

AAFP Group Practice Overhead Insurance

Help protect the investment you've made in your practice by ensuring you'll be able to cover your expenses and keep your office open, even if you become totally disabled¹ and unable to work as a physician. Ensure your employees remain on staff – with salaries, utilities, rent or mortgage paid – ready and waiting for your return.

Benefits of up to \$15,000 a Month

You may apply for up to 100% of your eligible covered expenses, up to \$15,000.

Your Choice of Waiting Periods

Benefits can start either 30 or 90 days after the onset of your disability. They can continue up to 24 months, if you're totally disabled before age 60 ... up to 12 months if your disability occurs at age 60 or later.

Coverage Flexibility

Overhead expenses change over time. This coverage allows you to adjust your level of protection accordingly. You can apply to increase your coverage to offset rising inflation, the cost of new equipment, or the hiring of additional staff. Or decrease it, if you reduce staff or take on a new partner.

Possible Tax Advantages

Premiums for this coverage may be tax-deductible as business expenses under current tax law. In many cases, if benefits are paid and are used to offset business expenses the benefits can be considered non-taxable but you should consult with your tax advisor.

Partner Coverage Available

As a courtesy, your partners can apply for this valuable protection, too – even if they are not AAFP members.

Locum Tenens Physician

Your benefits can pay for a physician to take your place while you recover, so your partners don't have to pick up your workload ... and your patients aren't referred elsewhere.

Survivor Benefits

Should you pass away while collecting benefits, your payments will continue for up to three months, or until the practice is sold, whatever comes first. Your spouse or practice associate may be your designated beneficiary.

Paid In Addition to Social Security

Your monthly payments will not reduce by any Social Security Disability Benefits received.

Recurring Disability Benefit

If disability is due to the same or related causes, benefits will continue as part of the same benefit period, unless you've been back to work full-time for three consecutive months or more. If so, a new Waiting Period will apply.

Make just two payments a year!

Find Rates for Your Age Here

2023 Current Semi-Annual Rates

90-Day Waiting Period

Maximum Monthly Benefit

Age	\$5,000	\$10,000	\$15,000
< 35	\$45	\$90	\$135
35-44	\$90	\$180	\$270
45-54	\$200	\$400	\$600
55-59	\$360	\$720	\$1,080
60-64	\$420	\$840	\$1,260
65-69*	\$625	\$1,250	\$1,875

30-Day Waiting Period

Maximum Monthly Benefit

Age	\$5,000	\$10,000	\$15,000
< 35	\$75	\$150	\$225
35-44	\$130	\$260	\$390
45-54	\$265	\$530	\$795
55-59	\$445	\$890	\$1,335
60-64*	\$605	\$1,210	\$1,815
65-69*	\$835	\$1,670	\$2,505

*Renewal Only

Cost is based on your age when insurance becomes effective and Waiting Period. Cost increases as you grow older. New York Life reserves the right to change rates on a class basis. A class is a group of insureds that may be the same age and gender.

For Answers to Questions or Help Applying

Call (866) 537-1039

An AAFP Insurance Specialist will be happy to assess your needs and recommend solutions without obligation.

Benefits of up to \$15,000 a Month

Not to exceed 100% of eligible covered expenses and help keep your business running, even if a disability keeps you from working

Eligible Overhead Expenses:

- Office rent or mortgage interest
- Employee salaries and benefits
- Utility bills
- Property taxes
- Depreciation of office furniture and equipment
- Utilities and services
- Equipment loan payments
- Locum tenens
- Malpractice premiums
- And more

Eligible Overhead 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 locum tenens physicians)
- Personal expenses including but not limited to Income taxes
- The cost of purchases such as office equipment, goods or merchandise of any nature

2023 Current Semi-Annual Rates

Here's how to calculate your premium.

(Per \$100 of Monthly Benefits)

Member's Age	30-Day Waiting Period	90-Day Waiting Period
Under 35	\$1.50	\$0.90
35-44	\$2.60	\$1.80
45-54	\$5.30	\$4.00
55-59	\$8.90	\$7.20
60-64*	\$12.10	\$8.40
65-69*	\$16.70	\$12.50

*Renewal only

The initial cost is based upon your age when insurance becomes effective and increases as you grow older and enter a higher age bracket.

Select one of the Waiting Periods across the top, then find the row corresponding to your age group to determine your premium. Then multiply this amount by the number of \$100 units selected.

New York Life reserves the right to change premium on a class-wide basis.

The premium contributions shown reflect the current rate and benefit structure. Premium contributions may be changed by New York Life Insurance Company on any premium due date, but not more than once in any 12-month period, and any date on which benefits are changed. However, your rates may change only if they are changed for all others in the same class of insureds. For example, a class of insureds is a group of people with the same issue age. Benefit option amounts are not guaranteed and are subject to change by agreement between New York Life and AAFP.

