

# For New York State Physicians: Protect your family's financial security with Disability Income Insurance



## Smart Protection For Physicians

As a physician, you know all too well how frequently unforeseen injuries and illnesses happen — and the financial strain they can cause. How long could your family manage if they had to do without your income?

Just as you insure your home, your possessions, your life, and your health, you should insure your income-producing capability. That's just what this **Disability Income Insurance for Physicians** does. This insurance pays you monthly benefits so you can continue to support yourself, your family, and pay the bills.

If you're like many physicians, you spend so much time caring for others, you assume "it won't happen to me." But the following statistics tell a different story:

- Just over 1 in 4 of today's 20-year-olds will become disabled before they retire.<sup>1</sup>
- The average long-term disability absence lasts 31.2 months.<sup>2</sup>

The risk of disability is real. That's why it's important to periodically review your Disability Income Insurance. If your income were to unexpectedly stop due to disability, would you be able to maintain your standard of living? For how long? It is important to keep in mind that expenses generally go up when disabled. Here's a chance for you to protect what you work so hard to earn.

## Eligibility And Amounts of Insurance Available — Physicians May Apply For:

- Under Age 50: up to **\$17,000** per month<sup>3</sup>
- Ages 50-59: up to **\$10,000** per month<sup>3</sup>

## Qualification

Acceptance into the Program is subject to evidence of insurability as determined by the Insurance Company. Depending upon the amount of coverage applied for, it may be necessary for you to have a paramedical exam, blood test and urinalysis, all of which can be conducted at your convenience and at no expense to you.

## Choice of Benefit Plans

Depending on your age, desired benefits and length of coverage, you may choose the benefit plan designed to meet your specific needs.

The benefit period is the maximum time the policy will pay benefits for any one disability, as follows:

Benefit Plan	Age at Start of Disability	Maximum Benefit Period
To SSNRA**	Prior to Age 64 Ages 64-75	To SSNRA The longer of one year or to SSNRA
To age 65	Prior to Age 64 Ages 64 - 75	To Age 65 One year
7 years	Prior to Age 64 Ages 64 - 75	Seven years or to age 65 One year
2 years	Prior to Age 64 Ages 64 - 75	Two years One year

\*\*SSNRA is your Social Security Normal Retirement Age, the age used by the Social Security Administration to determine when full Social Security retirement benefits are payable. If you were born between 1943 and 1954, your SSNRA is 66. If you were born between 1955 and 1959, your SSNRA is between ages 66 and 67. If you were born in 1960 or later, your SSNRA is 67.

## Renewal Guarantee

This coverage is automatically renewed by paying the renewal premium applicable for your particular age. The coverage will only end if you do not pay the premium within the grace period, reach age 75, retire, or cease to be actively engaged full time in your profession.

- 1 Social Security Administration, Fact Sheet October 2015
- 2 Council for Disability Awareness, 2016
- 3 See rate table footnote about reductions at age 65 and 70



## Choice of Waiting Periods

You may also choose the Waiting Period that meets your specific needs. Your benefits can begin after 30, 60, 90, 180 or 365 day Waiting Periods.

## “Own Occupation” Protection

Total Disability means that due to accident or illness, you are unable to perform the substantial and material duties of your occupation and are not performing the duties of any gainful occupation for which you are reasonably fitted based on education, training and experience. If your occupation is limited to a recognized specialty within the scope of your degree or license, the Company will deem it to be your occupation.

## Residual (Partial Disability) Benefits Automatically Included Under Age 65

Following a period of Total or Residual Disability of 30 days or until the end of your waiting period, if longer, Residual Benefits are payable provided you are:

1. Residually disabled (unable, due to accident or illness, to perform one or more of the substantial and material duties of your occupation or unable to perform them for as much time as is normally required).
2. Experiencing a 20% or greater loss of prior monthly income.
3. Receiving medical care from a duly licensed physician other than yourself.
4. Not being paid Total Disability Benefits under this coverage.

**Residual Benefit = Your Percentage Loss  
x Your Monthly Benefit**

**Percentage Loss = [Loss of Monthly Income  
÷ Prior Monthly Income] x 100%.**

The combined period for which Total and Residual Disability benefits are payable may not exceed the maximum benefit period and in no event will payment for Residual Disability benefits continue beyond age 65.

**IMPORTANT:** If your percentage loss of income is greater than 80%, you will be eligible for 100% Residual Benefits.



## Semi-Annual Premiums per \$1,000 of Monthly Benefit for Total and Residual Disability Benefits Payable to SSNRA, 90-day Waiting Period

Age	Semi-Annual Premium	Age	Semi-Annual Premium
Under 30	\$75.65	50-54	\$258.40
30-34	92.85	55-59	330.05
35-39	118.65	60-64	408.70
40-44	153.20	65-69*	267.55
45-49	201.90	70-74*	246.75

\*Residual Benefits terminate on first renewal after age 65. Maximum Prior Monthly Income under Residual is \$25,000/month. Basic Monthly Benefit in excess of \$2,200 per Policy reduces to this amount on first renewal after age 65 (total of \$4,400 permitted for all policies with this Company), and premium reduces accordingly. On the first renewal date following attainment of age 70, the Monthly Benefit in excess of \$1,000 reduces to this amount (total for all policies). At this time, the waiting period, if shorter than 90 days, changes to 90 days.

## No Offsets

Benefits are payable regardless of other insurance. No offsets for Social Security, Workers' Compensation, or other insurance policies covering you.

