Second Quarter, 2008

Dear Colleague:

This issue of ViewPoint is packed with valuable information on a number of products and services available through AVMA GHLIT designed to not only meet your medical insurance needs, but also to protect your financial interests should an unexpected illness or injury leave you unable to practice.

In our lead article, Dr. Dan Loper tells us how long-term disability insurance has helped him meet his financial obligations after severe allergies and asthma forced him out of the field of veterinary medicine. Still suffering from the long-term, life-changing effects of his condition, Dr. Loper has come to depend upon his disability benefits to make up the financial shortfall resulting from the loss of his practice.

We also share some exciting changes to coverage benefits of Health Savings Accounts (HSAs) that make enrollment into HSA-qualified plans an even smarter strategy to offset the rising cost of health insurance – benefits that are helping Dr. Sally Vivrette cover the costs of ongoing cancer treatment.

Finally, we hear from Dr. Frederick Shulak, a 50-year AVMA member, about the valuable assistance he received from Dr. Jody Johnson, our Director of Member Services. Dr. Johnson is here to advocate for our members and Dr. Shulak’s experience is one that illustrates the importance of her role with the Trust.

We look forward to seeing all of you at the AVMA Annual convention in New Orleans July 19-22. While you’re there, please stop by the Wellness Center and take advantage of free health screenings – another way the Trust demonstrates its commitment to protecting your and your family’s health.

Sincerely,

Gary R. Holfinger, DVM
Chair, AVMA GHLIT
Dr. Dan Loper had been practicing just five years when he developed allergies and asthma so severe that he was forced to leave the veterinary career he loved.

Physically incapacitated from the lingering effects of his conditions and unable to work anywhere in the vicinity of animals, his financial status would have been precarious were it not for the long-term disability policy he had purchased through the AVMA Group Health and Life Insurance Trust (GHLIT).

“It has been awesome because it’s steady income every month,” he said.

Although Dr. Loper has been able to establish a second career in pharmacy – he had earned his RPh before entering veterinary school – his income will never reach the level he enjoyed as a practicing veterinarian with a thriving small animal practice in Atlanta, Ga.

Fortunately, Dr. Loper’s disability coverage has provided income to help cushion the financial blow. It has also helped lessen the emotional blow of knowing he’ll never fully recover from the long-term effects of his asthma and allergies and the reality that he will never again have a career in veterinary medicine.

“My lifestyle has been impacted and that will never change until the day I die,” he said. “But over the long-term, managed wisely, the disability insurance will make up for the financial shortfall of not being a practitioner and having my own practice.”

Long-term disability coverage helps you meet your financial obligations if you are unable to work due to a covered disabling accident or illness. Depending upon the plan selected, benefits can start anywhere from 30-180 days following the disability, helping to alleviate worries over paying the mortgage, utility bills and other personal financial obligations.

AVMA GHLIT offers several disability plans that, when combined with the Trust’s Basic Protection Package, can help guard against debt, depleted savings and disruption of your family’s standard of living.

Coverage is available to eligible AVMA members in units of $100, with a minimum monthly benefit of $1,000 and a maximum of $10,000. The maximum you can purchase is limited to 60 percent of your average earnings. All coverage is subject to approval by New York Life Insurance Company (NY, NY 10010). The length of time you may qualify for benefits depends upon the length of your disability, coverage purchased and your age at the time of purchase, but it can run anywhere from one year to the rest of your life.

AVMA GHLIT disability plans come with a number of optional benefits.
These include:

- **Future Purchase**: An option for members under age 50, the Future Purchase option makes it possible for you to increase disability income coverage in the future without medical underwriting. Even if you’re no longer in good health, you’ll be able to increase your coverage as your earnings grow.

- **Cost of Living Adjustment (COLA)**: COLA can minimize the effect of inflation on your future purchasing power by adjusting your benefits upward as inflation rises. On each anniversary of a continuing disability, your monthly benefit for the next 12 months is adjusted to reflect any changes in the Consumer Price Index during the previous 12 months, up to 8 percent. COLA also has a “catch-up” feature for years when the Consumer Price Index change is greater than 8 percent.

- **Own Occupation Plus**: Benefits are provided for up to five years if your disability prevents you from working in your chosen occupation, even if you are working in another, provided your new occupation is not one that requires use of your professional veterinary education and/or training. In addition, your new occupation earnings must be at least 25 percent less than your pre-disability earnings, and you must be under the regular care of a physician.

