



Group Long Term Disability Insurance

for Members of the American Academy of Pediatrics



Underwritten by
New York Life Insurance Company

You have medical insurance to help cover medical expenses and car or homeowners insurance to help cover damage to your property. But neither is designed to help protect your ability to earn a living.

As a member of the American Academy of Pediatrics, you have an opportunity others don't. The AAP Insurance Program has put together features on Long Term Disability Insurance that are among the best help protect your income, your family, and your obligations if you are unable to work.



Affordability

The AAP Insurance Program gives you access to group buying power. Unlike plans you might find in the general market, you get the benefit of your group association. Plus, as part of a group plan, you can never be singled out for a rate increase.



Advocacy

For decades, the AAP Group Insurance Trust has been sponsoring customized plans to meet the needs of pediatricians. Our plan administrator, USI Affinity, employs a team to answer questions and help you understand your options. We're your advocate, and we work hard to understand and anticipate your needs as a pediatrician.



Stability

The AAP Group Insurance Trust and USI Affinity have gone through the paces of due diligence to ensure that you're getting coverage from a respected insurance carrier. This plan is underwritten by New York Life, a leading insurance provider who is rated A++ (Superior) by A.M. Best for financial strength¹ and is a recognized leader in service and claims experience.



Eligibility

Members of the AAP who are under age 60, residents of the U.S., not in full-time military service, and actively engaged in FULL-TIME WORK² may apply for coverage. Coverage is contingent upon maintaining membership in the AAP.

Most Common Disability Claims

The most common reasons for long-term disability are*:

Musculoskeletal Disorders

29%

Cancer

15%

Pregnancy

9.4%

Mental Health Issues

9.1%

Injuries

9%

*Health and Productivity Benchmarking, Integrated Benefits Institute, 11/2017



How the Plan Works

This coverage is designed to pay monthly benefits if you suffer a TOTAL DISABILITY³ while insured under the policy. Benefits are payable regardless of other insurance coverage you may have, and this coverage automatically renews for all insured persons, as long as applicable terms and conditions are met.

Your Choice of Monthly Benefit Amount

Apply for monthly benefit amounts between \$1,000 and \$10,000 in \$100 increments. However, the monthly benefit which you are requesting, combined with any other disability coverage you have or for which you are applying cannot exceed the lesser of 75% of your AVERAGE MONTHLY INCOME⁴ or \$15,000.

Your Benefit Period

For Total Disability due to a covered illness or accident incurred, benefits are payable for two years or to age 70, whichever is later. At age 65, your monthly benefit amount is reduced to 50% of the before-age-65 benefit, whether you are disabled or not. Premiums do not reduce.

The benefit period for disabilities that are due to mental disorders and/or chemical dependency will not exceed two years.



Plan Features

Waiting Period

The Waiting Period is the number of consecutive days you must be Totally Disabled before benefits can be paid. This plan gives you the flexibility to choose a Waiting Period that's most comfortable for you—60, 90, or 180 days. Premiums reduce if you choose a longer waiting period.

Own Occupation Coverage

This plan pays benefits directly to you if you are unable to perform the material and substantial duties of your profession during the Waiting Period and for the first 60 consecutive months of a claim; thereafter any occupation for which you are qualified based on your education, training or experience. You may not engage in any occupation for pay or profit.

Residual Disability Benefit

If you return to your practice after a Total Disability for which you received benefits, you may be entitled to the Residual Disability Benefit. The Residual Disability must: be due to the same causes as the Total Disability; commence before age 65, and; result in a loss of at least 20% of your AVERAGE MONTHLY INCOME. This benefit is a percentage of the Total Disability Benefit, and it equals the percentage reduction in your monthly earnings. However, for each month that that your income is reduced by 75% or more, this plan will pay the full Total Disability Benefit. Please refer to your Certificate of Insurance for applicable conditions.

