

AVMA GHLIT Group Professional Overhead Expense Plan

**Designed by veterinarians
for veterinarians**



Insurance you can trust.

Underwritten by New York Life Insurance Company (NY, NY 10010)

Professional Overhead Expense Plan

WE'VE GOT YOU COVERED

The Only Professional Overhead Expense Program That's Only For Veterinarians.

Since 1957, The American Veterinary Medical Association Group Health and Life Insurance Trust (AVMA GHLIT) has made available to members like you coverage you can trust.

This group health and life insurance trust program is tailor-made for veterinarians, by veterinarians. Members in the program are more than just participants – they're in charge.

Nine Trustees, all AVMA Members, and one AVMA Liaison Trustee, supervise the program and its professional operating staff. They give the plan direction, to be sure the benefits are the ones you and your family most desire. The Trustees also act as a Review Board should a Member ever experience a problem with the insurance program. You can think of it as having a "Board of Directors" that puts your needs first.

The program is also designed to help save you money. You'll benefit from the group purchasing power of thousands of veterinarians across the country.

As a self-rated participating program, charges to Members are based on the claims experience of AVMA Members and their families – no outside groups. When funds exceed expenses, that money is returned to participants in the form of lower costs or improved coverage.

The program is underwritten by New York Life Insurance Company, one of the industry's most respected names.

New York Life Insurance Company (NY, NY 10010), the underwriter, has received the highest possible ratings for financial strength from some of the insurance industry's leading independent rating services including Moody's Investor Service (AAA), Standard & Poor's (AAA), Fitch Ratings (AAA), and A.M. Best (A++).*

*Individual Third Party Ratings Reports (as of 7/7/10)

THE AVMA GHLIT PROFESSIONAL OVERHEAD EXPENSE PLAN

How would you pay for your office overhead expenses if you became disabled?

You purchase Disability Income Insurance to protect your income, and that's wise. But so is protecting the other expenses that must be paid should you become disabled: your office expenses. The AVMA GHLIT Professional Overhead Expense Plans can help you do just that.

The plans have been especially designed to be affordable for all AVMA members, thanks to the group purchasing power of thousands of veterinarians across the country. With this important coverage, you may not have to spend your personal savings, or use up your personal disability income benefits, in order to stay in business.

Most AVMA members are eligible to apply.

If you're an AVMA member under age 70 who regularly and actively works full-time (at least 20 hours a week), and reside in the United States, you're eligible to apply for one of the Professional Overhead Expense Plans.

Premiums can be tax-deductible.

If you're self-employed – whether you practice solo or share expenses with partners or members of a professional corporation - the cost of the Professional Overhead Expense Plan can be deductible as a business expense under current I.R.S. rules. Of course, you should consult your attorney or accountant on all tax matters.

You have a choice of plans.

You have a choice of which plan best meets your needs.

Plan 1 Benefits begin on the 16th consecutive day of a covered disability and can continue for up to 12-months provided you are disabled; or

Plan 2 Benefits begin on the 31st consecutive day of a covered disability and can continue for up to 24-months provided you are disabled.

You could receive up to \$45,000 every month.

The Professional Overhead Expense Plans can pay up to \$45,000 monthly during a covered disability. You can apply for monthly benefit levels from \$300 to \$45,000, in increments of \$100, up to 100 percent of your office overhead expenses.

Covered overhead expenses include:

- Rent
- Principal and interest on outstanding debts
- Utilities (heat, water, gas, telephone, electricity, etc.)
- Employees' salaries
- Postage and stationery
- Equipment maintenance
- Monthly average of taxes on the premises
- The temporary replacement salary for the insured member (not to exceed the insured member's earnings prior to disability)*

*up to a maximum of 20% of the monthly benefit purchased, combined with other professional overhead expenses under the monthly maximum.

Covered expenses do not include:

- Salary, fees, drawing accounts, profits or other remuneration to yourself or a partner
- Salaries of all persons hired after the disability began (except for temporary relief veterinarian indicated above in Covered overhead expenses)

- Income taxes or any expense you would not reasonably be expected to incur while disabled
- Depreciation of business assets
- Inventory – the cost of merchandise, goods or pharmaceutical products

Issue Limits Based on Age.

The maximum benefits you can purchase will depend on your age. Please see chart below:

Before age 50	\$45,000
50-59	\$30,000
60-69	\$10,000

The Plans Cover Your Share Of Expenses.

The Plans won't pay a benefit that exceeds the smallest of:

- The overhead expenses you actually incur while you are disabled
- The monthly benefit level in force

The expenses to be included in these figures are those which must be paid even when you're away. If you are incorporated, a partner or a joint tenant, include only your personal share of covered overhead. "Personal share" is defined as your percentage of ownership of the business.

Professional Overhead Expense Insurance – Current Monthly Rates†

Choice of two plans, \$300 to \$45,000 Monthly Maximum Benefit (in \$100 Units).
Charges are based on member's age at time of issue and each November 1.