A cornerstone of the Trust’s disability coverage is the Basic Protection Package – something no veterinarian should be without. It has been specially designed to provide affordable basic coverage for all AVMA members and includes:

- Decreasing term life insurance, which provides benefits that are highest in your younger years, when your survivors may need them most.
- Accidental death and dismemberment insurance, which protects against the financial impact of a serious accident that results in the loss of life, hands, feet, sight, speech and/or hearing.
- Rabies prophylaxis benefit, which pays up to $600 for a series of rabies prophylaxis given to a member or an eligible dependent either before or after exposure to rabies.

Finally, because even a short-term disability can cause financial hardship, AVMA GHLIT offers two short-term plans that can provide benefits for covered disabilities.

Benefits for the first plan begin on the first day of a disability due to accident and on the eighth consecutive day of disability due to sickness (or the first day of hospitalization if earlier). Benefits for the second plan begin after 30 days of disability within a period no longer than 60 days.

Both plans provide income benefits through the sixth month of a covered disability, ranging from $200-$5,000 per month.

For more information, including exclusions, limitations, rates, eligibility and renewal provisions on the disability plans, call your AVMA GHLIT agent or contact the Trust at (800) 621-6360.
Health Screenings Take Center Stage at Wellness Center

Free health screenings courtesy of the Wellness Center will once again be available during the AVMA Annual Convention, taking place in New Orleans July 19-22.

AVMA GHLIT sponsors the annual Wellness Center as part of its commitment to providing AVMA members with preventive care and health screenings. Each year, hundreds of convention attendees take advantage of the free blood chemistry and lipid tests, hemoglobin tests and PSA tests that are provided for members and their spouses.

Rabies titer tests are also available for a nominal fee of $30 (cash or check payment only).

During last year’s convention in Washington, D.C., nearly 1,000 veterinarians, students and spouses participated in screenings at the Wellness Center – and we expect an even better turn-out this year!

We hope you’ll stop by the Wellness Center, which will be located just outside the Exhibit Hall, during the following hours:

**Saturday, July 19:** 8:30 am – 4:30 pm  
**Sunday, July 20:** 8:00 am – 4:30 pm  
**Monday, July 21:** 8:00 am – 4:30 pm  
**Tuesday, July 22:** 7:00 am – 12:00 noon

Dr. Jody Johnson: An Advocate for Trust Members

When Dr. Frederick Shulak had difficulty getting information on how AVMA GHLIT coverage for members over age 65 stacked up against other insurance plans, he sought out Dr. Jody Johnson.

As Director of Member Services for the Trust, one of Dr. Johnson’s primary responsibilities is to respond to issues that go beyond day-to-day concerns and solicit member input on how to improve the plans and services provided by AVMA GHLIT. She also evaluates all aspects of the Trust’s service to its members and advocates enhancements as needed, including bringing issues before the Trustees when something requires a closer look.

For Dr. Shulak, a 50-year member of the AVMA and owner of North Branch Animal Hospital in Southfield, Mich., Dr. Johnson was able to address concerns he had over his future with the Trust.

Although he still practices full-time, Dr. Shulak, 74, wanted to explore his insurance options in the event he decided to retire. The challenge, he says, was reaching someone who could provide comparative information. Eventually, he was referred to Dr. Johnson. She shared with him the benefits of coverage through the Trust versus other plans. She also made sure he received a kit compiled by the GHLIT specifically for its members turning 65 to help explain different insurance coverage and options that may be available to them.

In addition to the AVMA GHLIT medical brochure, the “Turning 65” kit includes rates for 65+ members, information on Medicare and Medigap Plans, a Medicare Part D fact sheet and information on what to consider before switching to a Medigap Plan. It also provides resources and helpful websites and a list of things to consider when planning for retirement.

“In 10 minutes, Jody answered all my questions and made me feel so much better,” said Dr. Shulak. “I have the very best of accolades for the conversations I had with her; for her knowledge, her interest and her genuine concern for what she was doing with her position. I was extremely pleased.”

Dr. Shulak says Dr. Johnson confirmed what he already suspected; that his coverage through the Trust is strong and worth keeping as long as possible. She also gave him her home and cell phone numbers, telling him to call her if he decides to retire and needs some advice on how to manage the premiums.