Residual Disability Benefit for Communicable Diseases

If you contract a Communicable Disease⁵, you may be eligible for these Residual Disability Benefits even though you are not Totally Disabled. In order to be eligible for the Residual Disability Benefit, you must be under age 65 and earning less than 80% of your AVERAGE MONTHLY INCOME due to contracting the communicable disease. Benefits will not begin until the applicable Waiting Period has been satisfied. Please refer to your Certificate of Insurance for applicable conditions.

Recurring Disability Benefit

If you experience successive periods of disability due to the same or a related cause—which is not separated by a return to FULL-TIME WORK for at least six consecutive months—this is considered one period of disability, as well as unrelated disabilities that are not separated by return to FULL-TIME WORK. If your disability meets these separation requirements, it will be treated as a new disability, subject to a new Waiting Period.

Survivor Benefit

If you die on a day for which a Total Disability benefit is payable, your beneficiary will receive a Survivor Benefit of up to three months of payment, each equaling your Monthly Benefit Option, if the Total Disability lasted at least 180 days.

Organ Donation Transplant Benefit

Once you have been insured under the Plan for six months, and you become Totally Disabled as the result of a surgical procedure specific to organ donation transplant, no Waiting Period will apply, and benefits will be payable from the first day of Total Disability.

Worldwide Coverage

Once your coverage is effective, you are protected wherever you travel—whether for business or personal—as long as you remain a U.S. resident⁶.

Tax-Free Benefits

The benefits paid to you are tax-free, as long as you pay your own premiums with after-tax dollars. This is different than employer-paid coverage, which is considered earned income and is taxable at your normal tax rate. You should consult with your personal tax advisor for further information.

Waiver of Premium

It's good to know that your insurance will continue should you become totally disabled. Premium payments for your coverage will be waived if you become totally disabled for a period of at least six months. Please refer to your Certificate of Insurance for applicable conditions.

Portability

Access to this plan is through your AAP membership. Unlike employer-based coverage, this plan is portable which means that if you change jobs, your coverage does not terminate. Just maintain your AAP membership to keep your coverage.

30-Day Free Look

Once your coverage is approved, you will be sent a Certificate of Insurance summarizing your benefits under the Plan. If you are not completely satisfied with the terms of the Certificate, you may return it, without claim, within 30 days. We will refund your entire premium contribution and invalidate your coverage.



Summary of Terms & Conditions

When Coverage Begins

Coverage becomes effective on the first day of the month following the date the application is approved, provided the initial premium is paid within 31 days after billing and you are at FULL-TIME WORK. If you are not at FULL-TIME WORK as required, coverage will not become effective until the first of the month on or after the day you return to FULL-TIME WORK. Payment of a premium contribution does not mean coverage is in force.

When Benefits End

Benefits will cease at the earlier of the following: a) your covered disability ends; b) the maximum benefit period ends; c) if required proof of continuing disability is not provided; d) or you die. You will remain insured after your benefits end, except as described in the "Your Benefit Period" section.

When Coverage Ends

Coverage will remain in force until the earlier of: a) you reach age 70; b) failure to pay premiums when due; c) you discontinue your membership in the association; d) you enter into full-time military service; e) the Group Policy is terminated or modified to exclude the class of insured in which you belong; f) you are no longer at FULL-TIME WORK; g) or you elect to end coverage; h) or you cease to be a resident of the United States.

Coverage Exclusions

Benefits are not payable for disability for any of the following losses due to: war or any act of war, whether declared or undeclared; due to any act of international armed conflict or conflict involving the armed forces of any international authority; due to the insured individual's attempted suicide or intentionally self-inflicted injury whether sane or insane; resulting from

