

# GROUP OFFICE OVERHEAD EXPENSE DISABILITY INSURANCE

*Keep your office  
running while you're  
disabled*

American Academy  
of Pediatrics



DEDICATED TO THE HEALTH OF ALL CHILDREN™

- Up to \$10,000 in monthly benefits
- Economical group rates
- Choice of 12-month or 24-month benefit period

Consider what would happen if you became totally disabled and couldn't work. Would you be able to pay your ongoing office expenses?

You could if you're protected by the AAP-sponsored *Office Overhead Expense Insurance*, which is underwritten by New York Life Insurance Company. This valuable coverage helps provide the financial resources you need to keep your office running until you can return to work.

Make sure your medical practice is protected with *Office Overhead Expense Insurance*, available through the American Academy of Pediatrics Group Insurance Trust. It's the coverage you should consider to keep your office running smoothly in your absence.

## Features

### Up to \$10,000 in Benefits

You can select monthly benefits up to the total amount of your calculated expenses, in \$100 increments from \$1,000 to \$10,000. It all adds up to money you'll have available to help pay your monthly office expenses.

### Elimination Period

Benefits begin on the 31st day of a total disability.

*Total Disability* means during the elimination period and during the Maximum Disability Benefit Period the complete inability to perform all the material and substantial duties of your profession.

## Benefit Period

You can choose one of two benefit periods:

- 12 months or
- 24 months

However, you must remain *totally disabled* and your office overhead expenses must continue. Rates are printed on the last page.

The benefits provided under this policy and the premium will vary depending on the amount of monthly benefit and the benefit period selected.

## Recurrent Disability Coverage

Recurring disabilities qualify for coverage under the same benefit period. However, if you return to work for at least six consecutive months between periods of disability, a new waiting period will apply and a new 12 or 24-month benefit period will begin.

## Eligibility

All members of the American Academy of Pediatrics who are under age 60, reside in the United States or Canada (excluding Quebec), are not in the military service, and are actively and fully engaged in performing all the regular duties of their profession at least 20 hours per week may apply for coverage. There are both physical and non-physical underwriting requirements of New York Life which must be met. New York Life reserves the right to decline coverage.

If you meet these requirements and your application is accepted, your coverage will begin on the first day of the month following the date your application is approved. For the coverage to become effective, you must pay the initial premium within 31 days after such date and you must be at active full-time work on that date.

## Help protect your financial security

### 100% Eligible Expenses Paid

With this coverage, you receive 100% of the eligible monthly office overhead expenses incurred up to the benefit amount you choose.

### What Expenses Are Not Covered

Benefits are not paid for your own salary, fees, drawing account or other remuneration received, the cost of office equipment, the cost of the implements of your profession, income taxes and loan principal, auto rental/leasing and landscaping.

Benefits are not paid for the salaries of or fees paid for the professional services of another physician or for the salaries of an individual hired after your total disability begins.

### Tax-Deductible Premiums

According to current Internal Revenue Service rulings, the premiums for this program may be tax deductible as a business expense. Consult your tax advisor for details.

### 24-Hour, Worldwide Protection

You're always covered with this important protection no matter where you may be or what you're doing—even during sports and recreational activities, as well as in the course of professional duties.

### Check Out Your Expenses

To see why you may consider this protection not only practical, but necessary, complete the expense chart to the right. You'll discover just what financial resources you'll need to keep your practice running smoothly in your absence.

#### Expense Chart

Rent for premises/ mortgage interest	\$
Real Estate Taxes	\$
Utilities—heat, electricity, water	\$
Telephone service	\$
Employee salaries	\$
Employee withholding and FICA taxes	\$
Dues to professional societies	\$
Depreciation of office equipment	\$
Accountant's fees	\$
Premiums for fire and casualty insurance, and employee group insurance	\$
Laundry	\$
Other normal and customary fixed expenses*	\$
TOTAL	\$

\* See What Expenses Are Not Covered

As you can see, the cost to keep your office operating would be substantial. But with the AAP-sponsored *Office Overhead Expense Insurance* policy, you can receive benefits for the office expenses listed in the chart. And if you can't work, you'll be assured that these office expenses will be paid.

### Other Program Features

- Benefits are paid regardless of other insurance coverage you may have.
- Disabilities caused by sickness which preceded the coverage can also be covered. However, you must disclose complete medical details on your insurance application.
- A 31-day grace period is allowed for payment of premium.
- House confinement is never required to receive office overhead expense benefits. However, you must be under the regular care of a physician other than yourself or a member of your immediate family.

## Some Things You Should Know

### When Coverage Ends

Your coverage under this plan will continue until you attain age 70 as long as you pay your premiums when due, remain actively and fully engaged in the performance of your medical profession, do not enter the military, reside in the United States or Canada and the group policy is not terminated by either New York Life or the Trustees of the American Academy of Pediatrics Group Insurance Trust.

