



# Protecting Your Most Valuable Asset

Radius Choice® Disability Income Insurance

Massachusetts Mutual Life Insurance Company – MassMutual®



## What's your most valuable asset?

When asked this question, many people think of their home, their investments, or even their car. Let's take a closer look as the answer may surprise you.

Your Home



\$

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Your Car



\$

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Your Investments



\$

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Now let's look at the one asset that makes all other assets possible:

## YOUR INCOME!

Annual Salary



\$

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Annual Percentage Increase



%

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Age



Current Age

Retirement Age

Your ability to earn an income, when viewed over your entire career, will most likely be your single biggest asset. But what would happen if you became too sick or hurt to work and couldn't earn an income? **If you couldn't work, would you have enough income to meet your financial obligations?**

VALUE OF  
YOUR INCOME



## Can your savings save you?

Many people do not realize the risk of becoming disabled as the result of an illness or injury, or the true impact it can have on their savings.

Everything that relies upon your income (mortgage, family expenses, retirement, etc.) will come out of your savings. How would this affect your overall financial security and quality of life?

In order to replace your income, what is the amount of savings you would need?

Annual Salary



\$

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Example: You earn **\$100,000 annually** and become **disabled** and the disability lasts for **10 years**.

You will need **\$1,000,000 in savings** in order to replace your **lost income**.

Length of Disability	Savings Needed
2 Years	\$ <hr/>
5 Years	\$ <hr/>
10 Years	\$ <hr/>
20 Years	\$ <hr/>
30 Years	\$ <hr/>



## Disability income insurance

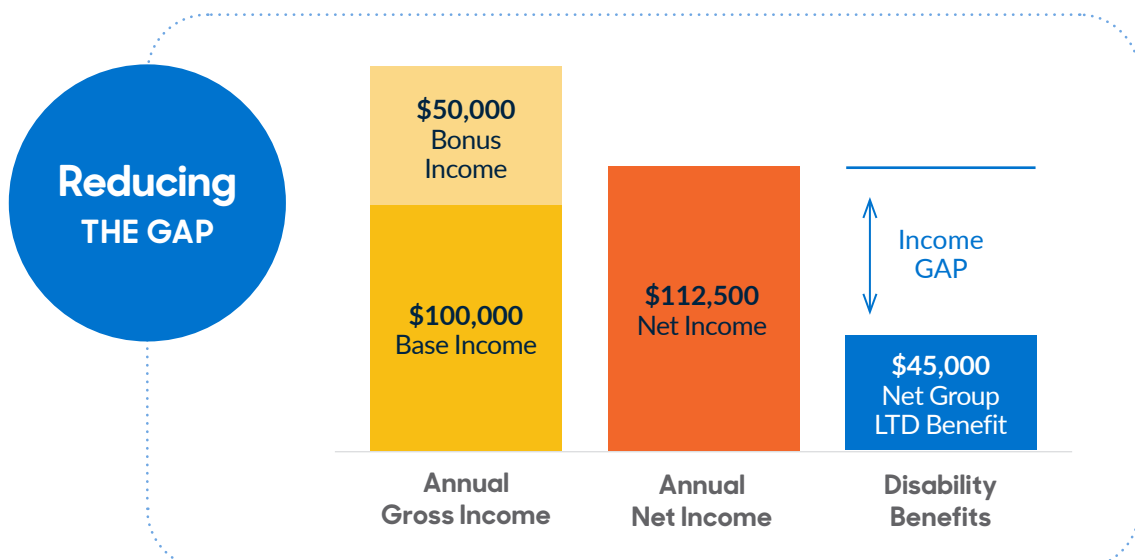
An important way to help protect your income is by purchasing disability income (DI) insurance from MassMutual. Our premier DI product, Radius Choice, provides a monthly benefit to replace a portion of your income if you become too sick or hurt to work.



## Understanding coverage you may already have

Many people know the group long-term disability (GLTD) benefits made available to them in the form of a company's employee benefits package will pay a portion of their income should they become disabled. Identifying the actual portion of income covered by GLTD benefits, and which benefits are taxable is essential in identifying the "gap" in your disability income coverage.

A typical GLTD policy will replace about 60% of your base salary, up to a specific maximum monthly benefit limit (or "cap"), such as \$5,000 per month.



The above chart assumes a 25% tax rate and a GLTD plan paid for by the employer that covers 60% of salary to \$5,000 per month.



## Do you have the coverage you need?

Even if you are already covered by a disability income insurance policy, you may still need more protection. This worksheet can help you determine how much you'll need.

### WORKSHEET FOR COVERAGE

<b>ENTER</b> your annual take-home pay (after taxes) from wages and salaries from all jobs you hold.	\$
<b>ADD</b> your annual contributions to a tax-deferred payroll savings plan, such as a 401(k) or 403(b)	+
<b>ADD</b> any annual pre-tax contributions that you make to a flexible spending account to help meet medical or child-care costs	+
<b>ADD</b> any bonuses, commissions, or freelance income	+
<b>Your Total Income</b>	\$
<b>MULTIPLY</b> by this figure to determine an estimate of the income you should consider protecting	x 0.75
<b>Your total disability income insurance need</b>	\$
<b>SUBTRACT</b> the annual after-tax benefit of your group LTD plan, if any <sup>1</sup>	-
<b>The additional disability income insurance coverage you need<sup>2</sup></b>	\$

<sup>1</sup> If your employer pays for your group LTD, you can estimate the after-tax benefit by multiplying the benefit by 0.75.

