



AVMA | GHLIT



Group Health & Life
Insurance Trust Programs

DISABILITY INCOME PLAN AND BASIC PROTECTION PACKAGE

**Designed
by Veterinarians
for Veterinarians**

Valuable Benefits.
Remarkable Service.



Underwritten by New York Life Insurance Company

*Disability
Income Plan*

The Disability Insurance 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 of the program are more than just participants – they're in charge.

Ten Trustees, all AVMA members, 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.

THE AVMA GHLIT DISABILITY INCOME PLAN

Long-Term Disability Income Insurance

Protect your greatest asset – your EARNING POWER

If you suddenly could not practice due to a disability, what would happen to your income? How long could your savings last?

We believe Long-Term Disability Income Insurance is the foremost coverage a practicing professional should consider. The Long Term Disability coverage, combined with our Basic Protection Package helps guard against debt, depleted savings and disruption of your family's living standard.

Some Highlights of the Plan

You may receive Lifetime benefits

Disability benefits are paid during a covered disability (see definition of disability) up to the following limits:

FOR DISABILITIES BEGINNING	MONTHLY BENEFITS CONTINUE
BEFORE AGE 50	AS LONG AS LIFETIME
AGE 50-60	UP TO AGE 65
AGE 61-63	UP TO 5 YEARS
AGE 64	UP TO 4 YEARS
AGE 65	UP TO 3 YEARS
AGE 66	UP TO 2 YEARS
AGE 67-74	UP TO 1 YEAR

There is a choice of Waiting Periods

The number of days of disability (see definition of disability) needed before benefits become payable are:

- **PLAN 2** - 30 days
- **PLAN 3** - 90 days
- **PLAN 4** - 180 days

You can choose your monthly benefit

Long-Term Disability coverage is available in units of \$100, with a minimum of \$1,000 and a maximum of \$10,000. The maximum you can purchase is limited to 60 percent of average earnings (see definition of earnings under “Definition of Terms” section of this brochure) and will also depend on your age (see chart below) and other disability insurance in force which you plan to continue.

AGE	MAXIMUM MONTHLY BENEFIT
BEFORE 50	\$10,000*
50 - 54	\$7,500
55 - 59	\$5,000
60 - 69	\$2,500

*Please note the maximum monthly benefit payable at age 70 limited to no more than \$7,500.

You may also receive a Residual Benefit

When you resume your practice or enter a new occupation after a covered disability, you may find your earnings are not what they once were. However, even when your Long-Term Disability benefits have stopped, you may be able to offset your lower income by receiving a Residual Benefit.

If you return to work after a covered disability that lasted at least 30 days, you will be entitled to receive a Residual Benefit when the following conditions are met:

- You did not receive the regular Disability Benefit for the full maximum period applicable to the disability; and
- Your current average earnings during the most recent six months after the Disability ends are no more than 75 percent of your pre-disability average earnings (see definition of earnings) and
- The waiting period must be satisfied

Here’s how your Residual Benefits are calculated

- The Residual Benefit is a percentage of your regular Long-Term Disability Benefit, equal to the percentage reduction of your pre-disability average monthly earnings.
- However, for each month that the percentage reduction is 75% or more of your pre-disability income, the Plan will pay the full Disability Benefit.
- Your Residual Benefit is paid for as long as the regular Disability Benefit would have been paid if the underlying disability had continued, or until your current average monthly earnings exceed 75 percent of your pre-disability earnings, if this is sooner.

RESIDUAL BENEFIT EXAMPLES

EXAMPLE A

Your last monthly Disability Benefit	\$2,000
Your pre-disability earnings are reduced by	40%
	(Multiply \$2,000 by .40)
Your Residual Benefit is	\$800 a month

EXAMPLE B

Your last monthly Disability Benefit	\$4,000
Your pre-disability earnings for one month are reduced by:	80%
Because this percentage reduction is 75 percent or greater, your full Disability Benefit will be paid	
Your Residual Benefit for this month	\$4,000

THE AVMA GHLIT DISABILITY INCOME PLAN (CONTD)

Rehabilitation costs may be paid

If you are disabled, and you and New York Life agree on a personalized rehabilitation program, the Plan can pay the expenses of retraining, additional education, medical assessment and modifications to your practice facilities and equipment. Regular plan benefits would continue during the rehabilitation program.