## Waiver of Premium Benefit Included

Premium payments are suspended, while the policy is in force, after you have been disabled for six consecutive months provided the disability begins prior to age 60. The Waiver of Premium Benefit continues as long as you continue to receive benefits.

## Automatic Benefit Increase

Included in this policy is an automatic benefit increase. On the renewal date after your coverage has been in effect for one year, and annually thereafter for the next four years, your monthly benefit will increase by 4% without medical underwriting, unless you cancel the scheduled increase.

## Exclusions and Limitations

Your policy does not cover disabilities or losses caused by, contributed by, or resulting from: War, any act of war, or military service; suicide, attempted suicide, or intentionally self-inflicted injury; test or experimental flying, operating or traveling in or flying any aircraft operated by or under the direction of the military; participation in a felony; pregnancy beginning before or during the first 30 days after your policy takes effect; pregnancies commencing after the coverage is in effect for 30 days will be covered after a 30-day waiting period or your policy waiting period, if longer. Maximum Benefit for mental or nervous disorder, alcoholism or drug addiction is 24 months for disabilities occurring prior to age 64, and 12 months for disabilities occurring on or after the attainment of age 64. Benefits may be continued beyond 24 months if you are confined in a Hospital at the end of 24 months and if such confinement was continuous for the preceding 12 months; and if you are under age 65 such benefits would not be paid beyond your maximum benefit period or age 65.

## Important Optional Benefits

### 1. Cost of Living Adjustment for Total Disability

#### To help your benefits keep pace with inflation...

Under COLA Option A, you may have your monthly benefit increased based on the increase in the Urban Consumer Price Index, with a cap of 6% (according to a specified formula contained in the contract). Option A COLA Benefits are capped when your monthly benefit doubles. Under COLA Option B-1, your benefit will be reviewed each year, and you may have your monthly benefit increased based on half the percentage change in the Urban Consumer Price Index up to 3%. COLA Option B-2 works the same way as Option B-1, but the maximum annual increase is 6%. Under the two COLA B options, benefits may continue to be increased for as long as you are eligible for a Monthly Benefit.

### 2. Recovery Benefit

#### To help you get back on your feet...

This option pays you a lump-sum benefit when you return to work on a full-time basis following a Total Disability for which you received benefits for 45 days or longer. The amount of the benefit is based on the length of the covered disability.

### 3. Guaranteed Purchase Option

#### To protect your ability to buy more coverage...

This option gives you the ability to increase your monthly disability benefit without medical evidence of insurability. You can increase it by 25% of the original amount on the second, fourth, sixth, and eighth anniversaries of the first renewal date up to the limits of the group.

This benefit is only available to applicants under age 40, and increases under this option cannot exceed LICOBNY's maximum issue amounts.

### 4. Catastrophic Disability Plus Benefit

#### To help with the extra costs of a catastrophic disability...

This optional benefit gives you added protection from catastrophic disabilities. If you become Totally Disabled and are receiving a Monthly Benefit, your benefit will increase by 30% if you are Cognitively Impaired or unable to perform two or more Activities of Daily Living (ADLs) for which you can't be reasonably accommodated by adaptive equipment. You are eligible to receive this benefit after the Cognitive Impairment or inability to perform ADLs has existed for at least 180 days.

\*Please see administrator for premium rates for these optional benefits.

### It's Easy to Apply...

First, complete the application (Be sure to answer all questions on both sides) then mail your application to Charles J. Sellers & Co., Inc.

Customer Representatives are available by phone at the number below or to meet with you to complete the application process.

## About the Administrator...

This Disability Income Insurance Program is administered by:



Charles J. Sellers & Co., Inc.  
4300 Camp Road, P.O. Box 460  
Athol Springs, NY 14010

Phone: 716-627-5400 Fax: 716-627-5420  
National Toll-free Customer Service Numbers  
Phone: 1-800-333-5440 Fax: 1-800-462-1121

E-mail: [insurance@sellersinsurance.com](mailto:insurance@sellersinsurance.com)  
Web Site: [www.sellersinsurance.com](http://www.sellersinsurance.com)

Charles J. Sellers & Company has been providing New York professionals and their families with insurance services since 1920. If you have questions about this Program, or if you would like a customer representative to visit you, please call the toll-free customer service number above.

## About the Insurance Company...

This Disability Income Insurance Policy is underwritten by:



Life Insurance Company of  
Boston & New York  
4300 Camp Road, P.O. Box 331  
Athol Springs, NY 14010

Life Insurance Company of Boston & New York (LICOBNY) has a Best's Rating of A (Excellent). This rating reflects an evaluation of the Company's financial strength, operating performance and market profile. The rating also provides an independent opinion of a company's ability to meet its obligations to policyholders. A represents the third highest rating out of a possible 16 rating categories. The current rating was affirmed by AM Best on Feb. 6, 2018. For current rating information, see [www.ambest.com](http://www.ambest.com).

LICOBNY underwrites sponsored Disability Income Programs for over 50 Medical Societies, Bar Associations and other professional groups in New York State through Charles J. Sellers & Co. Inc.

## Required disclosure statement

This policy provides DISABILITY insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. The expected benefit ratio for this policy is 55%. This ratio is the portion of future premiums which the company expects to return as benefits when averaged over all people with this policy. See Policy Form IDIC (10/01) NY.

This electronic brochure is for illustrative purposes only, and is not a contract. It is intended to provide a general overview of the benefits described. The Policy will provide the actual description of benefits, terms, conditions, and exclusions.



**Charles J. Sellers & Co., Inc.**

Insurance Services Since 1920