



Endorsed by
American
Association of
Orthodontists

Insurance



Group Disability Income Insurance Own Occupation Disability

Protecting Your Lifestyle Is Worth Doing Right



PEARL[®] INSURANCE

1200 E. Glen Ave., Peoria Heights, IL 61616-5348



New York Life Insurance Company
51 Madison Avenue, New York, NY 10010

“Great policies and great service. My account executive was helpful and efficient during a time of major stress for me.”

— Dr. Carolyn L.

75 million Americans would experience financial strain after just *one month* without a paycheck.*

**“Disability Insurance.” *Life Happens*. Web. 25 January 2018.

Disabilities almost always come with medical expenses. But if an illness or injury prevents you from working, loss of income could hurt your financial future more than hospital bills.

Take the next step toward keeping your lifestyle intact with **AAO-Endorsed Group Disability Income Insurance**. This plan is designed to help supplement your income through difficult times.

Members under 55 can apply to receive benefit amounts from \$500 to \$15,000 (up to \$4,000 if age 55-60) per month, in increments of \$100. Plus, if under age 50, you can increase your coverage in the future—without medical underwriting—(see “Future Purchase Option”) to help ensure your coverage keeps pace as your earnings grow.

THE REALITY OF DISABILITY

Disabilities aren’t limited to broken arms, casts, and wheelchairs.

Total disabilities can be caused by:

- Illnesses such as cancer
- Back and spine injuries
- Neurological, hearing, and vision impairments
- Blood and respiratory disorders

A total disability occurs when a covered illness or injury prevents you from performing the substantial duties of your own occupation as a specialist in orthodontics for which you have been specifically educated and trained... *even if you are working in an alternate occupation.*

WHO IS ELIGIBLE FOR COVERAGE?

You are eligible to apply for AAO-Endorsed Group Disability Income Insurance if you are:

- An AAO member in good standing
- A U.S. resident (not available in VT)
- Under age 65
- Actively working (at least 20 hours per week)
- Not in full-time military service

Learn more today! 800.622.0344



HOW MUCH CAN I APPLY FOR?

The benefit amount you apply for under this plan, up to \$15,000 (up to \$4,000 if age 55-60) per month, in combination with all other disability insurance in force or applied for, can't exceed 60% of your average net monthly income. The amount applied for will depend on your age. Earned income is net monthly earnings after business expenses but before taxes.

If you are incorporated, earned income includes the cost to the corporation of your fringe benefits and the share of total contributions to corporate surplus for the preceding 24 months. Average net monthly income from investments, interest, dividends, rent, annuities, royalties, commissions, other insurance, overtime, and bonuses is not included in earned income.

WAYS TO APPLY FOR AAO-ENDORSED GROUP DISABILITY INSURANCE COVERAGE

1. APPLY ONLINE

aaoplans.com/ApplyDI

2. MAIL

Complete, date, and sign the enclosed application form, and make sure to indicate your choice of benefit level (in \$100 increments) and waiting period. Mail your completed application to:

Pearl Insurance
AAO Plan Administration Office
1200 E. Glen Avenue
Peoria Heights, IL 61616

3. CALL

800.622.0344

Monday - Friday, 7 a.m. to 7 p.m. CT

times updated

AAO-ENDORSED GROUP DISABILITY INCOME INSURANCE RATE SCHEDULE

2019 Current Semiannual Rates Per \$100 Monthly Benefit

SEMIANNUAL PREMIUM RATES - Per \$100 Monthly Benefit for Insured Members with an EFFECTIVE DATE on or after 10/1/18

Age	30-Day Waiting Period		90-Day Waiting Period		180-Day Waiting Period	
	Female	Male	Female	Male	Female	Male
Under 35	\$11.10	\$ 8.90	\$7.40	\$5.90	\$6.70	\$5.30
35-39	\$14.00	\$11.20	\$9.60	\$7.70	\$8.50	\$6.80
40-44	\$18.50	\$14.80	\$12.90	\$10.30	\$11.40	\$9.10
45-49	\$23.60	\$18.60	\$17.00	\$13.60	\$15.10	\$12.10
50-54	\$24.00	\$21.80	\$18.20	\$16.50	\$15.90	\$14.50
55-59	\$26.00	\$23.60	\$20.10	\$18.30	\$17.50	\$15.90
60-64	\$24.00	\$21.80	\$18.60	\$16.90	\$16.20	\$14.70
65-70*	\$22.00	\$20.00	\$17.00	\$15.50	\$14.80	\$13.50

Insured Member's Age	Cost-Of-Living Option	30-Day Future Purchase Option	90-Day Future Purchase Option	180-Day Future Purchase Option
Before 35	\$2.50	\$0.75	\$0.50	\$0.45
35-39	\$3.50	\$0.95	\$0.65	\$0.58
40-44	\$5.25	\$1.25	\$0.88	\$0.78
45-49	\$7.00	\$1.60	\$1.15	\$1.03
50-54	\$6.25	n/a	n/a	n/a
55-59	\$4.50	n/a	n/a	n/a
60-64	\$2.00	n/a	n/a	n/a
65-70	n/a	n/a	n/a	n/a

*For renewal purposes only.

