

## Should Medical Students Consider Disability Insurance?

Last year the Association of American Medical Colleges (AAMC) said that schools should require disability insurance for all medical students and provide access to policies. Medical students are particularly vulnerable to the financial hardships that may result from a disability. Disability insurance protects students from possible fiscal disaster and is also a prudent investment. Purchasing a policy while still in medical school presents tremendous advantages that can save students money after graduation, while protecting their financial future and providing the peace of mind necessary to focus on the demands of a career in medicine. Most medical students do not generate income while in school, but instead accumulate debt at staggering rates. In 2005, medical school graduates who took out loans started their residencies with an average debt of \$100,000, a figure that does not include undergraduate debt. Only the expected future income from a career in medicine makes such exorbitant debt palatable; however, a student that suffers a disability may never realize that income. According to the 1994 Statistical Abstract of the United States, in the course of a year, 1 in 10 people between the ages of 25 and 64 will suffer a disability. When comparing that ratio to the odds of being victim of a house fire (1 in 122); injured in an automobile accident (1 in 160); or even of death (1 in 117), the value and protection offered by disability insurance is clear. A student who suffers a disability and is unable to complete their education will be saddled with student loan debt and may not be able to work in any field depending on the disability and its severity. Repayment of student loans combined with medical expenses and lack of income due to disability can destroy a financial future. Even a student that is able to continue medical school could face the burden of simultaneously repaying loans and paying tuition. Aside from the obvious advantages disability insurance offers by minimizing the risk riding behind a medical student's debt, there are other long-term advantages to purchasing a policy as a student instead of as a physician. A student purchasing a policy will likely get a lower rate than a physician. According to doctor disability.com, three factors determine disability insurance rates: age at the time of purchase, occupation, and health status. These factors tend to favor a student. Not only are students younger, but generally the health status of younger people is better than that of older people. Obtaining insurance at a younger age may also protect the policyholder from the difficulties of securing a policy later in life when other health issues may affect insurability. A disability insurance policy also adapts to meet the changing needs of the insured. A Future Increase Option (FIO) Rider allows the policyholder optional future increases in coverage without providing evidence of medical insurability. The ability to increase coverage regardless of current health status is attractive to any policyholder, but the FIO Rider is also ideal for a student who wants to increase coverage upon graduation and the expectation of significant income. A policy purchased by a student before they take their first class in medical school can be flexible enough to last a career. The protection, flexibility, and benefits the insured has by purchasing a disability insurance policy as a student are reflected by the stance that medical schools take. Dartmouth Medical School and the University of North Carolina School of Medicine mandate that all students have disability insurance. While in some states it is illegal to require students to have a disability insurance policy, most medical schools at least recommend that all their students have it. In 2006, the University of Washington School of Medicine was ranked by U.S. News and World Report as one of only three schools in the top 10 for both research and primary care. Their office of student affairs and services says it is "advisable" to have disability insurance in light of the cost of education and risks associated with practicing medicine. The school offers its students a plan, but in general, group plans come with limitations and restrictions. The Liaison Committee on Medical Education (LCME) is the sole accrediting authority for medical education programs leading to the M.D. degree in the United States. Accreditation standard MS-28 states, "all students must have access to disability insurance." Simply allowing access to disability insurance—a minimal requirement placed on accredited medical schools—or even recommending it, is not enough to save students from the risks of not protecting their future income. In light of the monetary investment that students make to medical schools, it should be the responsibility of each school to promote and educate its students about the benefits, value, and importance of disability insurance. For more information, call 866-899-7318 or visit:

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