



Seven Questions Physicians and Administrators Should Ask Before Buying Group LTD Coverage

1. IS A PHYSICIAN'S OCCUPATION DEFINED IN THE LTD POLICY AS HIS OR HER SPECIALTY OR SUB-SPECIALTY?

What do other LTD policies do? Less expensive LTD plans often do not include a specialty/sub-specialty definition of a physician's occupation. Some LTD policies use "The Dictionary of Occupational Titles" (DOT) to determine a claimant's occupation. This document only lists about 23 of more than 125 current medical specialties/sub-specialties, which means chances are that a physician's specialty/sub-specialty will not be listed.

Why is this important? If the LTD policy does not define a physician's occupation as his or her specialty/sub-specialty, the LTD carrier can use a much broader definition – medical doctor, for instance – allowing them to refuse to pay the claim if the physician claimant can perform the material duties of any type of M.D.

2. ARE A PHYSICIAN'S "MATERIAL DUTIES" DEFINED IN THE LTD POLICY AS THE SPECIFIC PROCEDURES HE OR SHE IS CURRENTLY PERFORMING?

What do other LTD policies do? Few LTD policies protect a physician's ability to perform specific procedures. Most LTD plans use a generic list of duties of a typical physician in the national economy.

Why is this important? Some physicians may not be protected for procedures performed, especially orthopaedic surgeons, eye surgeons, and physicians performing experimental treatments.

3. WILL OTHER EARNINGS RECEIVED WHILE DISABLED PREVENT A PHYSICIAN FROM QUALIFYING FOR, OR RECEIVING, DISABILITY BENEFITS?

What do other LTD policies do? Many LTD policy calculations include all earnings received while disabled – including receivables and partnership earnings – to determine whether a physician qualifies for disability benefits.

Why is this important? If, while disabled, physicians receive significant receivables, partnership earnings, or salary continuation, they may not qualify for disability, or it may delay the start of disability benefits.

4. ARE THE NUMBER OF HOURS A PHYSICIAN WORKED BEFORE DISABILITY CONSIDERED A "MATERIAL DUTY"?

What do other LTD policies do? Some LTD policies have a 40-hour work week limitation.

Why is this important? Some LTD policies may consider a physician who can work at least 40 hours a week to not be disabled— regardless of hours worked before disability.



5. HOW DOES THE LTD POLICY DETERMINE A BENEFIT WHEN A PHYSICIAN IS PARTIALLY DISABLED?

What do other LTD policies do? Some LTD policies use a 50% Offset formula for partial disability – a formula favorable to rank-and-file employees, but one that penalizes highly paid claimants.

Why is this important? Highly paid employees who become partially disabled may only receive a benefit of \$100 a month, depending on the formula an LTD policy uses.

6. CAN THE LTD CARRIER TERMINATE A CLAIM IF A PHYSICIAN WILL NOT WORK PART-TIME, PERFORM PARTIAL DUTIES, WORK TO “MAXIMUM CAPACITY,” OR MOVES OUTSIDE THE U.S. OR CANADA?

What do other LTD policies do? Some LTD policies have language that can force disabled physicians to work more hours than they are capable of working, or to perform partial duties, or to remain in the U.S. or Canada.

Why is this important? Physicians may not want to work part-time or perform partial duties. Foreign-born physicians may want to return to their home countries if disabled; other disabled physicians may want to retire to another country.

7. WHO WILL BE HANDLING MY LTD CLAIM?

What do other LTD policies do? Few LTD carriers have a dedicated claims unit that handles physician claims exclusively.

Why is this important? Physicians should expect their claims to be handled by physician-focused claims experts.

DOES YOUR GROUP LTD POLICY PASS THE TEST?

For more information, please contact:

Jack Kelly C.L.U.

Phone: 800-238-4555

Cell: 248-494-1694

Fax: 888-784-5634

jkelly@jackkellyandcompany.com

www.jackkellyandcompany.com/physicians

