

## GROUP DISABILITY INCOME INSURANCE

# Coverage Overview

### Eligibility

You're eligible to apply for this Long Term Disability Income Insurance if you're an active member in good standing of the American Physical Therapy Association (APTA) under age 65, a resident of the 50 United States (excludes NH, NV and VT), District of Columbia or Puerto Rico, and actively employed full-time\* (at least 20 hours per week) in the physical therapy field. You can also apply for coverage for your lawful spouse/domestic partner;† provided he or she is a resident of the 50 United States (excludes NH, NV and VT), District of Columbia or Puerto Rico, under age 65 and working at least 20 hours per week.

If your spouse is also an APTA member, he or she is eligible for either member or dependent coverage, but not both.

\*Working full-time does not include those who are on active military duty in the armed forces of any country.

†Wherever the term spouse appears will read as Domestic Partner throughout.

### Your choice of monthly benefit

You and your spouse are eligible for a monthly benefit up to \$10,000, in \$100 increments.

The amount that can be issued cannot exceed 66⅔% of your "Average Monthly Income" when combined with any other disability insurance you have in force or are applying for. For spouse coverage, the member must be insured and spouse monthly benefit and benefit period may not exceed that of the insured member.

"Average Monthly Income" means the basic rate of monthly compensation, including commissions, for the immediately preceding tax year (or two tax years if it produces a higher average) before deduction of any income taxes and after deduction of business expenses that are deductible for income tax purposes. For a person who is self-employed, income includes wages, salaries, fees, commissions and any other amounts received by such person for personal services, and if the person's business is incorporated, the cost of fringe benefits and his or her share of the monthly net profit of the corporation whether received or not received.

### 30% Premium Credit

**Premium Credit\*\*** – Premium credits help members reduce their net disability insurance cost and save money. How premium credits work: When the APTA Group Disability Insurance experience is favorable, the program Trustee may grant premium credit. Because this credit is dependent upon actual plan experience, it cannot be promised or guaranteed. Premium credits are not paid in cash, but are instead applied in the form of a credit on your premium statement. Credits will not be made after coverage has terminated.

\*\*Premium credits are based on the programs favorable financial performance and therefore cannot be guaranteed. The current credit of 30% is in effect through 6/30/22 and will be reflected on your premium statement.

### Tax advantages of having your own disability insurance

The cost of any disability insurance paid on your behalf by an employer is tax deductible for the company, but *any disability benefits you receive would be taxed as ordinary income.*

When you pay the premiums for this insurance, the cost is not tax deductible to you, but *any benefits paid to you through this coverage will not be subject to Federal Income Tax* (ask your accountant or tax advisor).

### Advantage of portable coverage

Unlike most employer-provided disability coverage, your APTA Disability Income Insurance coverage does not leave you exposed if your employee benefit package changes, or if you switch jobs or become self-employed.

### Your choice of waiting period

You decide when benefits begin: 60, 90 or 180 consecutive days after you become totally disabled. The longer the waiting period, the lower your cost.

Note: Spouses may only apply for a 90-day waiting period.

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### Your choice of benefit payment period

Select the Maximum Benefit Period that's best for you.

**Plan 1 (Age 65 Plan):** If you are disabled prior to age 63, benefits can be paid until you reach age 65. If "Total Disability" begins on or after age 63, but prior to age 70, benefits can be paid for up to two years.

**Plan 2 (Five-Year Plan):** If you are disabled prior to age 60, benefits can be paid for up to five years. If your disability begins on or after age 60, but prior to age 64, benefits can be paid until you reach age 65. If "Total Disability" begins on or after age 64, but prior to age 70, benefits can be paid for up to one year.

If you are disabled due to a mental illness or substance abuse, benefits are payable for a maximum of 24 months (see your certificate for details).

"Total Disability" is defined as an incapacity that completely and continuously prevents you from performing the material and substantial duties of your regular occupation during the waiting period and during the next 60 consecutive months, and thereafter, any occupation for which you may become qualified by reason of education, training or experience as a result of a covered illness or injury.

### Your Own Occupation protection

You will be considered totally disabled if, during the waiting period and up to the next 60 months, you are completely unable to perform the material and substantial duties of your regular occupation (that which you were performing immediately prior to onset of disability) as the result of a covered illness or injury (as certified by a physician).

