



Pre-planning for Disability & Death

My Personal Experience with Insurance Plans and the Role They Played in My Life

I've been in the insurance business for nearly 14 years. I've studied and read every statistic about probabilities of death and disability. I've studied the financial impact of both and have shared the information with those I've tried to help prepare. Well, I am no longer a student.

My wife Heidi's courageous 31-month battle with cancer ended in March of this year. I'd like to share both the financial and emotional challenges that occur when your spouse is disabled and passes away and share with you, the reader, the role insurance played in our lives.

We did our own personal annual review of financial needs in December 2001. We increased our life insurance and bought a policy for Heidi that would give her \$1,500 per month in tax-free income if she ever became ill or disabled for more than six months.

Then, suddenly, in August of 2002 she was diagnosed with a rare form of cancer. She immediately started treatment with chemo and radiation. By December of the following year, her 10 cm tumor had disappeared and we shared a great holiday with our family. During her treatment, Heidi had refused to stop working and continued until January of 2003, when her employer fired her after 10+ years of service. A week later, tumors reappeared and Heidi and the family was emotionally devastated again.

She continued to seek employment, but it was difficult because she had lost her hair and was weak most of the time. So unemployment insurance kicked in for several months. By the time it expired, she had completed three rounds of chemo and underwent radiation twice. The side effects were cumulative and physically devastating, so we filed claims with State Disability, Social Security and the private disability we had purchased two years prior.

Although the private and government insurance replaced her income, our expenses were skyrocketing at the time. I lost my subsidized health insurance and was now paying \$950 per month for our family plan. Knowing Heidi's condition, we couldn't change plans. We had a great PPO with a \$250 deductible and 90/10 reimbursement. Even with great insurance, our office visits, co-payments and prescriptions averaged \$1,000 per month. This is typical for serious illness and injuries and something most people don't take into account when they do their insurance planning. In addition, it is all too often in your time of need when you discover how (or not) comprehensive your insurance is.

Over the course of the following year and a half, both of our teen drivers had major accidents. One hit a tree with four kids in



the car and the other went head-on into a vehicle traveling over 50 mph. Both accidents resulted in total loss of the vehicles and one accident involved moderate to serious injuries. Thank heavens everyone recovered, but claims are still pending on the injured parties. An increased liability policy on our home and autos provided some comfort with regard to protecting our assets.

By December of last year, Heidi's cancer had spread to several organs. The emotional devastation was overwhelming for both Heidi and I. I couldn't handle the stress of work, so I went on disability and we spent the next three months seeking alternative treatment. Last March, Heidi passed away. During her illness, she never wavered in her belief in God, her desire for her kids to go to college and to fulfill their dreams and for me to continue working toward my own goals and dreams.

Since that time, because of the insurance plans we had in place, I was able to send my daughter to Europe and Band Camp and to take her on father/daughter trips to Flagstaff and Paso Robles. My son and I traveled to Europe and Alaska together. These trips weren't about fun - they were about bonding with my children and being able to show them the life of wonder and opportunity that awaits them. The best way for us to honor their mother was to LIVE and continue to fulfill our dreams and aspirations. She worked so hard and sacrificed so many of her own personal pleasures so that her children could have an opportunity for a better life.

We promised our children that they could go to any college they qualified for. The \$14,000 we saved for college up to this

point was enough to cover the first three months of tuition and housing etc. Now both of my kid's educations are fully funded by insurance. The relief in knowing we are able to fulfill our commitment to them is indescribable.

State disability and private disability replaced much of my income during the time I was unable to work and provided me with an opportunity to focus on my children and travel and bond with them. If I had forced to go back to work, it would have been like losing a mother and father at the same time. Being able to spend time when we all needed it most is the brightest benefit insurance provided us.

Now, both my children are off to college and I am just now emotionally ready to think about jumping back into the rigors of my work. I love my job and helping people, but no longer do I share statistics. It's real life and it's critical that people look closely at their insurance plans and reevaluate their needs as their situation changes. Nothing takes away the emotional pain of having a loved one disabled and pass away, but eliminating the financial stress at least allows you the opportunity to focus all your attention on your family and healing.

In total, our medical claims, disability claims, auto claims and life insurance claims exceeded well over \$1 million dollars. If you had asked me in 2002 what I thought about my insurance premiums, I'd have told you I was insurance poor. But ask me the same question today and my answer is that it's made all the difference for our family to heal and to dream about the future.

My door is open to anyone with any question about life, health and disability insurance. Self-employed people have unique risks and challenges. My time is free and there is no obligation. Feel free to contact me by phone or email at 714 698-6453 or the hblifeguy@aol.com. Future columns will feature your questions and answers. **HB**

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