

# Frequently Asked Questions

## ► Who is eligible for this coverage?

- An orthodontist under age 65
- Residing in the United States (excluding Territories), Puerto Rico, or Canada (except Quebec)
- An AAO member who is at FULL-TIME WORK: the active performance for pay or profit of his/her normal occupation on a basis of at least 20 hours per week at the place such duties are normally performed
- Is not on active military duty

## ► What is a total disability?

The policy is designed to pay benefits when you become totally disabled. Total disability means that, due to a covered illness or injury, you are unable to perform the material and substantial duties of your own occupation as a specialist in orthodontics for which you have been specifically educated and trained. You must also be under a doctor's care and not working at any gainful occupation to be considered totally disabled.

## ► When will coverage become effective?

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

residents: a person of like age] on that date. If you are not performing your normal activities as required, you will not become insured until the day you are performing such activities, provided such date is within three months of the date insurance would have been effective, and you are still eligible.

## ► What if I decide this coverage isn't right for me?

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!

## ► What are the current rates as of 2019?\*

Benefits are available from \$500 to \$20,000 per month (in \$100 units).

Age	Annual Premiums per \$1,000
<40	\$30
40-49	\$50
50-59	\$95
60-64	\$170
65-69**	\$250
70-72**+	\$390

\*All premiums are based on your age each October 1st and increase as you attain a new age bracket (e.g. 35, 40, etc). New York Life reserves the right to change rates on any premium due date or on any date which benefits are changed.

+ Termination age \*\*Renewal only

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

# Exclusions, Limitations, and Administration

## ► Exclusions and limitations

### Benefits are not paid for disabilities resulting from:

- War or military service
- Self-inflicted injuries (unless the injury is caused by an attempted suicide while insane)
- Your incarceration for, or participation in (except as a victim), an illegal occupation/activity or the commission of a crime
- Pregnancy, except for specific complications
- Conditions for which an impairment restriction has been placed on your coverage
- An illness or injury which occurs before you are insured under the Plan, and/or does not require the care of a licensed physician or surgeon other than yourself (or a member of your immediate family or household) during the period of disability

Benefits are not paid for the first 30 days of a disability.

## ► Administration

The AAO-Endorsed Member Insurance Program is administered by Pearl Insurance. 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 to the American Association of Orthodontists, underwritten by New York Life Company, 51 Madison Ave., New York, NY 10010, under Group Policy No. G-14242-4 on Policy Form GMR-FACE/G-14242-4. Not intended for New Mexico residents.

Underwritten by:



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

Plan Administrator:



1200 E. Glen Ave., Peoria Heights, IL 61616  
Questions: Please call 800.622.0344

Arkansas Insurance License #1322,  
California Insurance License #0F76076

# AAO-Endorsed Group Professional Overhead Expense Insurance

## Protecting Your Practice is Worth Doing Right.

Find out how your practice can thrive, even if an illness or injury prevents you from working.



# Insurance

[More details inside. ►](#)

# Group Professional Overhead Expense Insurance

**Endorsed by the American Association of Orthodontists**

AAO-Endorsed Group Professional Overhead Expense (POE) Insurance helps keep your practice running if an illness or injury keeps you away from work.

## ► What expenses are covered?

- Employees' salaries and payroll taxes
- Rent
- Equipment maintenance
- Principal and interest payments on outstanding business debts
- Utilities
- Monthly average of taxes on premises
- Uniform and auto allowance
- Postage and stationery
- Accounting fees
- Professional membership dues/subscriptions
- Insurance premiums

## ► What expenses are *NOT* covered?

- Salaries, fees, income taxes, drawing accounts, profits, or other remuneration to you or a partner
- Salaries of all persons hired after your disability began
- Charges for professional services of individuals in your profession
- Cost of goods, merchandise, or office equipment
- Any expense for which you were not liable prior to your disability, or which is not normally reimbursable under any business expense policy
- Equipment depreciation

\*If you are incorporated, a partner, or a joint tenant, overhead expenses only include your share

## ► \$500 to \$20,000 coverage

Apply for monthly benefits from \$500 to \$20,000. The monthly benefit you request may not exceed the average eligible monthly expenses\* you incurred in the six-month period before becoming insured, less any other office overhead insurance you have or for which you are applying. Once coverage is effective under the Policy, the monthly benefit payable will not exceed the lesser of:

1. your monthly benefit amount in force,
2. your average eligible monthly expenses for the previous six months, or
3. the eligible expenses you incurred that month.

Benefits start on the 31st day of total covered disability and continue for up to 24 months while continuously disabled. Benefits will end earlier if you do not submit to an exam, as may be required from time to time.

## ► Future increase option

This plan also includes a Future Increase Option that allows you to increase your monthly benefit amount by \$200, subject to the maximums described above, with no medical underwriting as long as:

- You are under age 50
- You are not disabled on the effective date of the increase

If approved, this benefit can be exercised monthly until the earlier of the following occurrences:

- You reach age 50
- The total payments under this option reach \$1,000, or
- Your coverage under this Office Overhead Policy ceases (see "When Insurance Ends")

Your premium will be based on the new benefit amount.

## ► Premiums are waived if you become disabled

If you become totally disabled while insured and remain so for six consecutive months, you will not have to pay premiums to continue your coverage while you're receiving benefits for that disability. Refer to your Certificate of Insurance for additional information on this benefit.

## ► Benefits for recurring disability

Successive periods of disability, which are due to the same or related causes, will be considered a single period of disability unless separated by return to FULL-TIME employment of six consecutive months or more.

## ► Competitive rates

You'll have the benefit of competitive rates exclusively developed for AAO members. For example, the cost for a \$10,000 monthly benefit for a member under age 40 would be just \$300 a year. All premiums are based on your age each October 1 and increase as you attain a new age bracket (e.g. 40, 50, etc.). You can never be singled out for a rate increase, regardless of any change in health. The insurance company cannot terminate coverage or change premiums on an individual basis as long as the group policy remains in force; it may only do so on a class-wide basis.

## ► When insurance ends

Your coverage under this Professional Office Overhead Policy will end upon the earlier of the following occurrences:

- You attain age 72
- Your AAO membership ceases
- You cease FULL-TIME WORK as defined, for reason other than disability
- Premiums are not paid when due
- You begin active military duty
- The Policy is terminated or modified to end coverage for the group of insureds to whom you belong, or
- You request to end such coverage

## 3 quick ways to apply (pick only one)

1. Fill out and return the enclosed application in the postage-paid envelope provided
2. Apply online at [aaoplans.com/ApplyPOE](http://aaoplans.com/ApplyPOE)
3. Apply by phone at 800.622.0344  
Monday-Friday, 7 a.m. – 7 p.m. Central Time

**Apply today**

✓ Protect your practice

✓ Get competitive rates