

*Life isn't always as
it seems...*

AVMA GHLIT



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Addressing the University of Minnesota CVM

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What Is AVMA GHLIT?

- *Your* membership benefit of the AVMA
- Designed by veterinarians to meet the specific benefit needs of students and practicing veterinarians
- Managed by a board of trustees of experienced veterinarians
- Established in 1957:

Celebrating 50 Years in 2007

GHLIT Campus Outreach Goals

- Support SAVMA chapters
- Educate veterinary students on the importance of insurance coverage
- Help veterinary students make informed choices about their insurance needs
- Veterinary Leadership Experience (VLE) sponsorships

AVMA GHLIT Is Here To Help

- *We want you to understand* the need to protect current and future assets is an important part of anyone's education in the veterinary profession
- *We will educate veterinary students* on the different types of insurance coverage and what to look for when making purchase decisions

Need Help Navigating Insurance Complexities?

- GHLIT Campus Visits – see me today or Tues
 - call me, email me
 - **813-503-1564**
 - **jdavidson@healthplan.com**
- School Agents - local experts: Bill Hoefler
 - **612-978-1043**
- **Educational Materials - brochures**
- Customer Care at Trust Office
 - Belkys, Michelle and Nick are there to help!
 - **800-621-6360, Opt #3**

You Have a Lot to Protect!

*In 2006, the average student graduated with \$100,208 of debt after four years of veterinary school**

This doesn't even include possible undergraduate loans still deferred!

**Source: Association of American Veterinary Medical Colleges (AAVMC)*

For Current Students

Membership services available to all SCAVMA members

- Dental Insurance
- Student Life & Disability Package
 - Pays you \$500/mo if you cannot attend classes due to a disability even without income!
 - Pays \$100,000 should you die during your schooling. This would help your family cover any non-government guaranteed loans they would be held responsible or funeral/transport costs

What is the "*Graduate Guarantee*" ?

Start by laying the foundation for your future.

As a senior, you are automatically assured that you and your dependants will be accepted for the following coverage at our lowest rates available:

Major Medical Insurance
Long & Short Term Disability
Term Life Insurance
Accidental Death & Dismemberment
Basic Protection Package
Professional Overhead Expense
Hospital Indemnity Benefits
Dental Insurance

Regardless of any medical problems you may have had in the past.

Graduate Guarantee

***Graduate Guarantee* is only available at graduation!**
(30 days before and after!)

Underwritten by New York Life - one of the most respected, insurance companies in the world today – achieving the highest ratings for financial strength from the life insurance industry's principle rating agencies

A.M. Best (A++)

Standard & Poor's (AA+)

Moody's (Aaa)

Fitch (AAA)

Coverage is guarantee issue for *ALL graduating seniors* and their eligible dependants.

*Area 1 rates, our lowest available rates, will be offered for the first 18 mos. following graduation.

AVMA Promissory Note

Interest Free loan created by the AVMA to help new graduates pay their insurance premiums –
ONLY AVAILABLE AT GRADUATION!

AVMA will loan you the money to pay your first 6 months premium (May 1 – Oct. 31). You may repay the loan without any interest charged on or before **Oct. 31, 2007**. If you choose, you may delay payment an additional 12 months until **November 1, 2008**. By waiting, you will incur an interest expense, but at a low 4% per year.

The Promissory Note program enables you to take advantage of the Graduate Guarantee offer even though your current financial situation might have otherwise kept you from doing so.

Disability Insurance – Protecting Your Most Valuable Asset – YOU!

