

Disability insurance for horsepeople

BY ELLEN MORRITT

Working with horses — 1,000-pound animals with minds of their own — carries the risk of physical injury. Most horsepeople have a story to tell or a scar to show. If you train and drive horses every day, the question is not *if* you will take a tumble, but *when* an accident might occur and *how* serious the resulting injury will be.

Are you prepared financially in the event you sustain an injury or illness which prevents you from training or driving for an extended period of time? Could your family support you? Who would look after your horses?

Statistics show that, at any time during your career, you are three times more likely to be disabled for at least three months than you are to die. Death is inevitable, but disability is more probable at any given age.

Most people are familiar with life insurance — a lump sum payment to your family in the event of your death — but few are aware of the existence of, or the need for, disability insurance. Disability insurance pays benefits on a regular basis should an accident or illness cause you to be disabled and unable to work and earn an income.

Available lifelines

There are some lifelines available to injured horsepeople. Accident insurance, for injuries sustained in a horse-related accident, is included with membership in Standardbred Canada (SC) for licensed drivers, trainers and grooms. Drivers and trainers must

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be active — have 12 starts in the past year or be injured during a race to receive disability benefits for their level.

For horse-related accidents, which occurred in Ontario and were accepted by SC's insurer, the Ontario Harness Horse Association (OHHA) supplements SC's payment by 50 per cent. According to 2006 rates, weekly benefits for a driver are \$220 through SC and \$110 through OHHA. A trainer receives \$200 plus \$100 and a groom receives a total of \$247.50 a week.

Drivers, trainers and grooms also have accidental medical/dental and accidental death and dismemberment insurance with paid membership in SC. As an option, any SC member can purchase life insurance and accidental death and dismemberment insurance through SC. OHHA members can optionally contribute to a life/health/dental plan which includes benefits for accidental dismemberment.

There are also benevolent funds available from various horse organizations. But this funding is neither guaranteed nor unconditional.

If disabled, could you afford to pay someone else to train your horses? How long could you live off your savings? What if you have an accident that does not involve horses, or you develop a serious illness? Beyond the bene-

fits available to members of SC and OHHA, horsepeople may want to investigate purchasing additional disability insurance.

Disability insurance

Disability insurance is considered a good idea for anyone self-employed — especially for those who depend on being able-bodied and those who are in high-risk professions. Over half of the 3.3 million disabled Canadians are between the ages of 14 and 64.

When shopping for disability insurance, there are a few things you should consider. First, understand how the policy defines "disability". A disability may prevent you from either doing your "regular occupation" or "any occupation" for which you are qualified by education or experience.

For example, an eye injury may prevent a driver from driving at a racetrack (his regular occupation), but may not stop him from jogging his own horses on the family farm (an occupation for which he has experience). A broken leg would put a trainer in hospital and rehabilitation for months — unable to work at any occupation involving horses.

Second, check the policy for possible causes of disability. You want a policy that protects you, should a disability arise from either an accident or illness. Some policies exclude disabilities resulting from mental illness. Most exclude self-inflicted disabilities, such as those from drug or alcohol abuse. Ensure the policy covers you from disabilities that occur from your occupation.

Third, ensure the policy is non-cancelable. This means the insurance company cannot cancel the policy for any reason other than failure of the insured to pay the premiums.

Monthly premiums for disability insurance vary. Premiums depend on the amount of the monthly disability payments, when the payments begin after incurring the disability, for how long the payments continue and the

extent of disability that is covered. High-risk occupations may command higher premiums.

CPP disability coverage

If your disability, or its treatment, prevents you from working at any job on a regular basis, and you have contributed to the Canada Pension Plan (CPP) while working, you may be a candidate for a CPP disability benefit.

The disability must be both severe and prolonged. A severe disability is one which prevents you from doing any job on a regular basis. A disability is prolonged when it is expected to continue at least one year or is likely to result in death. CPP does not pay short-term benefits, or partial disability benefits.

Qualifying for disability benefits from other government programs, or from a private insurance company, does not guarantee that you will qualify for a CPP disability benefit. Only people who meet all the rules in the legislation can receive a benefit.

A CPP benefit is paid monthly, and is taxable. The benefit is not guaranteed for life. Payments stop if your condition improves to the point where you are able to work at any job on a regular basis, or when you turn 65, or upon your death.

Peace of mind

Statistics show there is a 30 per cent chance of suffering a disability lasting at least three months during your working career. Beyond paid membership in SC and OHHA, horsepeople may consider purchasing disability insurance. Insurance costs money, but it provides peace of mind — knowing that financial assistance is forthcoming should an accident or illness prevent you from working with horses.

This article is for general information only. Always consult a professional before making any financial decisions. OHHA business advice is provided by the Ontario Harness Horse Association and the space for it is supplied by The Canadian Sportsman. The opinions expressed in this report are those of the OHHA and do not necessarily represent those of The Canadian Sportsman Ltd.



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