No charge for cost-of-living option after age 66, as monthly disability income benefit is payable for a maximum of one year.

Actual premiums may be slightly different due to rounding.

Premiums for this AAO-Endorsed Plan can be payable quarterly, semi-annually, or annually. Your premiums are based on your age each October 1st and increase as you enter a new age bracket (e.g. 35, 40, etc.).

The initial cost of insurance is based on your choice of plan, monthly benefit, waiting period, and your attained age when coverage becomes effective. The cost increases as you grow older and reach a higher age bracket. Premium contributions will vary depending upon the options and amount chosen.

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 and any date on which benefits are changed. However, your rates may only change 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 the American Association of Orthodontists.

IMPORTANT TAX INFORMATION FOR RESIDENTS OF MANITOBA AND ONTARIO, CANADA: Ontario and Manitoba have enacted laws requiring taxation of all group insurance purchased by individuals (Manitoba 7% and Ontario 8%). This tax will be added to the amount of any premium due (in U.S. dollars).

Learn more today! 800.622.0344

“The AAO-Endorsed Insurance Program has simplified my life when it comes to coverage and I would recommend it to any practicing orthodontist.”

—Dr. Shamik D

DETAILS OF COVERAGE

Benefit Period:*

Disability benefits may be paid during a covered total disability up to these limits:

Beginning Disabilities	Monthly Benefits Continue
Before age 66	Up to age 67*
66 or older	Up to one year

*The maximum benefit period will not exceed 24 months for disabilities that are the result of a psychiatric or psychological disorder and/or substance abuse.

Additionally, your benefit will end upon the earlier of the following occurrences: your disability ends; your income exceeds 75% of your pre-total disability earnings (for the residual benefit); or you do not provide proof of your continued disability, or submit to an exam, as may be required from time to time.

Maximum Issue and Participation Limits:**

Member's Age at Issue	Maximum Issue Limit	Participation Limit**
Before age 55	\$15,000	\$20,000
55-59	\$4,000	\$10,000
60-64	\$1,500	\$1,500

**Including other disability income insurance in force.

WAITING PERIOD

You have a choice of three waiting periods before benefit payments begin: 30, 90, or 180 days. A waiting period is the number of consecutive days you must be totally disabled by illness or injury before benefits begin. Coverage with a longer waiting period is less expensive.

DISABILITY INCOME OVER-INSURANCE

New York Life Insurance Company may limit the monthly benefit for which you apply based on your age, earnings, Social Security eligibility, and all other disability insurance you have or are requesting. If you wish to know your maximum issue limits, please refer to the chart above.

The monthly benefit you are requesting may not exceed 60% of net income (before taxes), less other disability benefits you have or for which you are applying. The tax-free nature of most disability benefits is often overlooked, and members sometimes apply for more than is necessary to replace lost income. In the interest of safety and stability, the AAO-Endorsed Disability plans have issued limits at time of application.

FUTURE PURCHASE OPTION

If you are under 50, you can increase disability income coverage in the future without medical underwriting at that time, even if you are no longer in good health. This benefit, available for an

additional premium, makes it possible for you to increase your long-term disability monthly benefits as your earnings grow. Future purchase option amounts, ranging from \$500 to \$2,500 per month, in \$100 units, are available. However, the amount applied for may not exceed the amount of long-term disability income for which you are insured. Also, the combination of future purchase option plus long-term disability income cannot exceed the \$15,000 (or \$4,000 if age 55-60) monthly maximum.

All or a portion of the future purchase option may be converted to long-term disability income coverage in \$100 units on October 1st, coinciding with or next following the insured's 24th, 26th, 28th, 30th, 32nd, 34th, 36th, 38th, 40th, 42nd, 44th, 46th, 48th, and 50th birthdays. The option can't be exercised if you are disabled on a conversion date, and you must have sufficient earned income to qualify for the amount of future purchase option coverage being converted.

The premium for the future purchase option is based on your age at issue and increases with age. When you convert all or a portion of the future purchase option, the premium is based on your age on the conversion date. The future purchase option premium charge is reduced when an option is exercised, and the premium is discontinued when any remaining options terminate at age 50. You must satisfy New

York Life's insurability requirements at the time you apply for this feature.

COST-OF-LIVING ADJUSTMENT (COLA) OPTION

For an additional premium, you can apply for an optional cost-of-living adjustment benefit to help you keep pace with inflation. This optional coverage can increase your monthly income benefits with an inflation adjustment based on the consumer price index for urban consumers (CPI-U). However, the adjusted benefit will not exceed two times the pre-adjusted benefit. Monthly benefits will be adjusted annually from the date the waiting period begins. Adjustments may be made to the monthly benefit paid in the second and each succeeding year. Once you are no longer disabled and benefit payments stop, the monthly benefit will return to the original amount.

