

---

## **Survey of Disability Income Insurance Claimants**

---

Prepared For:

**America's Health Insurance Plans (AHIP)**

Prepared By:

**Harris Interactive Inc.  
Public Affairs and Policy**

**June 4, 2008**

## Background and Objectives

---

This survey assessed disability income insurance claimants' satisfaction with their overall claims experience. Results of this study are intended for public release.

## Methodology and Sample

---

This survey by America's Health Insurance Plans was conducted online within the United States by Harris Interactive between April 18<sup>th</sup> and 30<sup>th</sup>, 2008 among 502 adults who received payments as a result of disability insurance claims, using the Harris Poll Online Panel (HPOL) consisting of people who have agreed to participate in survey research projects. Among those recipients, 409 received benefits from a short-term disability insurance plan, and 251 received benefits from a long-term disability insurance plan within the past ten years. Furthermore, 138 claimants received Social Security Disability Insurance benefits in addition to their private disability insurance claims.

Claimants received benefits from short-term disability insurance provided by an employer, long-term disability insurance provided by an employer, and long-term disability insurance purchased individually. People who received benefits from these programs were also asked about their experience with Social Security Disability Insurance, where it was applicable.

The percentage of adults that reported receiving either long-term or short-term disability insurance payments was 8 percent.

## Index

<b>1. Key Survey Findings</b> .....	3
<b>2. Detailed Survey Findings</b> .....	4
<b>a. Most are Satisfied with their Disability Insurance Claims Experience</b> .....	4
<b>b. Few Experience Problems with the Disability Insurance Claims Process</b> .....	4
<b>c. Disability Insurance Protects Individuals from Financial Hardship</b> .....	4
<b>d. Most are Satisfied with Innovative Programs Offered by Disability Insurers</b>	4
<b>f. Most Individuals Purchased Disability Income Insurance to Protect Their Families</b> .....	5
<b>3. Full Methodology Statement</b> .....	6
<b>4. Harris Interactive Contact Information</b> .....	6

## 1. Key Survey Findings

---

- Four out of five private disability income insurance claimants (82 percent) are very satisfied or somewhat satisfied with their policy.
- Most claimants were satisfied with the process for filing a claim (81 percent), promptness of payment (79 percent), responsiveness of the insurer (75 percent), and overall communication from the insurer (71 percent).
- Two-thirds of claimants (66 percent) did not encounter any problems with the claims process and for those that did, the vast majority (84 percent) had their problem resolved satisfactorily.
- The vast majority of claimants (96 percent) say it is at least somewhat likely they would have suffered financial hardship if they did not have disability income protection. Furthermore, two-thirds (67 percent) say it would have been very or extremely likely that they would have suffered financial hardship if they had not received private disability insurance.
- Most claimants who utilized innovative programs offered by insurers, such as return-to-work, rehabilitation, workplace accommodations, education benefits, and help starting a business, were satisfied with these programs.
- Most private disability insurance claimants who also received Social Security Disability Insurance benefits (79 percent) said they were satisfied with the process for filing and receiving benefits.
- Ninety-seven (97) percent of SSDI claimants said it was at least somewhat likely they would have suffered financial hardship if they had received only their SSDI benefits and not private disability insurance benefits. A sizeable majority (61 percent) were very likely or extremely likely.

## 2. Detailed Survey Findings

---

### **a. Most are Satisfied with their Disability Insurance Claims Experience**

Four out of five (82 percent) claimants said that they were very or somewhat satisfied with their disability income insurance policy.

In terms of how their claim was handled, policyholders who received benefits from any type of private disability insurance were satisfied with the experience. Claimants were satisfied with the process for filing a claim (81 percent), the promptness of their payments (79 percent), the responsiveness of the insurer (75 percent), and the overall communication from their insurer (71 percent).

Overall, people who received disability insurance benefits were satisfied with the process they went through in order to receive their claim.

### **b. Few Experience Problems with the Disability Insurance Claims Process**

Respondents were asked if they experienced any problems with their claims for each type of disability insurance claim they filed. Most (66 percent) said they did not have any problems with their claim, and for those that did (34 percent), the vast majority (82 percent) had their problem resolved satisfactorily.

Among those with private disability insurance, three-fourths (76 percent) did not have any problem getting their paperwork filed, 73 percent did not have any difficulty getting approval for a claim, and nearly four out of five (78 percent) did not have any problems receiving benefits. For those who also received SSDI benefits, three in ten (31 percent) reported having a problem getting the paperwork filed, over half (55 percent) had trouble receiving approval for their claim, and 48 percent had difficulty in receiving disbursements.

Claimants who experienced problems with their insurance claims were also asked if the problem had been resolved to their satisfaction. For example, nearly nine out of ten (88 percent) said their problem with their short-term disability insurance had been resolved to their satisfaction. Additionally, almost three-quarters (74 percent) said their problem with their long-term disability insurance had been resolved.