### Incorporation Benefit

If your practice is incorporated, this program will pay benefits in proportion to your ownership in the corporation at the time of your disability. If you have more than one office, benefits will be paid for the *total* of all your eligible office overhead expenses up to the limits you select.

### Waiver of Premium

If you are totally disabled due to a covered sickness or injury and have received benefits for at least 6 continuous months, New York Life will waive future payment of your premium, for the duration of the covered total disability.

### Full Disclosure of Health History

All sicknesses arising after the insurance is effective are covered (regardless of the date or origin of the ailment), provided your application was true and complete.

### Survivor's Benefits

When proof is received that an insured individual died: (1) after total disability has continued for 180 days or more in a row; and (2) while receiving a monthly benefit; then New York Life will pay to the eligible survivor continuing eligible expenses for an additional three months not to exceed a sum equal to three times the last monthly benefit paid to the insured immediately prior to death.

### Exclusions

This program does not cover any loss caused by:

- Suicide or self-destruction or any attempt thereat, while sane or insane\*,
- Normal pregnancy or childbirth, or related medical conditions, except for certain complications of pregnancy,
- War or any act of war,
- Injury sustained while riding as a passenger or otherwise in any vehicle or device for aerial navigation, except
  - (a) as a fare paying passenger in a licensed passenger aircraft, operating on a regular schedule between established airports, or
  - (b) while traveling for transportation purposes only within a regularly licensed, privately-owned airplane operated by a duly licensed pilot, or
  - (c) while traveling in a civil aircraft having a current and valid "Standard Federal Aviation Airworthiness Certificate" and piloted by a person with a valid and current pilot's certificate with proper ratings for the type of flight and aircraft involved,
- The taking of any drugs, sedatives or medication, unless administered on the advice of a physician other than the insured,
- Resulting from any impairment or limitation specifically excluded from the coverage,
- A disability that does not require the regular care of a doctor ("doctor" does not include yourself or a member of your immediate family).

\* Missouri residents:

The exclusion for suicide or self-destruction or any attempt thereat, while sane or insane is not applicable to attempted suicide or self destruction while insane.

### IMPORTANT NOTICE: How New York Life Obtains Information and Underwrites Your Request For Office Overhead Expense Disability Income Coverage

Information regarding insurability will be treated as confidential. In considering your request for insurance, we will rely on the medical information you provide, and on the information you authorize us to obtain from your physician, other medical practitioners and facilities, and other insurance companies to which you have applied for insurance. Other insurance companies may also furnish New York Life, its subsidiaries or the plan administrator with non-medical information (such as driving records, past convictions, hazardous sport or aviation activity, use of alcohol or drugs, and other applications for insurance). The information provided may include information that may pre-date the time frame stated on the medical questions section, if any, on this application. This information may be used during the underwriting and claims processes, where permitted by law.

Your AUTHORIZATION may be used for a period of 24 months from the date you signed the application for insurance, unless sooner revoked. The AUTHORIZATION may be revoked at any time by notifying the Administrator in writing at the address provided. Your revocation will not be effective to the extent New York Life or any other person already has disclosed or collected information or taken other action in reliance on it, or to the extent that New York Life has a legal right to contest a claim under an insurance certificate or the certificate itself. The information New York Life obtains through your AUTHORIZATION may become subject to further disclosure. For example, New York Life may be required to provide it to insurance, regulatory or other government agencies. In this case, the information may no longer be protected by the rules governing your AUTHORIZATION.

New York Life may release this information to the plan administrator, other insurance companies to whom you may apply for insurance, or to whom a claim for benefits may be submitted and to others whom you authorize in writing. However, this will not be done in connection with information con-

cerning Acquired Immune Deficiency Syndrome (AIDS) or Human Immunodeficiency Virus (HIV).

New York Life will not disclose such information to anyone except those you authorize or where required or permitted by law. Information in our files may be seen by New York Life and Plan Administrator employees, but only on a "need to know" basis in considering your request. Upon receipt of all requested information, we will make a determination as to whether your request for insurance can be approved.

If we cannot provide the coverage you requested, we will tell you why. If you feel our information is inaccurate, you will be given a chance to correct or complete the information in our files. Upon written request to New York Life, you will be provided with non-medical information. Generally, medical information will be given either directly to the proposed insured or to a medical professional designated by the proposed insured. Your request is handled in accordance with the Federal Fair Credit Reporting Act procedures. If you question the accuracy of the information provided, you may contact New York Life and seek a correction.

For NM Residents: PROTECTED PERSONS<sup>1</sup> have a right of access to certain CONFIDENTIAL ABUSE INFORMATION<sup>2</sup> we maintain in our files and they may choose to receive such information directly. You have the right to register as a PROTECTED PERSON by sending a signed request to the Administrator at the address listed on the application. Please include your full name, date of birth and address.