the insured individual's committing of or the attempting to commit, a felony or any type of assault or battery; resulting from the insured individual's participation in a riot or insurrection; resulting from the insured individual engaging in (except as a victim) an illegal activity or occupation; resulting from a normal pregnancy or a normal childbirth or a related medical condition except for certain complications of pregnancy as defined in the Certificate of Insurance; incurred while riding in any vehicle or device for aerial navigation, except: a) as a fare-paying passenger in a licensed passenger aircraft which is being operated at the time upon a regular schedule between established airports; or b) while traveling in a civil aircraft having a current and valid "Standard Federal Aviation Agency Airworthiness Certificate" and piloted by a person with a valid and current pilot's certificate with the proper ratings for the type of flight and aircraft involved; resulting from any impairment or limitation specifically excluded from 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). A Pre-Existing Condition: an injury or sickness for which you consulted a doctor, received any medical services or supplies, or took any medication during the 6 months immediately before becoming insured under this Plan. Benefits are not payable for a disability which is classified as a Pre-Existing Condition until the end of the earlier of 12 consecutive months during which you have not consulted a doctor, received medical services or supplies, or taken any medication for the condition; 24 consecutive months during which you have been insured under this Plan.

The benefit period for disabilities in connection with mental disorders and/or chemical dependency is limited to two years.

1: Third Party Ratings Report as of 7/30/2018.

2: FULL-TIME WORK is defined as actively performing the regular duties of your occupation, for pay or profit, on a basis of at least 20 hours per week at a place where such duties are normally performed or other location to which travel is required.

3: TOTAL DISABILITY means that, due to an injury or illness, you are completely and continuously unable to perform the material and substantial duties of: your own occupation during the Waiting Period and the following five years; or, thereafter, any occupation for which you are qualified by reason of education, training or experience.

4: AVERAGE MONTHLY INCOME is defined, as of any date, as a person's average monthly wages, after expenses and before taxes. It includes commissions, bonuses, overtime pay or other extra compensation.

5: A "communicable disease" means any of the following conditions, but only if the applicable medical profession recommends or appropriate governmental agency requires the disclosure of the diagnosis of the disease and it results in a limitation of your practice due to contracting the disease: Acute Viral Hepatitis of the non-A type, Human Immunodeficiency Virus (HIV), Acquired Immune Deficiency Syndrome (AIDS) or tuberculosis.

6: Subject to U.S. government regulations on restricted countries.

Current 2019 Semi-Annual Rates per \$100 of Monthly Benefits

Waiting Period	60 Days			90 Days			180 Days		
	Male	Female	MT Residents	Male	Female	MT Residents	Male	Female	MT Residents
Under 30	\$ 5.84	\$ 6.26	\$ 6.05	\$ 3.43	\$ 3.74	\$ 3.59	\$ 2.90	\$ 3.43	\$ 3.17
30 - 34	\$ 6.88	\$ 8.71	\$ 7.80	\$ 4.46	\$ 5.39	\$ 4.93	\$ 3.73	\$ 4.69	\$ 4.21
35 - 39	\$ 8.72	\$ 11.86	\$ 10.29	\$ 6.54	\$ 8.54	\$ 7.54	\$ 5.59	\$ 7.51	\$ 6.55
40 - 44	\$ 9.96	\$ 13.53	\$ 11.75	\$ 7.38	\$ 10.00	\$ 8.69	\$ 6.25	\$ 8.54	\$ 7.40
45 - 49	\$ 15.53	\$ 19.38	\$ 17.46	\$ 12.13	\$ 16.21	\$ 14.17	\$ 10.38	\$ 13.12	\$ 11.75
50 - 54	\$ 21.77	\$ 25.53	\$ 23.65	\$ 18.70	\$ 23.17	\$ 20.94	\$ 15.00	\$ 18.06	\$ 16.53
55 - 59**	\$ 36.28	\$ 39.30	\$ 37.79	\$ 33.18	\$ 36.22	\$ 34.70	\$ 25.55	\$ 28.13	\$ 26.84

The cost of this insurance is based on your gender, amount of insurance requested, and age attained on the date coverage is issued. Premiums increase as the insured person ages and enters a new age category.

