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FINANCIAL EDUCATORS

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Course Information:

Course Title: Disability Insurance Update

Course Number: 2902

Type of course: Self-study

Number of CFP® continuing education credit hours recommended for this course: 4

Subject Codes:

CFP Board of Standards, Inc., NAPFA: Insurance Policies and Strategies

Course Content:

Course: author: Paul J. Winn, CLU, ChFC
Course Material: Printed, Seven sections, 78 pgs. (Text)
Exam (online) 40 questions (multiple choice)

Instructions for Taking the Final Exam Online:

- Login to your account online at www.bhfe.com.
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Course Description and Learning Objectives

The *Disability Insurance* course consists of seven lessons covering the principal disability products: disability income, income replacement, business overhead expense and disability buyout. The course includes the following lessons:

1. Introduction to Disability Income Insurance
2. Disability Policy Definitions and Provisions
3. Principal Disability Rider Benefits
4. Disability Income Underwriting
5. Primary Sources of Disability Income Benefits
6. Special Coverage Disability Policies
7. Taxation of Disability Coverage

The text focuses primarily on disability income insurance although business-related disability products, such as disability buyout and business overhead expense policies, are also examined. Students are introduced to the various definitions of disability—own occupation, any occupation, etc.—that are used by insurers, as well as the important differences between the principal renewability provisions. Disability rider benefits are considered, including those benefits provided by the Social Insurance Benefits rider, the Purchase Option rider and the Return of Premium rider. Financial and medical disability insurance underwriting is discussed, and the use of occupational classification is explained. The important sources of disability income benefits are considered, including those provided by federal and state government programs, employer-related plans and individually purchased policies. The tax treatment of disability premiums and benefits is explained.

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This document is designed to provide general information about the subject. It is not a substitute for professional advice in specific situations. This publication is not intended to be, and should not be construed as, legal or accounting advice which should be provided only by professional advisers.

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