### **c. Disability Insurance Protects Individuals from Financial Hardship**

The vast majority of claimants (96 percent) said it is at least somewhat likely that they would have suffered financial hardship had they not received disability insurance benefits after suffering a disability. A large majority, 67 percent, said it was extremely or very likely. Only 5 percent of claimants said it is not likely they would have suffered financial hardship without private disability income protection.

Seven in ten (70 percent) disability insurance claimants said that they would be worse off today financially if they did not have disability insurance. Only 10 percent disagreed with that statement.

Three fourths of disability insurance claimants (75 percent) said their policy helped them get through a difficult time and nearly two-thirds (65 percent) said they would recommend disability income insurance to their family and friends.

### **d. Most are Satisfied with Innovative Programs Offered by Disability Insurers**

A significant number of people who received disability insurance benefits (42 percent) were at least somewhat familiar with the innovative programs designed to help people who become

disabled. More than half (53 percent) were at least somewhat familiar with workplace accommodations that could be made for physical limitations, half (50 percent) were familiar with rehabilitation benefits programs, and 46 percent were familiar with return-to-work programs. However, only 36 percent were familiar with education benefits and just 19 percent were familiar with help starting a business.

Of those claimants who participated in these programs, most said they were satisfied with their experience. Four out of five (80 percent) said they were satisfied with the rehabilitation program they participated in. Seventy-eight percent were satisfied with the workplace accommodations, 70 percent were satisfied with the education benefits they received, 69 percent were satisfied with the return-to-work program they participated in, and 64 percent were satisfied with the support they receive to help start a business.

For those that did not participate in one of these programs, most claimants said they would be at least somewhat likely to participate if the program was offered to them. Four out of five would be at least somewhat likely to participate in a rehabilitation program (80 percent), 71 percent would participate in a return-to-work program, 64 percent would utilize workplace accommodations, two-thirds (67 percent) would utilize education benefits, and 65 percent would want help starting a business if these programs were offered.

**e. Most Private Disability Insurance Claimants who also Received SSDI Benefits were Satisfied with their Experience**

In this survey, all respondents received claims from either long-term or short-term private disability insurance. Some of these claimants also received Social Security Disability Insurance benefits. This survey also assessed the experiences with the SSDI program of those who have private disability income insurance.

Overall, for recipients who also received SSDI, nearly eight out of ten (79%) were very or somewhat satisfied with their experience. More than two-thirds (69 percent) said they were satisfied with the process for filing a claim, more than half (58 percent) were satisfied with the promptness of payment, 60 percent were satisfied with the responsiveness of the Social Security Administration (SSA), and 58 percent were satisfied with the overall communications from the SSA.

More than two-thirds (69 percent) of SSDI claimants reported no problems with getting paperwork filed and, of those that did report a problem, 82 had their problem resolved satisfactorily.

Four out of five SSDI claimants (80 percent) said they would have suffered financial hardship if they had not received their SSDI benefits. Moreover, 97 percent of SSDI claimants said it was at least somewhat likely they would have suffered financial hardship if they had received only their SSDI benefits and not private disability insurance benefits. Further, six in ten (61 percent) said that they would be extremely or very likely to have suffered financial hardship.

**f. Most Individuals Purchased Disability Income Insurance to Protect Their Families**

Of those purchased individual disability income insurance, more than two-thirds (69 percent) said their motivation to purchase the plan was to provide their family with income should they become disabled and not able to work and 62 percent said that protecting income was a motivation. Nearly half (47 percent) said that preserving retirement savings in the event of a disability was motivation to purchase disability insurance.

**g. Sources of Information**

Many adults who have received disability insurance benefits (68 percent) said they would go to an HR representative with their employer for information about disability insurance. About half

(45 percent) would go to an insurance agent, and 43 percent would turn to the internet for information. A quarter (26 percent) would go to a knowledgeable friend, colleague or family member and one in six (17 percent) would go to a financial advisor.

### **3. Full Methodology Statement**

---

The Disability Insurance Claimant survey was conducted online within the United States by Harris Interactive on behalf America's Health Insurance Plans (AHIP) between April 18<sup>th</sup> and 30<sup>th</sup>, 2008 among 502 adults who received payments as a result of a claim filed for disability insurance, of whom 409 received short-term benefits, and 251 received long-term benefits within the past ten years. Furthermore, 138 claimants received Social Security Disability Insurance funds in addition to their disability insurance claims.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the population by age, sex, race/ethnicity, education, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online.

Because the sample is based on those who agreed to be invited to participate in the Harris Interactive online research panel, no estimates of theoretical sampling error can be calculated.

### **4. Harris Interactive Contact Information**

---

David Krane  
Tel: 212 539 9648  
Email: dkrane@harrisinteractive.com

Michelle Cooper  
Tel: 212 539 9761  
Email: mcooper@harrisinteractive.com