Example:

A 37 year-old who selected a 90-day Waiting Period and a \$12,000 monthly benefit amount would have a semi-annual premium contribution of \$216. [Calculation: 120 x \$1.80]

Buy With Confidence

The AAFP Disability Income Insurance is offered to family physicians by New York Life Insurance Company, a company we selected because of its proven financial strength and superior service. An industry leader for more than 175 years, New York Life Insurance Company has received the highest financial strength ratings currently awarded to any U.S. life insurer from all four major credit rating agencies.

A++

Highest Rating from A.M. Best

AAA

Highest Rating from Fitch

AA+

Second-Highest Rating from Standard & Poor's

Aaa

Highest Rating from Moody's Investors Service

(ratings as of 10/18/22)

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Important Plan Information

Eligibility

All AAFP members under age 60, residing in the United States (excluding territories)*, are eligible to apply if they are actively engaged in Full-Time Work, and have a demonstrable history of one year of business expense as a solo practitioner or partner in a small group practice arrangement. "Full-Time Work" means the active performance of the regular duties of your normal occupation for pay or profit on the basis of at least 30 hours a week at the place such duties are normally performed.

Note: Unlike some policies which automatically consider licensed private pilots to be ineligible for insurance, your Academy-sponsored coverage does not exclude licensed pilots from applying. Nor does it exclude benefits to those traveling as passengers, licensed pilots or crew members on licensed commercial or private aircraft piloted by a licensed pilot.

Eligible Covered Expenses

Most normal and customary, fixed and pro-rated, expenses are covered. That includes lease payments on leased equipment; interest on loans for business equipment, however, principal repayment is limited to the lesser of (a) the monthly amount due for the duration of the outstanding loan or (b) 20% of your monthly benefit amount; the interest portion of your monthly mortgage payment; your portion of expenses shared with practice associates. When your claim is approved, you will be paid the lesser of (a) your insured benefit amount or (b) your documentable Eligible Covered Expenses.

Exclusions

Benefits are not payable for disabilities due or related to routine pregnancy. (Note: Complications of pregnancy are covered); military service; or declared or undeclared war or act thereof; disability that occurs during or is due or related to intentionally self-inflicted injury while sane or insane; operating, riding in or descending from any aircraft except when traveling as a passenger, licensed pilot or crew member on a licensed aircraft piloted by a licensed pilot. Also, the disability must occur while you are insured under the policy and you must be under the regular

care of a licensed physician (other than yourself or immediate family/household member) during the period of disability. (MO Residents: The exclusion for intentionally self-inflicted injury is not applicable due to injuries caused by an attempted suicide while sane.)

Expenses Not Covered

The following expenses occurred after you cease working due to a Total Disability are not covered: salaries for additional staff (with the exception of a locum tenens physician hired as a temporary replacement for you); purchase of office equipment and/or inventory replenishment of medical and office supplies; charitable contributions; salary, fees, income taxes, drawing account or any other remuneration payable to you; the repayment of the principal on a loan or mortgage except for interest or lease payments on equipment.

When Coverage Becomes Effective

In order to become insured, you must provide satisfactory evidence of insurability. Insurance will take effect on the first of the month following the date your coverage is approved by New York Life, provided the initial premium deposit for insurance is paid within 31 days of the approval date and you are at Full-Time Work. If you are not at Full-Time Work, insurance will take effect on the day you return to Full-Time Work if such date is within three months of the date insurance would have been effective and the person is still eligible for insurance.

When Coverage Ends

All coverage ceases when you reach age 70 or following the date you cease to be at Full-Time Work for reasons other than disability. Coverage will terminate earlier if: 1) you fail to make proper payment of premiums when due; 2) the day before you begin Active Duty in the Armed Forces; 3) the group policy is terminated; 4) the group policy is modified to end coverage for the group of insureds to which you belong; or 5) you request to end such coverage.

30 Day Free Look Period

If you are not completely satisfied with the terms of your Certificate of Insurance, you may return it, without claim, within 30 days. Your coverage will be invalidated and you will be sent a full refund - no questions asked.



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* Coverage may vary and may not be available in all states.

¹ Totally Disabled means you are completely and continuously unable to perform duties of your profession or occupation, as a result of a covered accidental bodily injury or sickness that occurs after your coverage begins. Total Disability due to injury must occur within 30 days of the accidental cause.

The information in this brochure is subject to the terms and conditions of the Group Policy #G-29072 underwritten by New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010. On Policy Form GMR-FACE, G-29072. Please refer to the Certificate of Insurance for details of your coverage.

AR Ins. License #246260, CA Insurance License #0547426

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