Each \$100 of maximum monthly benefit Member's age at issue and each November 1

PLAN	Under 40	40-49	50-59	60-69	70 & Over
1 (15 day waiting period/1 year maximum benefit period)	\$.50	\$.75	\$1.33	\$2.00	\$3.75
2 (30 day waiting period/2 years maximum benefit period)	\$.55	\$.83	\$1.46	\$2.20	\$4.13

†Note: The insurance company has the right to change rates on a class-wide basis.

THE AVMA GHLIT PROFESSIONAL OVERHEAD EXPENSE PLAN (CONTD)

PLEASE NOTE

Exclusions and Limitations.

Benefits are not paid for disabilities resulting from:

- war
- military service
- self-inflicted injuries (whether intentional or while insane)*
- pregnancy except for specified complications (for disabilities beginning prior to Nov. 1, 2015)
- the commission of a felony and/or incarceration
- A pregnancy when the insured consulted with a physician, received medical services or supplies, or takes any medication for that condition within six months prior to the initial effective date of coverage.

Benefits are not paid for the applicable Waiting Period nor for a specific condition for which an Impairment Restriction has been placed on your coverage.

***Missouri residents: The exclusion for losses due to self-inflicted injury is not applicable to the injuries caused by an attempted suicide while insane.**

How the plans define "disability."

Disability means an accidental bodily injury or sickness that continuously disables you so that you are unable to perform the substantial and material duties of your occupation. Throughout the disability, you must be under a doctor's care other than yourself and not working at a gainful occupation. Successive disabilities are treated as if they were the same one unless they are separated by at least 90 days of full-time work.

Covered disabilities resulting from pregnancy*

A disability resulting from pregnancy will be considered a covered disability subject to an attending physician's certification pre- and post- delivery. The maximum benefit period for such a disability will be no more than three months. Benefits will not be paid for a pre-existing pregnancy until the end of nine consecutive months during which the member has been insured under this POE coverage. A pre-existing pregnancy means any pregnancy when the insured has consulted a physician, received medical services or supplies. Or takes any medication for that condition within the six months prior to the initial effective date of coverage. Disabilities resulting from complications of pregnancy are not subject to these limitations nor the maximum benefit period indicated above.

**For covered disabilities beginning November 1, 2015 and later.*

Your premium may be waived upon disability.

If you become “disabled” before age 65 and remain so for six months, the AVMA Group Health and Life Insurance Trust will pay further premiums to continue Professional Overhead Expense coverage in force when that disability began. Premiums will be paid by the Trust while you stay disabled, and until coverage would otherwise terminate due to your reaching age 75.

When your coverage becomes effective.

In order to become insured, individuals must provide satisfactory evidence of insurability and pay the required premium. Insurance will take effect on the date your coverage is approved by New York Life, provided:

- the initial contribution is paid to the AVMA Group Health and Life Insurance Trust Office within 31 days of that date, and
- you are performing the normal activities of a person in good health of like age and sex on the date of approval.

You will receive a separate Certificate.

Each insured member will receive a Certificate of Insurance evidencing coverage which is provided under Group Policy Form GMR.

About continuation of insurance.

Future benefits are subject to change by agreement between New York Life and the Trustees. Rates may be changed on any premium due date and on any date on which benefits are changed.

New York Life has agreed not to exercise its right to terminate the Group Policy as long as: (1) AVMA continues to sponsor only the New York Life Program and (2) participation in the plan exceeds 10,000 insured members. New York Life cannot terminate coverage or change benefits or premiums on an individual basis; it may do so only on a class-wide basis. An example of “class” can be a group of insureds with the same age or gender.

The Overhead Expense Protection Plans terminate when a member:

- fails to pay insurance charges on time;
- ceases to be an AVMA member;
- ceases to be actively at work at least 20 hours a week in a gainful occupation other than for a covered disability;
- reaches the age of 75; or
- if the Master Policy terminates.

IMPORTANT NOTICE

How New York Life Underwrites Your Request for AVMA GHLIT Coverage

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, or a claim for benefits is submitted to a 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.

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, of the 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 (TTY 866 346-3642). For Canadian residents, the address is: MIB Information Office, 330 University Avenue, Suite 501, Toronto, Ontario, Canada M5G 1R7, telephone 416-597-0590. 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 material briefly describes the provisions of Master Policy G-14884/Face policy form GMR issued to the Trustees of the AVMA GHLIT. For complete details on your coverage please see your Certificate of Insurance.



Broker/Administrator:
HealthPlan Services
3501 Frontage Road
Tampa, FL 33607

Underwritten by:
New York Life Insurance Co.
51 Madison Avenue
New York, NY 10010

Claims Administered by :
New York Life Insurance Co.
P.O. Box 8310
Sleepy Hollow, NY 10591

Arkansas Producer License Number 248899
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A Membership Service of the American Veterinary Medical Association

The AVMA Group Health and Life Insurance Trust • 3501 Frontage Road • Tampa, FL 33607 • 1.800.621.6360