There is no waiting period for organ transplant donors

If you should donate an organ, and insurance has been in force for at least six months, benefits will be paid from the first day of the resulting disability.

There is an added terminal disability benefit

If you are disabled for at least 30 days, and subsequently die on a day for which a full disability benefit is payable, the plan will pay a final benefit equal to 30 times the benefit for that day.

Exclusions and Limitations

Benefits are not paid for the applicable Waiting Period. Benefits are not paid for disabilities resulting from

- war
- military service
- self-inflicted injuries (whether intentional or while insane)*
- pregnancy (under Plan 2 and the Short-Term Disability Income Plan), except for specified complications
- for a specific condition for which an Impairment Restriction has been placed on your coverage.

Premium Amounts and Future Benefits

Please see Rate Brochure for premium amounts.

Note: AVMA Disability Income Insurance charges are based on the member's age at the date of issue, the amount of monthly disability benefit and the Plan selected. Renewal charges do not increase with age.

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 which benefits are changed.

*Residents of Missouri: The exclusion of self inflicted injuries is not applicable to injuries caused by an attempted suicide while insane.

OPTIONAL BENEFITS

Optional Benefits Available With Your Long-Term Disability Income Coverage

There are three available options that can be added to your Long-Term Disability Income coverage:

- Future Purchase Option
- “Own Occupation Plus” Definition Option
- Cost Of Living Adjustment Option

Option 1: Future Purchase Option

An option for members under age 50

This option makes it possible for an insured to increase disability income coverage in the future without medical underwriting at that time. So even if you’re no longer in good health, you’ll be able to increase your long-term disability monthly coverage as your earnings grow. Some highlights of the benefit, and some important exclusions:

- Available only to members under age 50
- You cannot exercise your Option if you are disabled on a conversion date
- You must satisfy New York Life’s insurability requirements at the time you apply for this feature
- Amounts range from \$500 to \$2,000 per month in \$100 units, for Members insured under Plans 2, 3 or 4
- You must have sufficient earned income to qualify for the amount of Purchase Option coverage being converted
- Amount applied for may not exceed the amount of long-term monthly disability income for which the member is insured
- The combination of Future Purchase Option plus Long-Term Disability Income cannot exceed the \$10,000 monthly maximum (or \$7,500 if age 50)

You can convert all ... or a portion

Every May 1, coinciding with or the next following your 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48 and 50th birthdays, all or a portion of your Future Purchase Option can be converted to Long-Term Disability Income Coverage. The amounts chosen must be in \$100 units.

Here’s how your premiums are determined

- The premium for the Future Purchase Option is based on your age at issue and does not increase as you get older.
- When you convert all or a portion of the Purchase Option, the premium for the converted Long-Term Disability Income Coverage is based on your age on the conversion date.
- The Purchase Option premium charge is reduced when an option is exercised, and at age 50 the premium is discontinued as any remaining Options terminate.

Option 2: “Own Occupation Plus” Definition of Disability

This option may allow you to receive a portion of your benefits while working at an alternate occupation. Under this definition of disability, full benefits (as opposed to residual) will be payable for up to five years if your disability prevents you from performing the material and substantial duties of your own occupation, even though you are working in another - providing the other occupation is not one which requires you to use your professional veterinary education and/or training. In addition, your new occupation earnings must be at least 25% less than your pre-disability earnings as a result of the disability to qualify for full benefits.

To receive benefits under this option, you must also be under the regular care of a physician. Additionally, the “Own Occupation Plus” definition of disability automatically terminates when a member insured for it ceases to be engaged in veterinary medicine.

This option is available separately, but when requested applies to all Long-Term Disability Income Coverage issued.

OPTIONAL BENEFITS (CONTD)

Option 3: Cost Of Living Adjustment (COLA)

This option can minimize the effect of inflation on your future purchasing power. Inflation can seriously undermine the actual value of the Long-Term Disability Benefits you receive. But when you choose this option, your benefits will be adjusted upward as inflation rises (as measured by changes in the Consumer Price Index).

On each anniversary of a continuing disability, your monthly benefit for the next 12 months is adjusted to reflect any changes in the CPI-U during the last 12 months. The maximum yearly increase is 8 percent, and the overall maximum increase for a single disability is 100 percent. Since the Residual Benefit is based on a percentage of your Long-Term Disability Benefit, it too, will reflect any COLA change.

