



KERSHAW | CUTTER | & RATINOFF | LLP

### **Own-Occupation Disability Insurance Policies**

Insurance companies routinely develop new marketing strategies to gain clientele in certain high income segments of society. One such example lies in disability insurance policies as marketed to doctors, especially physicians practicing in California.

In the 1980's and early 1990's, "own-occupation" insurance policies were presented to professionals in the medical industry as containing the absolute strongest total disability coverage. At that time, all insurance carriers who offered own-occupation disability policies maintained similar coverage, and defined total disability as being unable to perform the "substantial and material duties" of one's regular occupation while under the care of a physician (although if being under regular doctor's care would not improve the policyholder's condition, most companies would waive the "under care of a physician" requirement).

The definition made it clear that if the professional could no longer do his or her job, he or she would be entitled to full benefits. "Regular occupation" referred to the one he or she was engaged in at the time of the disability, which meant the insurance holder could pursue a different profession and their benefits would not change.

Unfortunately, over the past twenty or so years, insurance companies across the board began reducing or eliminating benefits under these policies in order to cut costs and increase profits. For the countless physicians, surgeons and other medical professionals who purchased own-occupation policies in the 1980's and 1990's, however, this has resulted in numerous unpaid and under-paid insurance claims. Fortunately, as our insurance lawyers have proven time and again by successfully litigating claims such as these, the law in these cases typically stands behind the policyholder.

### **Understanding Your Long Term Disability Insurance Policy**

Physicians and other professionals should choose wisely when shopping for a long term disability insurance policy. Certainly there are some professionals who may not require a pure own-occupation policy. But surgeons, obstetricians, ophthalmologists, urologists, and other specialists who would greatly benefit from these policies should double check the fine print in their existing long term disability insurance plans, and thoroughly review any new proposals prior to signing the dotted line.

While reviewing or seeking a pure own-occupation disability policy, look for phrases such as, "any other occupation" or "gainful occupation." Keep in mind that there may also be time limits implemented (for example, the policy may be written so that the pure own-occupation benefits exist only for an initial time period, with restrictions taking place after a few years). If you see these or similar terms, do some comparison shopping. As always, reading the fine print is critical with insurance policies to make sure you are getting the appropriate value in exchange for the high price of your premium.

### **Disability Insurance Bad Faith: Call for a Free Case Evaluation**

If you have an own-occupation or similar long term disability policy and are experiencing difficulties with your insurance claim, please call one of our experienced insurance law attorneys at (888) 285-3333 for a free and confidential case evaluation, or fill out the contact form found on this page and throughout our site.