### Effective date

To become insured, satisfactory Evidence of Insurability must be provided.

Coverage will be effective on the 1st of the month following the date your application is approved, provided your first premium is paid within 30 days of, and you are actively working at least 20 hours per week on, that date; otherwise, insurance will become effective when you return to work on a full time basis and resume normal activities provided such date is within 3 months of the original effective date and you remain otherwise eligible.

Payment of a premium contribution for insurance does not mean there is any coverage in force before the effective date as specified by New York Life Insurance Company.

### Benefits are paid directly to you

Monthly disability benefits for you or your spouse are paid directly to you, and you may use the money in any way you wish. For example, mortgage or rent, car payment, groceries or help with extra medical bills or rehabilitation expenses.

Monthly benefits paid from this coverage, when added to income from other disability insurance, workers' compensation, Social Security, retirement benefits, and other income sources, cannot exceed 66⅔% of the insured persons monthly pre-disability income. See your Certificate of Insurance for a list of all deductible sources of income.

Benefit payments will continue until the insured person recovers; fails to give required proof of continuing disability; the Maximum Benefit Period has been reached; or dies.

### What is covered

This coverage pays benefits if you are unable to work for Total Disability caused by a covered injury or illness. The latter could include inability to work because of a heart condition, back problems, cancer, paralysis or complications of pregnancy. See your Certificate of Insurance for details.

It can also pay Residual Disability benefits (see Residual Disability under "Additional benefits" section).

### Renewable to age 70

Coverage may be continuously renewed until you reach age 70, as long as you remain an APTA member, you pay your premiums when due, coverage remains in force for your class, the APTA continues to sponsor this policy, and New York Life continues to offer this coverage. Coverage will end if you retire (except due to a covered disability) or following a 60-day continuous period during which you cease to be actively at work for reasons other than Total Disability.

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In addition, spouse coverage will end if the member's coverage ends or when such spouse ceases to be a lawful married spouse or when your coverage ends.

If the member dies, his or her insured spouse may continue coverage, provided he or she pays the required premiums. This continued coverage will end when the spouse is covered by another group policy or remarries, or on the date insurance would otherwise end under the policy.

### No rate changes due to health issues

You cannot be singled out for a rate increase or be cancelled due to health. You will never be asked to pay more than the premium charged for your age group. Rates change only as you enter a new age bracket or if rates are adjusted for the entire group. New York Life reserves the right to change premiums and/or benefits on a group or class basis on any premium due date and on any date on which benefits are changed.

### Additional benefits included in the policy

#### Pregnancy benefit

Some disability policies won't cover a disability resulting from a complication of pregnancy, or if they do, the waiting period is at least 180 days. The APTA Disability Insurance covers disabilities resulting from complications of pregnancy. They are treated as any other illness after your selected waiting period.

#### Residual Disability benefit

If you return to work immediately following a period of Total Disability for which benefits were payable, but you still haven't made a full recovery, you may continue to receive a residual monthly disability benefit until you reach the Maximum Benefit Period payable for Total Disability or you're able to earn 80% of your pre-disability earnings, whichever occurs first.

#### Survivor Income continuation benefit

If you should lose your life as the result of an injury or illness for which you have been receiving disability benefits for at least 12 consecutive months, your survivor will be paid a lump-sum payment equal to three times your monthly disability benefit.

#### Transplant benefit

If your Total Disability is the direct result of the donation of kidney, liver, lung, skin or bone marrow for the purposes of transplant to benefit another person, the waiting period will be waived provided you have been insured for at least six consecutive months on the day of such donation.

#### Rehabilitation benefit

You may also qualify for rehabilitation benefits in addition to your monthly disability benefit if you choose to participate in an approved, accredited occupational rehabilitation program while you are disabled. Your participation in this program is voluntary.

Additional benefits are subject to limitations, exclusions and state variations; see your Certificate of Insurance for complete details.

### Optional benefits

#### Cost-of-living adjustment (COLA)

If you add this rider to your insurance, New York Life will make a cost-of-living adjustment if you are totally or residually disabled for 12 consecutive months; you are receiving benefits; your disability was caused by an injury that occurred, or a sickness that first manifested itself after this provision became effective; and your disability commenced prior to age 64. The adjustment will increase your monthly benefit by the lesser of 6% or the annual percentage change in the Consumer Price Index (CPI-W) times the monthly benefit for total or residual disability then being received, but in no event less than 1%.