RESIDUAL BENEFITS

If you return to work after a covered total disability that resulted from an illness, which began before age 65 and lasted at least as long as the selected waiting period, you may be entitled to a residual benefit if: (1) you did not receive your benefit for the full maximum period applicable to the disability, (2) as a result of the same disabling illness, you are prevented from earning more than 75% of your pre-total disability income, and

(3) your total disability and residual disability are not separated by a return to full-time work (20 hours per week) of at least three months.

The residual benefit is a percentage of your total disability benefit equal to the percentage reduction of monthly earnings. For every month that the percentage reduction is 75% or more, the plan will pay the full total disability benefit.

The residual benefit is based on a loss of earnings ratio as described in your certificate. For any month that your monthly earnings do not exceed 25% of your pre-total disability income, the full monthly benefit is payable.

REHABILITATION PROVISION

The full cost of a personalized rehabilitation plan, including retraining and education, may be covered.

WHEN COVERAGE BECOMES EFFECTIVE

In order to become insured, you must provide satisfactory evidence of insurability and pay the required premium. Insurance will take effect on the first of the month, on or following the date your coverage is approved by New York Life, provided the initial premium deposit is paid within 31 days of that date. You must be performing the normal activities of a person in good health of like age (NC residents: a person of like age) on the

date of approval. If not, insurance will take effect on the day you are performing such normal activities if it's within 3 months of the date the insurance would have otherwise taken effect and you are still eligible to attain coverage that day.

WHEN COVERAGE ENDS

New York Life cannot change benefits, terminate coverage, or change premiums on an individual basis; it may only do so on a class-wide basis. A class is a group of people with the same age or sex. The benefits provided under the group-wide policy may be changed upon agreement with New York Life and AAO. New York Life has agreed not to exercise its right to terminate the group policy as long as AAO continues to endorse only the New York Life Plan. While the group policy continues in force, you may renew your coverage until age 70. Coverage will terminate earlier if you cease active, full-time work (at least 20 hours per week) other than for reasons of disability, you begin active military service, or New York Life Insurance Company terminates the group policy. You must continue to be an AAO member and pay your premium when due to renew your coverage.

WAIVER OF PREMIUM

You won't have to pay premiums during your disability after you have been totally disabled for three consecutive months under the 30-day or 90-day waiting period and six consecutive months under the 180-day waiting period.

30-DAY FREE LOOK

When you become insured, you will be sent a Certificate of Insurance summarizing your insurance coverage. If you are not completely satisfied with the terms of your certificate, you may return it, without claim, within 30 days. Your coverage will be invalidated and you will receive a full refund—no questions asked!

EXCLUSIONS AND LIMITATIONS

Benefits are not paid for disabilities resulting from: your participation in (except as a victim) or incarceration for a crime/illegal occupation/illegal activity; war conditions; military service; intentionally self-inflicted injuries while sane; pregnancy, except for specific complications; or specific conditions for which an impairment restriction has been placed on your coverage. Benefits are not paid during the 30-, 90- or 180-day waiting period for the plan selected. Benefits will not exceed 24 months for disabilities that are the result of a psychiatric or psychological disorder and/or substance abuse. This limitation does not apply to any period during which you are institutionalized. No benefits are payable for any disability for which you are not under the regular care of a licensed physician.



New York Life Insurance Company
51 Madison Avenue, New York, NY 10010

On Policy Form GMR, -FACE/G-14242-3
under Group Policy 14242-3



**PEARL[®]
INSURANCE**

1200 E. Glen Avenue, Peoria Heights, IL 61616-5348



Insurance

PEARL INSURANCE COMPENSATION AND OTHER DISCLOSURE INFORMATION:

The AAO will receive a premium royalty as a result of participating in this program. Underwritten by New York Life Insurance Co. The underwriting risks, financial, and contractual obligations associated with products issued by New York Life are its responsibilities. Coverage may vary by state.

This information is only a brief description of the principal provisions and features of the Plan. The complete terms and conditions are set forth in the group policy issued by New York Life to the American Association of Orthodontists. Once approved, you will be sent a Certificate of Insurance summarizing your benefits under the Plan.

Pearl Insurance solicits insurance on behalf of New York Life and receives compensation, which may vary depending on certain factors, based on the sale of insurance. For additional compensation information, please call Pearl Insurance at 800.447.4982.

The AAO Group Insurance Program is underwritten by New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010, under Group Policy No. G-14242-3 on Policy Form GMR-FACE/G-14242-3.

Not intended for residents of New Mexico.

The AAO Member Insurance Program is administered by Pearl Insurance

California Insurance License #0F76076

Arkansas Insurance License #1322