<sup>1</sup>PROTECTED PERSON means a victim of domestic abuse: who has notified us that he/she is or has been a victim of domestic abuse; and who is an insured person or prospective insured person.

<sup>2</sup>CONFIDENTIAL ABUSE INFORMATION means information about: acts of domestic abuse or abuse status; the work or home address or telephone number of a victim of domestic abuse; or the status of an applicant or insured as family member, employer or associate of a victim of domestic abuse or a person with whom an applicant or insured is known to have a direct, close, personal, family or abuse-related relationship.

Only AAP members may apply.

## Current Semi-annual premiums as of 2011

Select a monthly benefit in \$100 increments from \$1,000 to \$10,000 depending on your actual office expenses.

### 12-Month Benefit Period

Monthly Benefit	Under Age 40	40-49	50-59	60-69*
\$10,000	\$233.00	309.00	458.00	667.00
9,000	209.70	278.10	412.20	600.30
8,000	186.40	247.20	366.40	533.60
7,000	163.10	216.30	320.60	466.90
6,000	139.80	185.40	274.80	400.20
5,000	116.50	154.50	229.00	333.50
4,000	93.20	123.60	183.20	266.80
3,000	69.90	92.70	137.40	200.10
2,000	46.60	61.80	91.60	133.40
1,000	23.30	30.90	45.80	66.70
100	2.33	3.09	4.58	6.67

### 24-Month Benefit Period

Monthly Benefit	Under Age 40	40-49	50-59	60-69*
\$10,000	\$292.00	387.00	573.00	834.00
9,000	262.80	348.30	515.70	750.60
8,000	233.60	309.60	458.40	667.20
7,000	204.40	270.90	401.10	583.80
6,000	175.20	232.20	343.80	500.40
5,000	146.00	193.50	286.50	417.00
4,000	116.80	154.80	229.20	333.60
3,000	87.60	116.10	171.90	250.20
2,000	58.40	77.40	114.60	166.80
1,000	29.20	38.70	57.30	83.40
100	2.92	3.87	5.73	8.34

\* Premiums for ages 60 and above are shown for renewal purposes only.

Rates shown are current and may be changed on any premium due date and on any date on which benefits are changed. Your rates may be changed only if they are changed for all others in the same class of insureds under this policy. For example, a class is a group of people with the same age. Benefits may be changed by agreement between New York Life and the Trustees of the American Academy of Pediatrics Group Insurance Trust. For monthly benefits other than those shown, calculate the premium by multiplying the \$100 monthly cost. Rates are based on your age at entry and increase when you enter a new age bracket. For all insured persons, coverage terminates at the renewal date following attainment of age 70.

#### Choice of Plan

The benefits provided under this policy and the premium will vary depending on the amount of monthly benefit and the benefit period selected.

Arkansas Insurance Producer License Number 235028

California Insurance Producer License Number 0F52897

#### Brokers for the AAP Group Insurance Trust



Pediatrics Insurance Consultants, Inc.  
300 S. Wacker Drive  
Suite 2800  
Chicago, IL 60606-6703  
800-257-3220  
312-419-9700

Call toll free  
☎ 1-800-257-3220



Underwritten by  
New York Life Insurance Company  
51 Madison Avenue  
New York, NY 10010

This brochure is a brief description of the features of the plan, it is not a contract. Complete terms and conditions of coverage are set forth in the Group Policy issued by New York Life to the Trustees of the American Academy of Pediatrics Group Insurance Trust.

Each insured will receive a Certificate/Booklet of Insurance containing all the benefits and coverage provisions provided under Policy G46622 on policy form GMR-FACE-G46622.

Group renewal dates are January 1 and July 1. Premiums are calculated on a prorated basis for applications approved between renewal dates.

#### How To Apply

- 1 Calculate your eligible expenses by completing the expense chart.
- 2 Complete the application and select the benefit amount most closely matching your total monthly expenses or any lesser amount you wish.
- 3 **Send no money.** You'll be billed when accepted into the program. Just send the application and direct any inquiries to:  
**Pediatrics Insurance Consultants, Inc.**  
300 S. Wacker Drive Suite 2800  
Chicago, IL 60606-6703  
800-257-3220 312-419-9700

**Residents of Puerto Rico:** Please send your application to: Global Insurance Agency Inc., P.O. Box 9023918, Old San Juan, PR 90202-3918

**Canadian Residents:** Pediatrics Insurance Consultants, Inc. is acting solely as an administrator for Canadian residents.

**IMPORTANT TAX INFORMATION FOR RESIDENTS OF ONTARIO, CANADA:** Ontario has enacted a law requiring taxation of all group insurance purchased by individuals. An 8% tax will be added to the amount of any premium due (in U.S. dollars).

#### 30-Day Free Look

We want you to get the coverage that's right for your insurance needs. That's why we give you a period of 30 days to review your Certificate. If you return your certificate within 30 days without claim, we will refund your full premium and the Certificate will be null and void.