What Happens If Your Income Stops

An income protection review for professionals, employees, and self-employed people

Name or household: _____ Date: _____

Next review: _____

Where to begin

If your pay stopped, your household would still have bills to pay. How long could you manage, and what would your savings, workplace benefits or insurance actually provide?

Use this checklist to compare those resources with your current expenses. Find the benefits you still need to confirm and choose one question to address first.

How to use this checklist

- Work through the sections that apply to you. Involve family members where needed.
- Tick an item once you've reviewed it and can answer it. Circle anything that's unclear or needs attention.
- Choose one priority and one question to address next. You don't have to settle everything at once.

Keep your information private

Don't record account or policy numbers, passwords, identification details or medical information here. Keep the completed checklist in a secure place.

I help people make clearer decisions today, before life forces harder ones later.

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1 What does your household need each month?

Start with the commitments that would continue even if your paycheque stopped.

☐	We know our essential monthly household expenses.
☐	We know how much of our lifestyle depends on my income.
☐	We've identified debt payments and other fixed commitments that would continue.
☐	We know which savings or investment contributions could be paused.
☐	We've considered childcare, caregiving, transportation, and recovery costs.
☐	We know how much income a spouse or partner could realistically contribute if my income stopped.

Why this matters: Income protection begins with the household need. A policy amount is only meaningful when it's compared with the expenses and responsibilities it's meant to support.

What needs attention: _____

2 How long would your existing resources last?

Think in months, not just dollars.

☐	We have an emergency reserve and know roughly how long it could cover essential expenses.
☐	We know which savings we could use without creating another major problem.
☐	We understand the cost and limitations of relying on credit.
☐	We've considered whether selling investments during a market decline could create additional risk.
☐	We know whether family support is realistic or only an assumption.
☐	We have a plan for what expenses would be reduced after one month, three months, and six months without income.

Why this matters: A six-month reserve doesn't mean every six-month interruption is solved. The real question is what happens after the reserve is used.

What needs attention: _____

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3 What does your employer provide?

Don’t assume workplace benefits are the same as salary.

☐	I know how much paid sick leave I have.
☐	I know whether I have short-term disability coverage and when it begins.
☐	I know whether I have long-term disability coverage and when it begins.
☐	I understand how the plan defines disability and when that definition may change.
☐	I know the maximum monthly benefit and how it compares with my current income.
☐	I know whether benefits would be taxable in my situation and have confirmed this where necessary.
☐	I know what happens to the coverage if I change employers or leave the plan.

Why this matters: Workplace coverage can be valuable, but the amount, definition, tax treatment, waiting period, and portability can matter as much as the fact that coverage exists.

What needs attention: _____

4 If you’re self-employed, what happens to the business?

Your personal income and business overhead may be two different problems.

☐	I know which business expenses continue if I can’t work.
☐	Someone can manage clients, staff, and urgent decisions during my absence.
☐	The business has enough liquidity or credit for a temporary interruption.
☐	I’ve considered how a long disability would affect business value and client relationships.
☐	I know whether existing coverage protects personal income, business expenses, or both.
☐	I have a plan for when the business would need to reduce, replace, or transfer my role.

Why this matters: Replacing personal income doesn’t automatically pay business overhead, and paying overhead doesn’t automatically replace personal income.

What needs attention: _____

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5 What government or other benefits may apply?

Government benefits can help, but eligibility and amounts should not be assumed.

☐	I know whether Employment Insurance sickness benefits may apply to me.
☐	I know that CPP disability benefits have eligibility requirements and aren't a substitute for every income loss.
☐	I understand whether workers' compensation coverage may apply to my occupation or situation.
☐	I know what benefits may be available through a professional association or other group.
☐	I haven't counted on a benefit that I have never verified.
☐	I know who to contact to confirm eligibility before relying on a benefit in my plan.

Why this matters: A protection plan should be built on benefits you've verified, not benefits you hope will be available.

What needs attention: _____

6 Do you understand any personal disability coverage?

If you own individual coverage, review the contract rather than the product name.

☐	I know the monthly benefit amount.
☐	I know the waiting period before benefits begin.
☐	I know the maximum benefit period.
☐	I understand the policy's definition of disability.
☐	I know whether partial or residual disability benefits are included.
☐	I understand important exclusions, limitations, and how other income may affect benefits.
☐	I know whether the policy offers ways to increase coverage as my income grows.

Why this matters: Two disability policies can have the same monthly benefit and still respond very differently because of definitions, waiting periods, benefit periods, and limitations.

What needs attention: _____

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7 What if the problem creates expenses as well as lost income?

A serious illness or injury can create costs even when some income continues.

☐	We've considered travel, treatment, home changes, rehabilitation, or caregiving costs.
☐	We know what our extended health plan does and doesn't cover.
☐	We've considered the financial effect of a spouse taking time away from work to help.
☐	We understand any critical illness or other lump-sum coverage we own.
☐	We have enough liquidity for costs that may arrive before an insurance claim is paid.
☐	We know which expenses wouldn't be solved by disability income alone.

Why this matters: Income replacement and recovery costs are related, but they aren't the same need.

What needs attention: _____

8 Is the coverage coordinated with your life now?

Protection should be reviewed when income, family responsibilities, or employment changes.

☐	My coverage reflects my current income and household commitments.
☐	I've reviewed coverage after a major raise, job change, business change, mortgage, or family change.
☐	I understand which benefits overlap and which gaps remain.
☐	My spouse or partner knows what coverage exists and who to call.
☐	Important policy and employer contacts are stored securely.
☐	I know the one protection question I most need answered.

Why this matters: The biggest gap is often not having no coverage. It's relying on coverage that has never been compared with the life you have now.

What needs attention: _____

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Questions worth discussing

1. How many months could our household operate normally if my income stopped tomorrow?
2. What would my employer plan actually pay, when would it start, and for how long?
3. Which expenses would continue even if I couldn't work?
4. Am I relying on government, workplace, or association benefits I have never verified?
5. What part of my current protection is least clear to me?

Choose one next step

Start with the issue you most need to clarify.

The issue I want to review

_____

One question I need answered

_____

Who needs to be involved

_____

My next action and target date

_____

How I can help

Send me the one question this checklist raised. I can help you compare your income protection with your household and business expenses and identify benefits or terms you still need to confirm.

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For education and discussion. This checklist does not replace individual financial, legal, tax, accounting or insurance advice. Consult the appropriate licensed professionals. Insurance and insurance-based investment services are available to Ontario residents. The applicable contract governs features, benefits, guarantees, costs, limitations and eligibility.

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