<sup>2</sup> Actual amount would be based on allowable issue and participation limits.



## Secure a larger portion of your income

A Radius Choice disability income insurance policy from MassMutual is non-cancelable to age 65. This means, as long as you pay the premiums on time, MassMutual will not cancel your policy or increase your premium (coverage increases will increase premiums). Also, if you continue to work full time beyond age 65 and are not disabled, your policy becomes conditionally renewable until age 75, provided certain conditions are met.

You are eligible for benefits if you are unable to perform the main duties of your own Occupation due to a Sickness or Injury, are not working in another Occupation and are under a Doctor's Care.<sup>3</sup>

In addition to a strong base policy, Radius Choice offers optional riders, available at an additional cost, to tailor coverage to your specific needs.

**Protect your own occupation** — The Own Occupation Rider provides a disability benefit when the insured is totally disabled and is working in another occupation.

**Coverage to keep pace with increases to your income** — The Future Insurability Option Rider allows for the purchase of increases in monthly disability coverage as the insured's income increases. The insured cannot be disabled.

**Protection during a partial disability** — The Extended Partial Disability Benefits Rider (EPR)<sup>4</sup> provides a benefit for those who suffer a

minimum 15% loss of income resulting from a reduced capacity to perform their occupation due to sickness or injury. In addition, during the first 6 months of disability, the insured may also qualify as partially disabled if due to sickness or injury, he/she suffers a minimum 15% loss of time from work or can do some but not all of the main duties of his/her occupation.

**Maintain your purchasing power during a disability** — The Cost of Living Adjustment Rider helps benefits keep pace with inflation in the event of a disability lasting longer than 12 months. Increases are compounded at three percent with no cap.

**Protect your medical school debt** — The Student Loan Rider<sup>5</sup> provides a monthly benefit for the purpose of repaying an insured's student loan debt while the insured is Totally Disabled.

**Protect your ability to save for retirement** — The RetireGuard Rider<sup>6</sup> can help replace an amount equal to both employee contributions and employer match contributions that would have been made to an eligible defined contribution plan if the employee had not become disabled (subject to current IRS limits). RetireGuard is not a retirement plan, nor a substitute for one.

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MassMutual is a great choice for young professionals looking to help secure their income with disability income insurance.

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<sup>3</sup> The definition of total disability varies in some states. Please contact your MassMutual financial professional for details.

<sup>4</sup> EPR is required in CA.

<sup>5</sup> The Student Loan Rider is not available in New York.

<sup>6</sup> When insured with RetireGuard, during a period of total disability, MassMutual will pay benefits into an irrevocable trust. The trust offers different investment options so that the client can select the option that best meets his/her retirement goals. Trust assets may be tax-deferred depending on the investment option(s) selected. Trust services provided by MassMutual Private Wealth & Trust, FSB, a wholly-owned subsidiary of MassMutual.



## MassMutual – A leader in disability income insurance

Established in 1851, MassMutual has been providing disability income insurance since 1965. Our mutual structure, along with our long-term business approach, has helped keep us strong. This strength means we will be here when you need us most.



**\$4,788,193,000**

total DI benefits paid to  
MassMutual policyowners<sup>7</sup> in 2020



**Protecting 237,000**

DI policyowners<sup>7</sup> as of year end  
2020

MassMutual has some of the  
highest financial strength ratings<sup>8</sup>  
of any company, in any industry.

**Help secure your future by protecting part of your income.  
Let MassMutual help you get there.**

<sup>7</sup> Data is for all disability income insurance policies issued by MassMutual.

<sup>8</sup> Financial strength ratings are as of 2/1/2022: A.M. Best Company: A++ (Superior); Fitch Ratings: AA+ (Very Strong); Moody's Investors Service: Aa3 (High Quality); Standard & Poor's: AA+ (Very Strong). Ratings are for MassMutual (Springfield, MA 01111) and its subsidiaries, C.M. Life Insurance Co. and MML Bay State Life Insurance Co. (Enfield, CT 06082). Ratings are subject to change.

# MassMutual...

## Helping you secure what matters most.

Since 1851, MassMutual has been building a reputation for financial strength and integrity. At MassMutual, we operate for the benefit of our customers. Our business decisions are based on a single guiding principle: to help people secure their future and protect the ones they love.

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Learn more at [www.MassMutual.com](http://www.MassMutual.com).

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This is a general description of coverage provided by the Radius Choice policy. If there is a conflict between this description and the policy, the terms of the policy and riders will govern.

**New York policies:** This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. The expected benefit ratio for this policy is 51.0 percent. This ratio is the portion of future premiums which the company expects to return as benefits, when averaged over all the people with this policy.

Radius Choice (Policy Form #XLIS-RC-15 et al. and ICC15-XLIS-RC in certain states including North Carolina) is issued by **Massachusetts Mutual Life Insurance Company**, Springfield MA 01111-0001. This policy has exclusions and limitations. For costs and complete details of coverage call your insurance agent or MassMutual at **1-800-272-2216**.

