triple indemnity if the assured is killed while in a burning building on the west side of the street, between 4 and 5 p. m., the accident to be witnessed by not less than seven people, etc. These trick contracts providing heavy payments under certain conditions, no longer make the same appeal. A prospect nowadays wants to know how much his time is going to be protected.

"The high cost of living has made men see the importance of insuring their income against every contingency. They realize that if their salary should stop, their family would very soon be in actual want. Every necessity of life costs so much that if the income is cut off, the family could not keep going long. With this thought uppermost in their minds, prospects are demanding plain old fashioned protection. The froth, the special contract, and the other folderol that provides the agent a lot to talk about and provides nothing else, fails to make the same impression as a few years ago. The trend in disability insurance is toward the kind of a contract that provides income protection."

TORNADO COVERAGE

While many persons residing in districts subject to tornadoes carry windstorm and tornado insurance to cover their homes, farms and other property, it is doubtful whether any agents in such territory ever emphasize the tornado risk in selling life or accident insurance.