** Contact the Administrator for rates at ages 60 and over. Coverage ends at 70.

Premium contributions will vary depending options chosen. Premium contributions may be changed by New York Life on any premium due date and any date on which premiums are changed. However, your rates may change only if they are changed for all others in the same class of insureds under this group policy. Rates increase when you enter a new age bracket. Renewal premiums are monthly. Each renewal premium is determined by your age on that renewal date.

Your premium is determined by your current age at the time of billing. Bills are generated 30 days prior to your billing period.

MONTANA RESIDENTS: See separate rates in chart above. These rates apply to all residents, regardless of gender.

Please call the administrator for rates and/or coverage amounts not shown in this brochure.



How to Calculate Your Semi-Annual Premium Cost:

1) Monthly Benefit amount:

2) Divide by 100:

3) Select your desired Waiting Period, find your age and gender for your rate:

4) Multiply Lines 2 and 3:

This is your Semi-Annual Premium.



5.6 percent of working Americans will experience a short-term disability (six months or less) due to illness, injury, or pregnancy on average every year⁵. Almost all of these are non-occupational in origin¹.



7 in 10 Americans say they would feel the financial pinch in a month or less without their paycheck².



More than one in four 20-year-olds will experience a disability for 90 days or more before they reach 67³.

1: *Disability Statistics*, Council for Disability Awareness, 3/28/2018

2: *What Do You Know About Disability Insurance?*, Life Happens, 2018

3: *Disability Insurance: Why You Need It and How To Get It*, NerdWallet, 10/20/2017

How New York Life Obtains Information and Underwrites Your Request for Group Long Term Disability Insurance

In this notice, references to “you” and “your” include any person proposed for insurance. Information regarding insurability will be treated as confidential. In considering whether the person(s) in your request for insurance qualify 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, other insurance companies to which you have applied for insurance and MIB, Inc. (“MIB”). MIB is a not-for-profit organization of insurance companies, which operates an information exchange on behalf of its members. If you apply for life or health insurance coverage, a claim for benefits is submitted to an MIB member company, medical or non-medical information may be given to MIB, and such information may then be furnished by MIB, upon request, to a member company.

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 New York Life 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.

MIB and 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 predate 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.

New York Life may release this information to the Plan Administrator, other insurance companies to which you may apply for life and health insurance, or to which a claim for benefits may be submitted and to others whom you authorize in writing, however, this will not be done in connection with test results concerning Acquired Immune Deficiency Syndrome (AIDS) or Human Immunodeficiency Virus (HIV). We may also make a brief report of your protected health information to MIB, but we will not disclose our underwriting decision.

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 or MIB, 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 by MIB, you may contact MIB and seek a correction. MIB’s information office is: MIB, Inc., 50 Braintree Hill Park, Suite 400, Braintree, MA 02184-8734, telephone 866-692-6901. Information for consumers about MIB may be obtained on its website at www.mib.com.

For NM Residents: PROTECTED PERSONS¹ have a right of access to certain CONFIDENTIAL ABUSE INFORMATION² 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.

1-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.

2-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.

New York Life Insurance Company

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This Summary contains a brief description of some of the principal provisions of the proposed insurance coverage. Complete terms and conditions are set forth in the group policy issued by New York Life to the Trustees of the American Academy of Pediatrics Group Insurance Trust, and each insured will receive a Certificate of Insurance summarizing all the benefits and coverage provisions provided under Group Policy G-50861-0 on policy form GMR-FACE/G-50861-0.

Do you have questions about this coverage? Or do you need to file a claim?
Call our customer care center for more information or for the necessary forms:
(800) 257-3220 • Monday - Friday, 9 a.m. to 5 p.m. (ET)



Administered By:

USI AFFINITY

® 14 Cliffwood Avenue, Suite 310

AFFINITY Matawan, NJ 07747

AR Insurance License # 325944

CA Insurance License # 0G11911



This Insurance Is Underwritten By:

NEW YORK LIFE INSURANCE COMPANY

51 Madison Avenue | New York, NY 10010

Under Policy G-50861-0

on Policy Form G-50861-0/GMR-FACE