This option is available separately, but when requested must apply to all Long-Term Disability Income Coverage issued.

Your COLA option has a “catch-up” feature

In a year when the change in the CPI-U is greater than 8 percent, a higher percentage of increase will be allowed if a lower rate of inflation applied to an earlier year(s) of disability.

The adjusted benefit cannot be greater than the original Disability Benefit increased eight percent a year, compounded annually.

When you recover, the monthly benefit for new disabilities will be the originally issued Long-Term Disability Benefit amount.

CATCH-UP FEATURE EXAMPLE

Assumes \$2,000 Long-Term Disability in force at onset of disability. The first year benefits would be payable at \$2,000 per month. Assuming the disability continues for five years with CPI-U increases as set forth below, monthly benefits would be:

Year	CPI-U Increase	Monthly Income	Maximum Adjusted Monthly Income Compounded At 8% Annually
1	-	\$2,000	\$2,000
2	8%	\$2,160	\$2,160
3	3%	\$2,225	\$2,333
4	13%	\$2,514	\$2,519
5	13%	\$2,721	\$2,721

Note that in year 4, the “catch-up” feature allowed the full increase to be used, since it does not produce a benefit in excess of the maximum allowed by compounding at eight percent annually. However, in year five, the benefit can only be adjusted as high as the maximum allowable figure.

BASIC PROTECTION PACKAGE

The Basic Protection Package is the cornerstone of your AVMA coverage

This is protection no veterinarian should be without. It provides valuable coverage that offers important protection to you, your family, and your standard of living. It has been especially designed to provide affordable basic coverage for all AVMA members, young and old and is designed to be combined with your GHLIT Long Term Disability plan.

In addition to your GHLIT Long Term Disability Plan, The Basic Protection Package offers AVMA members a package of three components:

- Decreasing Term Life Insurance
- Accidental Death and Dismemberment Insurance
- Rabies Prophylaxis Benefit

Optional Short-Term Disability Income Insurance is also available. Please see the Short-term Disability section of this brochure for more information

Component 1: Decreasing Term Life Insurance

Affordable protection for younger veterinarians

This component of your AVMA GHLIT Basic Protection Package provides term life insurance benefits that are highest in your younger years - the years when your survivors may need them most.

Some Highlights of the Plan

There are no Exclusions

This benefit is payable if you die while insured. There are no exclusions.

You have a Conversion Privilege

If your AVMA membership should end, or if you reach the age of 75, your protection doesn't have to end. Provided you apply within 31 days, you will be entitled to an individual life insurance policy (without waiver of premium or any special benefit provisions) for up to the amount of the insurance terminating, without regard to physical condition. A limited conversion privilege is also available if the Master Policy should ever terminate, as explained in the Certificate of Insurance you will receive.

THIS DECREASING TERM LIFE CHART SHOWS THE BENEFITS BASED ON YOUR AGE AT DEATH:

AGE	BENEFIT	AGE	BENEFIT	AGE	BENEFIT
UNDER 36	\$75,000	45	\$33,500	55	\$14,500
36	\$71,500	46	\$30,500	56	\$13,500
37	\$67,000	47	\$28,000	57	\$12,500
38	\$62,500	48	\$25,750	58	\$11,500
39	\$58,000	49	\$23,750	59	\$10,500
40	\$53,500	50	\$21,750	60	\$ 9,500
41	\$49,250	51	\$20,000	61-70	\$ 6,250
42	\$45,000	52	\$18,500	71-75	\$ 3,750
43	\$41,000	53	\$17,000		
44	\$37,000	54	\$15,750		

For NY Residents Only—Important Replacement Information. It may not be in your best interest to replace existing life insurance policies or annuity contracts in connection with the purchase of a new life insurance policy, whether issued by the same or different insurance company. A replacement will occur if, as part of your purchase of a new life insurance policy, existing coverage has been, or is likely to be lapsed, surrendered, forfeited, assigned, terminated, changed or modified into paid-up or other forms of benefits, loaned against or withdrawn from, reduced in value by use of cash values or other policy values, changed in the length of time or in the amount of insurance that would continue or continued with a stoppage or reduction in the amount of premium paid. Prior to completing a replacement transaction, you may want to contact the insurance company or agent who sold you the life insurance or annuity contract that will be replaced, to help you decide whether the replacement is in your best interest.

