Life sometimes throws you a curveball. You might sprain an ankle playing soccer, need surgery, or experience a difficult pregnancy. These situations can temporarily prevent you from working and earning an income. That's where short-term disability insurance comes in. It acts as a financial safety net, providing income replacement while you recover and get back on your feet.

**What is Short-Term Disability Insurance?**

Short-term disability pays you a portion of your salary (usually between 40% and 70%) in situations when non-job-related injuries, illnesses, or other medical issues prevent you from working for a limited time-period. (Note: “Non-job-related” is an important phrase because injuries sustained while you’re on the clock will typically be covered by worker’s compensation vs. short-term disability). It typically provides benefits for a shorter period, ranging from a few weeks to several months, depending on the policy and your situation.

**Types of Short-Term Disability Insurance:**

* **Traditional:** Employers pay the full premium
* **Contributory:** Both employers and employees contribute to the benefit cost
* **Core Buy-Up:** Employees have the option to purchase more coverage
* **Voluntary:** Employees alone pay for disability benefits

**What to Look for in a Short-Term Disability Policy:**

* **Premium:** The monthly amount you (or your employer) pay for the policy.
* **Benefit Amount:** How much of your income will be replaced?
* **Benefit Period:** How long will benefits be paid?
* **Elimination Period:** How long must you wait before benefits begin?
* **Covered Conditions:** What illnesses, injuries, and conditions are covered?
* **Exclusions:** What situations are not covered?
* **Cost:** How much will the premiums be?

**Illnesses or Injuries That Are Not Covered by Short-Term Disability:**

* Pre-existing conditions
* Self-inflicted injuries
* Use of drugs (non-prescription) or other illegal substances
* Injury that occurred from doing something illegal
* Cosmetic procedures that are not medically necessary
* Work-related injuries or illnesses

An unexpected illness or injury can happen to anyone. Short-term disability insurance provides a crucial safety net, protecting your financial well-being during a time of need.