He was so pleased with Dr. Johnson’s professionalism and knowledge that he has this message for his fellow Trust members: “After you’ve read this, take a minute and write her in your rolodex.”

Dr. Johnson can be reached at (877) 679-8854 (office) or (785) 466-1861 (mobile), or via email at jody1717@gmail.com.
HSAs Can Be More Valuable Than Ever

Dr. Sally Vivrette and others like her who have combined their high-deductible health insurance plan with a Health Savings Account (HSA) have even more reasons to cheer, thanks to recent changes to coverage benefits.

Contribution limits for 2008 were raised to $2,900 for individuals and $5,800 for family coverage, and catch-up contribution limits rose to $900. Also, “pro-rating” of contributions to accounts opened less than a year have been eliminated. That means account holders can contribute the annual maximum as long as accounts are opened by Dec. 1.

For Dr. Vivrette, adding the savings account to the HSA-qualified plan she purchased through the Trust has helped alleviate worries over her health insurance as she undergoes treatment for breast cancer.

She is able to fund extra medical expenses with tax-free withdrawals from her HSA, which helps take the financial bite out of the $7,200 she pays in annual prescription costs related to treatment.

Perhaps most importantly, having the HSA meant her care options weren’t limited to her medical plan’s preferred providers. Although she may have had to pay more out of her pocket for out-of-network physicians, she knew she could fund some of the extra costs from the HSA.

The HSA-qualified health insurance plan “allowed me to go to whichever doctor I wanted,” said Dr. Vivrette. “It was nice; there was not a single hassle. I don’t know if that was an exception or not, but for me [my care] was seamless because of the HSA-qualified plan.”

Millions have followed Dr. Vivrette’s lead, enrolling in HSA-qualified plans to help off-set the rising cost of health insurance. The Trust has seen participation in its plans increased by 33 percent, accounting for approximately 28 percent of all medical coverage.

In a nutshell, HSAs are personal savings accounts into which participants can deposit pre-tax dollars. Anyone under age 65 with a qualified high-deductible health insurance plan is eligible to open an HSA. Annual contributions up to the single Internal Revenue Service (IRS) maximum can be made by an individual, employee and/or employer in any combination, and account holders aged 55 and older may make additional “catch-up” contributions.

Funds can be withdrawn, tax-free, to reimburse eligible medical expenses not covered by health insurance, such as deductibles, co-pays, prescription and non-prescription medications and other medical-related charges – even those not normally covered under standard health insurance policies.

Although you should consult your tax advisor or IRS Publication 502 (Qualified Medical and Dental Expenses) for more complete information on qualified medical expenses, the list includes:

- Contact lenses and eye glasses
- Chiropractic care
- Physical therapy
- Over-the-counter drugs
- Crutches and wheelchairs
- Lasik surgery
- Acupuncture
- Dental treatment and orthodonture
- Smoking cessation and weight loss programs

In addition to all that, HSAs are portable, so you can take them with you when you change jobs. They are also a tax-smart way to save money.

“Building up an account that you can use down the road, that’s the obvious beauty of the HSA,” said Dr. Vivrette.

Many AVMA GHLIT participants are supplementing their high-deductible insurance plans and HSAs with the added protection of Hospital Indemnity insurance. These affordable plans may be used to alleviate out-of-pocket costs by providing daily payments during a covered hospitalization to help with deductibles or copayments, pay for a private room or for extra cash at a time when it is most needed.

For more information on HSA-qualified and Hospital Indemnity plans from AVMA GHLIT, call the Trust office at (800) 621-6360.

The AVMA GHLIT and New York Life bear no responsibility for the establishment or administration of any Health Savings Account(s) you may open.
What’s Inside?
- Letter from the Trust Chair
- Disability Insurance Provides a Financial Cushion
- Health Screenings at Wellness Center
- HSAs Can Be More Valuable Than Ever
- An Advocate for Trust Members
- Important Notice Regarding Claims

For more details on AVMA GHLIT plans, including exclusions, limitations, rates, eligibility, and renewal provisions, please call the AVMA GHLIT office at (800) 621-6360. The plans are underwritten by New York Life Insurance Company (New York, NY 10010).

The AVMA Group Health and Life Insurance Trust • 3501 Frontage Road • Tampa, FL 33607 • 1.800.621.6360

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