BASIC PROTECTION PACKAGE (CONTD)

Component 2: Accidental Death and Dismemberment Benefits

Protection against a serious accident

You can help protect yourself against the financial impact of a serious accident. This coverage provides the following benefits:

- \$25,000 for accidental loss of life, both hands, both feet, one hand and one foot, sight of both eyes, speech and hearing, one hand or one foot and sight of one eye.
- \$25,000 for accidental loss use of both hands.
- \$12,500 for accidental loss of one hand or one foot or sight of one eye or loss of speech or hearing.
- \$6,250 for accidental loss of thumb and index finger of either hand.

How the loss is defined

Loss of a hand or foot means severance at or above the wrist or ankle joint; loss of a thumb and index finger means severance at or above the metacarpal-phalangeal joints.

Loss of sight, speech or hearing or use of hands means total and irrecoverable loss.

The loss must occur within 180 days after an accident you sustain while insured.

If you suffer more than one of these losses from the same accident, only the single largest amount shown for any one of your losses will be paid.

Twice the normal benefit will be paid for a loss resulting from riding as a passenger in a public conveyance carrying passengers for hire.

Exclusions and Limitations

Benefits are not paid for disabilities resulting from:

- war
- military service
- suicide or self-inflicted injury (intentional or while insane)*
- aviation activities except riding as a passenger in an aircraft carrying passengers for hire

Component 3: Rabies Prophylaxis Benefit

A benefit of special importance to you and your family

This component of your AVMA GHLIT Basic Protection Package is included especially for veterinarians and their families - the people most often exposed to the dangers of rabies.

With this coverage, up to \$600 will be paid for a series of rabies prophylaxis given to a member or an eligible dependent either before or after exposure.

*Residents of Missouri: The exclusion for suicide, attempted suicide or self-inflicted injury is not applicable to injuries caused by an attempted suicide while insane.

OPTIONAL SHORT TERM DISABILITY INCOME PLAN

A financial bridge at affordable rates

Long-Term Disability Income coverage helps provide protection in the event you're disabled for an extended period of time. Most disabilities, however, last less than six months. But even a short-term disability can cause a severe financial hardship.

That's why we've provided you with the option to add important Short-Term Disability Income coverage. Two plans, each available at a very reasonable cost, can provide benefits during the first six months of disability. If your disability lasts longer, your AVMA GHLIT Long-Term Disability Income benefits will apply, and you may also qualify for Social Security disability benefits.

Benefits start based on the plan you select

Both available Short-Term Disability Income plans provide valuable protection. Some highlights of the plans:

- **For Plan 1**, benefits begin on the 1st day of a disability due to accident and on the 8th consecutive day of a disability due to sickness (or 1st day of hospitalization, if earlier).
- **For Plan 2**, benefits begin after 30 days of disability within a period no longer than 60 days.
- Income benefits are provided through the 6th month of a covered disability.
- Monthly benefits are available from \$200 to \$5,000 in units of \$100.
- Residual Disability benefits are not payable under the Plan.
- The definitions for Disability, Successive Disabilities, and Earnings apply to the Short-Term Plan.
- Also, the Long-Term Disability "Exclusions and Limitations" apply to this Short-Term Plan.

You can choose your monthly benefit

Short-Term Disability coverage is available in units of \$100, with a minimum of \$200 and a maximum of \$5,000. The maximum you can purchase is limited to 70 percent of average earnings (see definition of earnings under "Definition of Terms" section of this brochure) and will also depend on your age (see chart below) and other disability insurance in force which you plan to continue, including GHLIT long-term disability.

AGE	MAXIMUM MONTHLY BENEFIT
BEFORE 55	\$5,000
55 - 59	\$3,000
60 - 64	\$1,500

DEFINITION OF TERMS

Disability means an accidental bodily injury or sickness that disables you so that you are unable to perform the substantial and material duties of your occupation. Separate days of disability may be used to satisfy the waiting period provided they occur within a period not more than twice the waiting period. (However, Plan 1 insureds must satisfy the waiting period with consecutive days of disability.) 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.

Earnings mean net monthly earnings after business expenses before taxes. If you have incorporated your practice, earnings include the cost to the corporation of your fringe benefits and your share of monthly net profit of the corporation, whether received or not received, based on your share of stock ownership for the preceding 12 months. Income from investments, royalties, etc. or other income for which no service or work is performed is not included in earnings.

