

AVMA LIFE Trust

Group Professional Overhead Expense

AVMA LIFE[®]
Veterinarian Inspired Coverage

Underwritten by



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PUTTING YOUR NEEDS FIRST

Since 1957, the AVMA LIFE Trust has provided members like you with access to coverage you can trust. That's because AVMA members are more than just program participants—they're in charge.

The AVMA Trust—encompassing both AVMA LIFE and AVMA PLIT—is governed by a Board of Trustees who are working veterinarians and AVMA members. These Trustees guide the mission and vision of the organization and work with the Trust's team of experienced insurance professionals to help ensure that members' needs always come first.

The AVMA LIFE Trust program is designed to help save members money on premiums. As a self-rated participating program, the charges to members are based solely on the claims experience of AVMA members and their families. No outside groups are included. When the funds paid into the program exceed what is required for its operation, these funds are used to lower costs or improve coverage for participants.

The AVMA LIFE 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) has received the highest ratings for financial strength currently awarded to any U.S. life insurer by all four major rating agencies, including Moody's Investor Service (Aaa), Standard & Poor's (AA+), Fitch Ratings (AAA), and A.M. Best (A++).*

***Individual Third Party Rating Reports (as of 11/17/2023)**

NYL6549145.1

THE AVMA LIFE TRUST PROFESSIONAL OVERHEAD EXPENSE INSURANCE

Help protect your practice with coverage designed specifically for veterinarians.

You purchase disability income insurance to help protect your income, and that's wise. But, if you have a practice, so is protecting the overhead expenses that must be paid should you become disabled. Professional Overhead Expense (POE) Insurance through AVMA LIFE can help you do just that.

This coverage has been designed and priced exclusively for AVMA members, thanks to the group purchasing power of thousands of veterinarians across the country. With this important coverage in place, you may not have to spend your personal savings, or use up your personal disability income benefits 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 50 United States, District of Columbia, or Puerto Rico, 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 Insurance 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 two plans.

Choose the plan that best meets your needs.

Plan 1 Benefits begin on the 16th consecutive day of a covered total disability and can continue for up to 12 months.

Plan 2 Benefits begin on the 31st consecutive day of a covered total disability and can continue for up to 24 months.

The "Waiting Period" is the amount of time between onset of Total Disability and when benefits become initially payable.

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

Professional Overhead Expense Insurance 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 share* of overhead expenses.

Issue limits are 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

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)**

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)

Cover Your Share* of Expenses.

This coverage 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.

Benefit payments for a covered disability:

Benefit payments for a covered disability will end on the earliest of these dates:

- 1) Your Total Disability ends, except by reason of death which would end 90 days following the insured member's death;
- 2) New York Life does not receive the required proof: that your Total Disability continues, that your eligible expenses were incurred while you are Totally Disabled, and/or the actual amount of the eligible expenses;
- 3) You do not submit to an examination required by New York Life by a doctor it selects.
- 4) The maximum benefit period is reached.

Coverage will remain insured after the benefit ends except as stated in the When Coverage Ends section.

*If you are incorporated, a partner, or a joint tenant, you can only apply for your personal share of covered overhead. "Personal share" is defined as (a) your percentage of ownership of the business, or (b) your share of the office space if a joint tenant.

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

PROFESSIONAL OVERHEAD EXPENSE INSURANCE – CURRENT MONTHLY RATES[†]

(as of 3/1/24)

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.

Exclusions and Limitations

Benefits are not paid for disabilities resulting from:

- War
- Military service
- Self-inflicted injuries (whether intentional or while insane)*
- 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 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 policy defines “total disability.”

Disability means an accidental bodily injury or sickness that completely and continuously prevents you from doing 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 one month. 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 Professional Overhead Expense 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.

Your premium may be waived upon disability.

If you become “totally disabled” before age 65 and remain so for six continuous months, you will not be required to pay further premiums to continue Professional Overhead Expense coverage in force when that disability began. Premiums are waived for as long as you remain 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 LIFE Trust Program Administrator within 31 days of that date, and
- You are actively working Full-time (20 hours) on such date. If you are not working full-time as required, coverage will not become effective until you resume full-time work for at least 90 consecutive days and provided you are still eligible for insurance at that time.

Payment of premium with your application does not mean coverage is in-force before the effective date determined by New York Life.

You will receive a separate certificate.

You will receive a Certificate of Insurance, which serves as proof of coverage under Group Policy Form GMR.

About Continuation of Coverage

Future benefits are subject to change by agreement between New York Life and the Trustees of the AVMA LIFE Trust. 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 program 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.

When does your coverage end?

The Overhead Expense Protection coverage terminates 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

30-Day No-Obligation “Free-Look”

When you receive your certificate, you will have 30 days to review it. If you are not completely satisfied, you may return it, without claim, marked “cancel.” Your coverage will be invalidated and you will receive a full refund of any premium paid – no questions asked.

IMPORTANT NOTICE

How New York Life Underwrites Your Request for AVMA LIFE Trust 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, LLC (“MIB”). MIB is a not-for-profit organization of insurance companies that 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 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.

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, LLC, 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.

¹PROTECTED 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.

²CONFIDENTIAL 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-14884-0/GMR-FACE issued to the Trustees of the AVMA LIFE Trust. For complete details on your coverage please see your Certificate of Insurance.

Arkansas Insurance License Number 1322
California Insurance License Number 0F76076

This material is not intended for use with residents of NM.

AVMA LIFE®
Veterinarian Inspired Coverage

Broker/Administrator:

AVMA LIFE Trust Program Administrator
Pearl Insurance
1200 E. Glen Ave.
Peoria Heights, IL 61616-5348

Underwritten by:

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

A Membership Service of the American Veterinary Medical Association

AVMA LIFE Trust Program Administrator
1200 E. Glen Ave.
Peoria Heights, IL 61616-5348
1.800.621.6360

www.AVMALife.org