

WORKSHEET

"HOW MUCH COVERAGE DO I NEED?"

Use this worksheet to help identify your monthly Eligible Practice Overhead Expenses and determine the appropriate insurance benefit for which to apply.

FIXED *monthly* EXPENSES*

Bills due and payable each month.

OFFICE SPACE
 \$ _____ Rent
 _____ Mortgage Interest

 UTILITIES & SERVICES
 _____ Gas & Electric
 _____ Water
 _____ Telephone
 _____ Answering Service
 _____ Janitorial
 _____ Laundry
 _____ Accounting/Bookkeeping
 _____ Postage & Stationery
 _____ Miscellaneous

 BUSINESS EQUIPMENT
 _____ Interest or Lease Payments
 _____ Principal Payment
 (cannot exceed 20% of your total benefit)
 _____ Equipment Maintenance

 EMPLOYEE SALARIES
 Include: payroll taxes & contributions
 for employee benefits.
 Exclude: your personal income/salary.**

 (1) \$ _____ TOTAL *monthly*
 FIXED EXPENSES

PRO-RATED EXPENSES*

Pro-rated Expenses are those incurred once or twice a year.

\$ _____ DEPRECIATION on office furniture &
 equipment

 _____ PROPERTY TAXES

 INSURANCE PREMIUMS
 _____ Malpractice
 _____ Property & Casualty
 _____ Workers Compensation

 PROFESSIONAL
 _____ Licenses
 _____ Subscriptions
 _____ Membership Dues
 _____ Accountant Fees

 _____ MISCELLANEOUS

 \$ _____ SUB-TOTAL
 (To calculate your monthly pro-rated expense,
 divide the total *annual* expense by 12 and enter below.)

 (2) \$ _____ TOTAL *monthly*
 PRO-RATED EXPENSES

* Benefits will be paid for Eligible Covered Expenses only.

**If you wish to cover your personal income, please apply for coverage under the AAFP Disability Income Insurance Policy.

\$ _____ GRAND TOTAL [total of (1) and (2) above]

On your Practice Overhead Application form, indicate the amount of *monthly* practice expenses which you wish to insure in Section A, "Practice Overhead Expense Calculator."

HOW DO I APPLY?

Use the worksheet in this brochure to calculate the amount of coverage you need. Then fill out the enclosed application form and return it to AAFP Insurance Services in the envelope provided. *Send no money now!* If your coverage is approved, you will be billed when your Certificate Of Insurance is issued. Your effective date of coverage will be the first day of the month following approval by New York Life, provided: (a) your initial premium is received within 31 days after you are billed and (b) you are at Full-Time Work on that day or the date you paid your premium, if later.

NOTE: No salesperson will call you. All information provided for underwriting purposes remains strictly confidential. (See the Important Notice in the application folder for details.)

WHO PROVIDES THIS COVERAGE?

This policy is sponsored and endorsed by the American Academy of Family Physicians. It is underwritten by New York Life Insurance Company. Founded in 1845 with just \$17,000 in assets, New York Life and its affiliates today are ranked among the leaders in the financial services industry, with 1999 consolidated assets in excess of \$94 billion. For seven generations over the last 155 years, New York Life has touched the lives of millions of policyholders and helped them to achieve their financial goals.



New York Life has consistently received among the highest ratings from the leading independent rating services: A.M. Best, Fitch Ratings, Standard & Poor's, and Moody's Investors Service for financial strength.

WHO CAN I CALL IF I HAVE QUESTIONS OR A CLAIM?:



AAFP Insurance Services, Inc.
AAFP World Headquarters, Suite 430
11400 Tomahawk Creek Parkway
Leawood, KS 66211-2672

Toll-free phone: 800-325-8166
Toll-free fax: 800-223-7463
E-mail: insurance@aafp.org

Since 1951

As plan administrator and your advocate to the insurance industry, AAFP Insurance Services, Inc. has been providing personal, professional service to family physicians and their families since 1951.

A POLICY SPONSORED AND ENDORSED BY THE AMERICAN ACADEMY OF FAMILY PHYSICIANS

Your Academy reviews, analyzes and selects coverage for members and their families based on each policy's scope of protection and cost compared to other policies available. We believe them to be the best available and we are pleased to endorse them to our members. If you are not completely satisfied after receiving your Certificate Of Insurance, you may return it (without claim) within 30 days to AAFP Insurance Services. You will receive a full refund of your money, your insurance will then be invalidated, and you will have no further obligation.



The information in this brochure is subject to the terms and conditions of the group master policy issued by New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010 to the American Academy of Family Physicians (on Policy Form GMR). Please refer to the Certificate Of Insurance for details of your coverage.



“I dedicated years of hard work and long hours building my practice. I don’t intend to let it just slip away if I become disabled.”



**GOOD NEWS FROM YOUR ACADEMY...
FOR THE INDEPENDENT PRACTITIONER**

**YOU CAN HELP PROTECT YOUR
INVESTMENT IN YOUR PRACTICE
WITH ACADEMY-ENDORSED
PRACTICE OVERHEAD INSURANCE**

Benefits can pay 100% of your eligible office expenses, up to \$15,000 a month.

- Money for office rent or mortgage interest costs.
- Money to help meet payroll expenses.
- Money for equipment loan payments.
- Money to help pay your malpractice insurance premiums.



A policy underwritten by
New York Life Insurance Company
“The Company You Keep”®



"DO I **REALLY** NEED PRACTICE OVERHEAD INSURANCE?"

That's a decision only you can make. One factor to consider is that, in addition to being a physician, you are also an employer, a provider, a business owner and a profit center. Your ability to generate income with your skills and your practice represents a commitment to yourself, your employees, and your family. Most of all, it represents an investment in your future. If you become totally disabled, you run the risk of not only losing your own income, but of also having to close your practice and lay off your staff.



With AAFP's Practice Overhead Expense Insurance, underwritten by New York Life Insurance Company, you can help assure that, if you are laid up, your practice won't have to shut down.

So, perhaps a more appropriate question might be:



"WHAT WOULD I DO WITH MY PRACTICE IF I BECAME TOTALLY DISABLED?"

Here are the options, as your Academy sees them. Choose the one that makes the most sense to you:

- A. Tough it out... shouldering the cost yourself of keeping your practice open and hoping you are back on your feet before your savings are depleted. Of course, even if this strategy works, you'll have to refer patients to other physicians until you are capable of practicing again... then work harder than ever to replenish your savings.
- B. Shut down temporarily with the intention of rebuilding -- possibly from scratch -- when you are well enough to resume working. Of course, what will happen to your staff and patients in the meantime? They may feel abandoned... and rightly so.
- C. Permanently close your practice and give up your patients and staff. Then, when you are ready to return to work, you can seek employment with an HMO, hospital or large practice, perhaps surrendering all or part of that independence you've worked so hard to achieve over the years.
- D. Keep your practice up and running... with the help of cash benefits paid to you by your Academy-sponsored Practice Overhead Expense Insurance. This policy allows you to hire a locum tenens physician... so your practice partners don't have to indefinitely pick up your workload, and your patients aren't referred elsewhere. It also helps assure that your regular employees can remain on staff -- with salaries, utilities, rent or mortgage, even your malpractice premiums all paid -- **ready and waiting for your return!**

