

10 Million Single, Female Workers at Extreme Financial Risk From a Disability



More than 1 in 4 American women workers today will experience a serious disability before reaching normal retirement age.*

Portland, ME, June 27, 2019 — In a new survey of the awareness and ownership of disability insurance across today's workforce, The Council for Disability Awareness (The CDA) uncovered that the 32 million, unmarried women workers, who make up 25 percent of today's American workforce are underinsured for a disability.

Among all single women in the U.S. whether never married, divorced or widowed – nearly 1 in 3 said they were “extremely unprepared” for any period of disability if they should lose their income. That number equates to roughly 10 million women in America.

The survey found that 52% of all single, working women, age 20-65, have no disability insurance at all. For those women without disability insurance, over half reported they never thought to get it or didn't know enough about it. And of those who have disability insurance, only 55% say they have enough.

“We've always known that women had higher rates of disability throughout their working careers than men, excluding pregnancy. But we were surprised to see how few single women

have disability insurance or other forms of income protection, or thought to get it,” said Carol Harnett, President of The CDA. “If you're a single woman and don't have disability insurance through your employer or private insurance, you need to put an income protection plan in place.”

The findings are from a new Disability Awareness Study to be released in 2019 by The CDA of over 2,200 full-time, employed consumers. The survey was conducted by Greenwald Associates and sponsored by Lincoln Financial Group, The Guardian Life Insurance Company of America, Massachusetts Mutual Life Insurance Company, MetLife Inc., and American Fidelity Assurance Company.

This report is part of a year-long campaign to raise awareness of the impact of gender, income and other influencers on consumer financial preparedness for being out of work for a period of time. The CDA will release additional reports throughout the next 12 months to further detail the crisis of inadequate disability coverage in America.

* Social Security Administration, Disability and Death Probability, Tables for Insured Workers Born in 1998 <https://www.ssa.gov/oact/NOTES/ran6/an2018-6.pdf>, Table A.

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About the Study

Purpose and Methodology

This report presents the results of an online survey conducted by Greenwald & Associates on behalf of the Council for Disability Awareness. The purpose of the study was to gather information from full-time employees about factors that influenced their choices of employee benefits, the impact of life stressors such as caregiving and debt, and the extent to which they are aware of—and prepared for—the likelihood of a period of disability affecting them.

Information for this study was gathered through a 16-minute online survey with a total of 2,234 consumers between the ages of 21 and 68 who are employed full-time and have a minimum household income of \$25,000 or more. This total includes representative samples of Hispanics/Latinos, African Americans and Asian Americans.

Respondents for the survey were recruited through the ResearchNow online panel. Online interviewing took place from March 12, 2019 through April 1, 2019.

Study Sponsors

This study was funded by the following CDA member companies. The Council for Disability Awareness and its members are committed to helping working adults understand the importance of having alternate sources of income for times when people cannot work due to illness, injury, or pregnancy.



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Key Facts: the Perspective of Women

The Council for Disability Awareness surveyed over 2,200 working Americans to understand in greater depth their financial preparedness for periods of disability that caused them to leave work. The results indicated half of survey participants carried disability insurance with single men and women less likely to be insured.

Further analysis found 75% of men who had disability coverage believed they were adequately insured while only 57% of women felt the same way.

Of greatest concern was the nearly 10 million single, working females who said they were “extremely unprepared” financially for work absences. This group was almost three times as vulnerable to income loss as men (11%) and less secure than married women – 20% of whom reported extreme unpreparedness.

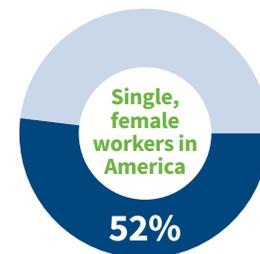
In an ongoing 3-year study by The CDA of individual, short- and long-term disability insurance claims (to be released later this year), women experienced a higher overall incidence of disability claims.

Without some form of income protection, single women can expect to experience greater rates of financial difficulty if they need to miss work due to illness, injury or pregnancy. Women surveyed reported lower individual salaries, lower financial security, described their debt as a bigger problem, and reported lower preparedness for all types of financial emergencies than men.