Pre-Disability Earnings mean your average monthly earnings for the 12 or 24 months, whichever period produces the higher average, prior to the onset of your Disability. To help prevent inflation from artificially increasing post-disability earnings, New York Life will increase "pre-disability income" upward to reflect increases in the Consumer Price Index (CPI-U) up to 8 percent, compounded annually.

Presumed Disability means you will be presumed to be disabled if you sustain an accidental bodily injury while insured which caused the loss of: both feet, the sight of both eyes; or use of both hands. If you incur a covered total disability due to an illness which caused the total and permanent loss of: use of two limbs; the sight of both eyes; speech; or hearing in both ears.

Loss of Feet means they are completely severed through or above the ankle joint. Loss of sight or use of hands means total and permanent loss that cannot be remedied by surgery or other means.

Disability Income

By Veterinarians For Veterinarians

COVERAGE DETAILS

Most AVMA members are eligible to apply

You are eligible to apply for the Basic Protection Package, the Long Term and the Short-Term Disability Income Plans if you:

- Are an AVMA member
- Are under age 70 (under age 65 for optional Short-Term Disability Income)
- Regularly and actively work full time (at least 20 hours a week)

If you are a Student Chapter member in your junior or senior year attending a full schedule of classes, you are also eligible to apply for the Basic Protection Package with a maximum long-term disability benefit of \$1,000 but without the Residual Benefit feature or the “Own Occupation Plus” Definition of Disability Option.

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

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. New York Life has agreed not to exercise its right to terminate the Master 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.

Both Long-Term Disability Income coverage and optional Short-Term Disability coverage terminates when a member ceases to be actively at work at least 20 hours a week in a gainful occupation other than as a result of a covered disability.

Additionally, coverage terminates when a member:

- Fails to pay insurance charges on time
- Ceases to be an AVMA member or Student Chapter member
- Reaches age 75 (age 65 for Short-Term Disability Income)
- If the Master Policy terminates

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 disability income and basic protection package coverages in force when that disability began. Premiums will be paid while you stay disabled and until coverage would otherwise terminate due to your reaching age 75 (age 65 for Short-Term Disability coverage).

Charges for Basic Protection Package

AVMA Basic Protection Package charges are based on the member’s age at the date of issue, the amount of monthly disability benefits, and the Plan selected. Renewal charges do not increase with attained age. The total cost of the decreasing term life insurance, AD&D and rabies prophylaxis benefit is the same regardless of which disability plan you select and is shown in the Rate Brochure.

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 which benefits are changed.

IMPORTANT NOTICE

How New York Life Underwrites Your Request for AVMA 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 doctor, other medical practitioners and facilities, other insurance companies to which you have applied for insurance and MIB, Inc. (Medical Information Bureau). New York Life will not disclose such information to anyone except those you authorize or where required or permitted by law. We may make a brief report to MIB; however, we will not disclose our underwriting decision.

Information in our file 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 coverage can be approved. MIB is a nonprofit, membership organization of life insurance companies that operates an information exchange on behalf of its members. When you apply for insurance or submit a claim for benefits to a MIB member company, medical or non-medical information may be given to the Bureau, which may then be furnished to member companies. 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 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 P.O. Box 105, Essex Station, Boston MA 02112, telephone 617-426-3660.

For Canadian residents, the address is 330 University Avenue, Suite 403, Toronto, Canada M5G 1R7, telephone 416-597-0590.

For NM Residents, PROTECTED PERSONS (1) have a right of access to certain CONFIDENTIAL ABUSE INFORMATION (2) we maintain 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 or prospective insured.

(2) CONFIDENTIAL ABUSE INFORMATION means information about: acts of domestic abuse of 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 counseling relationship.

If we can provide the coverage you requested, we will inform you as to when such coverage will be effective. Under no circumstances will coverage be effective prior to this date. Payment of a premium contribution with your application does not mean that there is any insurance in force before the effective date as determined by New York Life.

NEW YORK LIFE INSURANCE COMPANY



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

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

Claims Administrator:
Harrington Benefit Services
55 E. Jackson Blvd., 7th Floor
Chicago, IL 60604

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A Membership Service of the American Veterinary Medical Association

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