***Disability:** an accidental bodily injury or sickness that disables you so that you are unable to perform the substantial and material duties of your occupation.*

- Provides a monthly check if you are out of work due to a covered disability.
- Max. monthly benefit available is based on age and earnings from the previous year - equal to 60% or 70% of yearly income.
- Disability Coverage is **PORTABLE** – stays with you if you change jobs – unlike group insurance. Premiums DO NOT increase with age, unless you apply for more coverage. *The younger you are, the lower the premiums.*

Short Term Disability (STD)

- Coverage for up to 6 months, equal to 70% of earnings. **Graduate Guarantee offers \$300 per month** without showing proof of income. ~ **\$3.75 per month for \$300 of coverage.** **You can apply for more.**
- Choice of 2 waiting periods – 1 day for an accident, 8 days for an illness; or 30 days.
- Seniors can apply for **up to \$5,000 per month** if you have already accepted a job and can show proof of income. (subject to underwriting)
- When applying under normal conditions, you would be required to prove income during the previous year.

Long Term Disability (LTD)

- Coverage for up to a lifetime (*depends on age at onset of disability*), equal to 60% of income. **Graduate Guarantee offers \$1,000 per month** without showing proof of income.
- Choice of a 30, 90, or 180 day waiting period. 30 days is most practical as a new practitioner.
- Seniors can apply for **up to \$10,000** per month in LTD if you can show proof of income. (subject to underwriting)
- ~ **\$20** per month for **\$1,000** of coverage with a 30 day wait and **\$500** of FPO.

Disability Insurance Riders

- **Future Purchase Option** – makes it possible for you to increase disability coverage in the future without medical underwriting at that time. Even if you are no longer healthy, you can increase your coverage as your income increases. **Graduate Guarantee offers \$500 per month (~ .92/month)**
- **Cost of Living Adjustment Option** – if elected, can minimize the effect of inflation on your future purchasing power. Your monthly benefits will be adjusted upward as inflation rises. (**~ \$6.70 / month**)

Term Life Insurance

(rates have not increased since 1975)

- **Family Group Term Life - Graduate Guarantee** offers \$100,000 to seniors, \$50,000 for spouse, and \$5,000 or \$10,000 for each dependent child.
- *Family Group Term Life insurance is only available at graduation!
- Policy renews every year.
- Higher amounts of coverage are available - **up to \$1 Million for seniors, up to \$500,000 for spouses.** (subject to underwriting.)
- Plan is **PORTABLE \$4.33 / month** for \$100,000 if non-smoker under age 30.

Basic Protection Package –

The Cornerstone of your AVMA Coverage

- Package includes 3 parts: **Decreasing Term Life Insurance, \$25,000 of AD&D insurance, \$600 rabies prophylaxis benefit.**
- Decreasing Term life is designed to provide the most protection when you need it the most – in your younger years. Benefit starts at \$75,000 if under age 36 and ends at \$3,750 at age 75.
- \$25,000 of AD&D designed to protect against a serious accident.
- \$600 rabies benefit to cover you and your family – those who may also be exposed to rabies.

Plan is PORTABLE & premiums DO NOT increase –

\$4.83 per month for all ages!

**Only available when paired with \$1,000 of LTD*

Basic Insurance Terms You Should Know

Provider: a physician, hospital, or other credentialed professional that provides care for a patient.

PPO: Preferred Provider Organization –a managed network of physicians, hospitals or other providers under contract with an insurance company to offer their services at a lower rate. AVMA GHLIT uses the *FirstHealth* network of providers.

Carrier: the insurance company, aka the insurer.

Waiting Period: length of time that must pass before benefits are payable. Often 30, 60, or 180 days. aka elimination period.

Premium: rate that an insured is charged.

Underwriting: process of examining, accepting, or rejecting insurance risks, in order to charge the proper premium.

Basic Insurance Terms You Should Know

Co-pay: refers to a set *dollar amount* often required to be paid up-front at a doctor's office or for a prescription.

Insured: person(s) covered under an insurance policy.

Coinsurance: refers to a *percentage* an insured is required to pay. (80% /20%, 60% /40%)

Out-of-Pocket Maximum: maximum dollar amount an insured is responsible for, per calendar year. Once this is met, the plan pays 100%.

Deductible: dollar amount an insured is required to pay out-of-pocket before the plan begins to pay.

Benefits: monthly amount paid to an insured (disability), or this can refer to a service.

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