#### Catastrophic disability rider

If you add this rider to your insurance, you will receive a 30% increase (up to \$3,000) in your total monthly benefit if your disability includes (as certified by a doctor) loss of the ability to perform two or more activities of daily living (bathing, dressing, toileting, transferring, continence or eating) without assistance, a cognitive impairment (as defined by the policy) or diagnosis of a terminal illness.

Optional benefits are subject to limitations, exclusions and state variations; see your Certificate of Insurance for complete details.

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### Successive periods of 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 active work for six continuous months or more or different or unrelated causes and are not separated by a return to full-time work.

### Waiver of premium

Once benefit payments begin, your premium payments will be waived until you are no longer disabled. Once you're back on your feet, your premiums will resume.

### Continuation during temporary layoff or leave of absence

An insured person may continue coverage if he or she ceases to be actively at work due to a temporary layoff, a leave of absence, or a leave of absence required by state law or by the Family and Medical Leave Act of 1993 (FMLA).

During a temporary layoff or leave of absence other than state-mandated or FMLA leave, coverage will continue for up to 30 days; in the case of state and FMLA mandated leave, coverage will continue for the greater of the period required by state law or by FMLA, provided the leave authorization is in writing and the required premium is paid. This continuation will end upon the earliest to occur of the following: the end of the continuation period described above; the date the coverage would normally end under the previously-described termination provisions; the date the layoff becomes permanent; or the date the leave of absence terminates, if prior to the agreed upon date.

### Exclusions

No monthly benefit will be paid for any loss or disability due to, or related to, engagement in (unless as a victim), a war or an act of war, declared or undeclared, whether civil or international, or any substantial armed conflict

between organized forces of a military nature; intentionally self-inflicted injury or attempted suicide; active participation in a riot; committing or attempting to commit a felony; engagement in an illegal occupation; pregnancy (with the exception of complications of pregnancy defined in the policy); or activity while in the service of the armed forces of any country or international authority (in such event, the pro rata unearned premium shall be returned to the insured for any period of full-time active duty).

Benefits will not be paid for a disability that is due to, or related to, a condition which has an Impairment Restriction established by New York Life when coverage is issued.

Benefits will be paid either for injury or for sickness, but not for both, during any concurrent period of disability provided you are under a doctor's regular care.

**Pre-existing conditions:** A "pre-existing condition" is defined as an injury or sickness for which the insured incurred charges; received medical treatment, consultation, care or services, including diagnostic measures; or took prescribed drugs or medicines within the 12 months immediately prior to the effective date of coverage. If disability is due to, caused by or contributed to by a "pre-existing condition" and it begins in the first 24 months after the effective date of coverage, no benefits will be paid, unless the insured has not received medical treatment, consultation, care or services, including diagnostic measures, or taken prescribed drugs or medicines for such condition, or any complication of it, for 12 continuous months after the effective date of coverage.

### 30-day free look

Once your application is approved and coverage issued, you'll receive a Certificate of Insurance. Take up to 30 days to review it. If you are not completely satisfied, simply return your certificate, without claim, for a complete refund of any premium paid and you'll be under no further obligation.



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### About the carrier

The APTA Disability Income Insurance policy is underwritten by New York Life Insurance Company, 51 Madison Ave., New York, NY 10010. New York Life is licensed/authorized to transact business in all of the 50 United States, the District of Columbia, Puerto Rico and Canada. However, not all group policies it underwrites are available in all jurisdictions. New York Life's state of domicile is New York, and NAIC ID# is 66915. Please check the policy details for current availability.

New York Life has received the highest financial strength ratings currently awarded to any U.S. life insurer by Standard & Poor's (AA+); A.M. Best (A++); Moody's (Aaa); and Fitch (AAA). Source: Individual Third-Party Ratings Reports as of 9/30/2021.

This is a brief summary of benefits only and is subject to the terms, conditions, exclusions and limitations of Group Policy No. G-30374-0/GMR-FACE on policy form GMR issued to the American Physical Therapy Association. Coverage may vary or may not be available in all states. APTA incurs costs in connection with this sponsored program. To provide and maintain this valuable membership benefit, it is reimbursed for these costs. APTA also receives a fee for the license of its name and logo used in connection with this program.