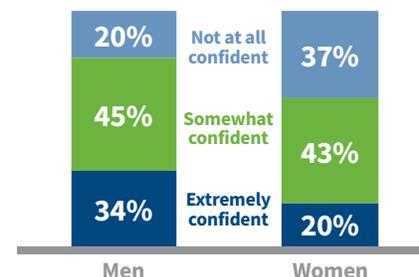
Risk for Women

- **52% of single, female workers have no disability insurance.**
- **1 in 4 women reported they are “extremely unprepared” for a period of disability lasting 3 months.** They were also less likely than men to agree there is a risk they could experience an income loss in their working years, that they have already planned for an income loss, or that they know about ways to protect themselves from loss of income.
- **Despite this,** among those who do not have disability coverage, women were more likely than men to say they don’t have it because they’ve never thought about it.
- **Among those women** who reported they have enough disability insurance, 23 percent said they do not know how much they should have, and women reported a lower understanding of disability insurance than men; an area of opportunity for education on the topic.

52% of single, female workers in America have no disability insurance



Confidence in Supporting Household During Income Loss



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Disability Risk in America

Millions of working Americans are facing a growing crisis: a lack of adequate disability insurance coverage. Today, the absence of emergency savings, rising medical costs, and an overall trend of fewer employers offering benefits to workers have created a critical blind spot for many American workers and their families. Without some kind of income protection, more Americans are experiencing severe financial difficulty if they need to miss work due to illness, injury or pregnancy.

2019 Critical Facts

- **More than one in four of today's 20-year-olds** can expect to be out of work for at least a year because of a disabling condition before they reach the normal retirement age.¹
- **Only 40 percent of US households** have at least \$6,275 in liquid savings. That is what it would take a family of four to replace income at the poverty level for three months.³
- **At least 51 million working adults** in the United States are without disability insurance other than the basic coverage available through Social Security.²
- **Four out of ten American adults** indicate they can't pay an unexpected \$400 bill without having to carry a balance on their credit card or borrow money from friends, family, or the bank.⁴

1 Social Security Administration, Disability and Death Probability, Tables for Insured Workers Born in 1998 <https://www.ssa.gov/oact/NOTES/ran6/an2018-6.pdf>, Table A.

2 American Council of Life Insurers, Assessing Americans' Financial, Retirement Security, unpublished data from study released in September 2017 as https://www.acli.com/-/media/ACLI/Public/Files/PDFs-PUBLIC-SITE/Public-Industry-Facts/Assessments_Report_082917.ashx?la=en

ACLI found that 54.3% of non-retired households (51.3 million in total) did not report having disability insurance. Assuming there is at least one adult in each household, this means the number of "uncovered" adults is at least equal to the number of "uncovered" households.

3 Prosperity Now, Vulnerability in the Face of Economic Uncertainty: Key Findings from the 2019 Prosperity Now Scorecard https://prosperitynow.org/sites/default/files/resources/2019_Scorecard_Key_Findings.pdf, page 4. Census Bureau Data, Survey of Income and Program Participation.

4 Federal Reserve, Report on the Economic Well-Being of U.S. Households in 2017 – May 2018. <https://www.federalreserve.gov/publications/2018-economic-well-being-of-us-households-in-2017-dealing-with-unexpected-expenses.htm>, Figure 11

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About The Council for Disability Awareness

The Council for Disability Awareness (The CDA) is a national nonprofit organization dedicated to helping working adults understand the importance of having alternate sources of income for times when they cannot work due to illness, injury, or pregnancy. The CDA is a business council that acts as a hub of knowledge for the media and wider public: curating information, releasing research reports, and acting as an industry source for journalists.



The CDA website:
DisabilityCanHappen.org

The CDA on social media:



Carol Harnett, President

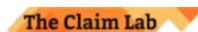
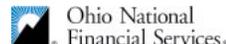
Carol Harnett is a thought leader, speaker, and writer in the fields of general employee benefits, health and productivity management, and value-based health.

She authors the employee benefits column for *Human Resource Executive* and hosts the podcast, The Financial Health and Income Network.

Previous to her work for The CDA, Harnett held key positions in the insurance industry as the Vice President and National Disability and Life Practice Leader for The Hartford and The Prudential's Director of Resources and Rehabilitation Services. She also led the Kessler Institute for Rehabilitation's industrial medicine department. Harnett sits on the Board of Directors of Disabled Sports/USA.

Member Companies

The CDA is a 501(c)6 nonprofit organization whose members include leading insurance companies:



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