### Still have questions?

Call the program administrator at 1-800-982-9491.



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CA Insurance License #0G94493

## DISABILITY INCOME INSURANCE

### Current Monthly Rates (as of 7/1/2021)

Rates shown include the 30% premium credit.\*

Members and their eligible spouses/domestic partners\*\* are eligible for up to \$10,000 in \$100 increments.<sup>1</sup>

The waiting period (also referred to as the elimination period) is the period of time between onset of total disability and your first benefit payment. The longer the waiting period, the lower your cost.<sup>2</sup>

#### Plan 1 (To Age 65)

Monthly Rates per \$100 Monthly Benefit									
	60-Day Waiting Period			90-Day Waiting Period			180-Day Waiting Period		
Age	Base Rate	Addl. Rate for COLA	Addl. Rate Catastrophic Disability	Base Rate	Addl. Rate for COLA	Addl. Rate Catastrophic Disability	Base Rate	Addl. Rate for COLA	Addl. Rate Catastrophic Disability
< 35	\$1.421	\$0.034	\$0.011	\$1.288	\$0.030	\$0.010	\$1.043	\$0.025	\$0.008
35-39	1.631	0.039	0.013	1.484	0.035	0.012	1.197	0.028	0.009
40-44	2.471	0.058	0.020	2.233	0.053	0.018	1.974	0.046	0.015
45-49	2.793	0.066	0.022	2.527	0.060	0.020	2.233	0.053	0.018
50-54	3.976	0.093	0.031	3.563	0.084	0.028	3.283	0.077	0.026
55-59	4.291	0.101	0.034	3.850	0.090	0.030	3.549	0.083	0.028
60-64	5.110	0.120	0.040	4.865	0.114	0.038	4.487	0.106	0.035
65-69***	5.467	0.128	0.043	5.208	0.123	0.041	4.802	0.113	0.038

\*The above rate chart includes a 30% premium credit off our base policy rates. The APTA Disability Insurance program has generated premium credits based on favorable experience. Owing to the current financial experience, the credit is in effect through June 30, 2022. Because the credit is dependent upon actual experience, it cannot be promised or guaranteed. They are not paid in cash and will be applied in the form of a credit on your premium contribution due. They will not be made after coverage has terminated. For base policy rates, divide the above rates by 0.7 or contact the program administrator at 1-800-982-9491.

\*\*Wherever the term spouse appears will read as Domestic Partner throughout.

\*\*\*For renewal only.

These monthly premium rates are based on your actual age as of the effective date of your insurance; scheduled increases will occur as you enter each new age bracket. Coverage ends when you reach age 70.

<sup>1</sup>Your monthly benefit amount cannot exceed 66⅔% of your monthly pre-disability income.

<sup>2</sup>Members may choose a 60-, 90- or 180-day waiting period. Spouse coverage is subject to a 90-day waiting period.

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#### Plan 2 (Five Years)

Monthly Rates per \$100 Monthly Benefit									
	60-Day Waiting Period			90-Day Waiting Period			180-Day Waiting Period		
Age	Base Rate	Addl. Rate for COLA	Addl. Rate Catastrophic Disability	Base Rate	Addl. Rate for COLA	Addl. Rate Catastrophic Disability	Base Rate	Addl. Rate for COLA	Addl. Rate Catastrophic Disability
< 35	\$0.938	\$0.022	\$0.007	\$0.812	\$0.019	\$0.006	\$0.658	\$0.015	\$0.005
35-39	1.127	0.027	0.009	0.973	0.023	0.008	0.791	0.018	0.006
40-44	1.708	0.040	0.013	1.470	0.034	0.011	1.302	0.031	0.011
45-49	2.030	0.048	0.016	1.743	0.041	0.013	1.540	0.036	0.012
50-54	3.311	0.078	0.026	2.828	0.067	0.022	2.611	0.061	0.020
55-59	3.962	0.093	0.031	3.248	0.076	0.025	2.996	0.070	0.023
60-64	5.110	0.120	0.040	4.865	0.114	0.038	4.487	0.106	0.035
65-69***	5.467	0.128	0.043	5.208	0.123	0.041	4.802	0.113	0.038

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