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INSURANCE **for doctors**

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Professional Expense Insurance

 Manulife

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of **bc**

# Professional Expense Insurance

## Protection designed to help you cover your professional expenses in case you become disabled.

You may protect yourself and your family by purchasing life and disability insurance. However, a disability that poses a threat to your business could also impact your family's lifestyle, if it affected the financial viability of your medical practice. Professional Expense Insurance can help protect your business assets when you are unable to do so. It can also help with other professional expenses, such as malpractice insurance premiums, the business-use portion of your vehicle, accounting services or professional association dues.

### Am I eligible for coverage?

You are eligible apply for this coverage if you are:

1. actively practising medicine and residing in Canada;
2. a member of Doctors of BC or the Yukon Medical Association (YMA);
3. personally, incurring eligible overhead expenses of more than \$500 per month; and,
4. under age 65.

### How much coverage is right for me?

The amount of coverage you can apply for depends on your monthly eligible expenses. Some of the eligible expenses you may want to consider include:

- rent
- the business-use portion of your vehicle
- utilities
- accounting services
- salaries of employees
- professional association dues
- leased or rented equipment
- interest on business loan/line of credit
- malpractice insurance premiums
- locum payments while you're on disability

### How much Professional Expense Insurance can I buy?

You can select the benefit amount that most closely corresponds with your estimated monthly overhead expenses. Coverage is available in units of \$100 and you can apply for a minimum of \$500 to a combined monthly maximum of \$30,000, depending on the elimination period you select.

If you select the 14-day elimination period, you can purchase a maximum monthly benefit of up to \$11,000. You can purchase additional coverage up to a plan maximum of \$30,000 by choosing a 30-, 60- or 90-day elimination period for any amounts over \$11,000.

To learn more about your rates, please visit [doctorsofbc.ca/insurance](http://doctorsofbc.ca/insurance).



## When do my benefits begin?

Benefit payments begin on your choice of the following elimination periods:

- Plan 14 – the 15<sup>th</sup> day of total or partial disability,
- Plan 30 – the 31<sup>st</sup> day of total or partial disability,
- Plan 60 – the 61<sup>st</sup> day of total or partial disability, or
- Plan 90 – the 91<sup>st</sup> day of total or partial disability.

## How are my benefits paid?

If you become partially or totally disabled prior to age 70, the maximum amount payable is 15 times your monthly benefit. You will be reimbursed the Covered Monthly Professional Expenses, actually incurred by you, to a maximum of the monthly benefit insured. If your actual expenses incurred are less than your monthly benefit, benefits may be paid over a maximum period of 36 months following completion of your elimination period. If you become disabled at age 70 or later, your maximum benefit payment period is 12 months.

If you are partially disabled, the benefit payable will be based on your actual percentage loss of average monthly earned income. For example, if your average monthly earned income is reduced by 40% due to partial disability, you may be entitled to receive reimbursement of actual expenses incurred, up to 40% of your monthly professional expense benefit.

## How are partial disability and total disability defined under this plan?

### Total Disability

You are considered totally disabled if, as a result of sickness or injury, you are:

- unable to perform the substantial and material duties of your regular occupation in the field of medicine in which you were practicing at the time of becoming disabled;
- are under the regular care of a physician; and,
- not engaged in any other gainful occupation.

### Partial Disability

Partial Disability means you are not totally disabled but, as a result of sickness or injury, you are under the regular care of a physician, you have a loss of average monthly earned income of at least 20 per cent and are either:

- able to perform one or more of the duties of your regular occupation;
- unable to perform the duties of your regular occupation for as much time as those duties usually require; or
- engaged in another occupation.

## What benefits are included in this plan?

### Partial Disability Benefit

You may be entitled to receive benefits if you qualify under the definition of Partial Disability.

### Waiver of Premium Benefit

Premiums will be waived while you are totally disabled, if you have been totally and continuously disabled for 90 days.

### Integration of Benefits

When professional expenses are covered under another insurance plan that provides similar coverage to the benefits provided by this benefit, you will be paid the proportional share of the eligible expenses that are incurred.

### Parental Benefit

During a parental leave, you may be reimbursed a portion of your monthly benefit for up to 15 consecutive weeks, providing your coverage has been in force for at least 12 months.

### Recurrent Disability

Successive periods of disability are considered as one continuous period if you have been back to work for less than six months and the cause of the second disability is related to the cause of the prior disability.

### Cosmetic and Transplant Benefit

You may be entitled to receive benefits if you become totally disabled as a result of cosmetic surgery or being a transplant donor, provided coverage has been in force for at least six months.

### Survivor Benefit

If you die while receiving Professional Expense Insurance benefits, an amount equal to three times your last monthly benefit payment will be paid to your spouse or your estate if you do not have a spouse.

## What additional benefit can I purchase?

### Guaranteed Insurability Benefit Rider

The Guaranteed Insurability Benefit Rider allows you to purchase additional Professional Expense Insurance in the future without providing proof of good health, provided your expenses qualify you for the additional coverage and you are under the age of 60. Under this rider you may purchase up to an overall plan maximum of \$30,000, in units of \$100.

You have the opportunity to exercise this option 60 days following the successful completion of a medical residency program, medical fellowship, or post graduate student program.

Thereafter, you can exercise this option from November 1st to December 1st each year as follows:

- If you are age 40 and under on November 1st preceding the option period, you can purchase up to \$2,000 of additional Professional Expense Insurance each year.
- If you are between the ages of 41 and 60 on November 1st preceding the option period, you can purchase up to \$1,000 of additional Professional Expense Insurance each year.

During the period of November 1st to December 1st, you may exercise one option amount up to \$1000, in units of \$100, which will apply only to any new total or partial disability.

This rider ends at age 60.

### When will my coverage end?

Your insurance will end on the first day following:

- the date you sell or terminate your practice;
- the date the plan terminates;
- the date of termination of your membership in Doctors of BC or the YMA;
- the date you enter the armed services on full-time active duty;
- the premium due date coincident with or next following your 80<sup>th</sup> birthday;
- the premium due date, if you fail to pay your premium, subject to the grace period;
- the date specified by your written request to terminate coverage; or
- the date of your death.

## What is not covered by this plan?

Your benefit will not be payable in the event of the following:

- a) an injury sustained during insurrection, terrorism, or war, whether war be declared or not, or any conduct, act or thing incidental thereto;
- b) an injury sustained during participation in a riot;
- c) an injury sustained while committing or attempting to commit a criminal offense, or during any resulting imprisonment or confinement in a similar institution;
- d) an injury sustained while the Insured is a member of the armed services of any country (the pro-rata unearned premium for any period during which the Insured is in the armed services will be returned upon request);
- e) attempted suicide, attempted or intentionally self-inflicted Injury, unless medical evidence establishes that the Injuries are related to a mental health illness;
- f) an injury sustained during normal pregnancy and/or childbirth, except to the extent that an Insured member is entitled to the Parental Benefit;
- g) during a period of loss of standing to practice medicine as a result of disciplinary proceedings or a criminal conviction, whether such Total or Partial Disability occurred prior to or during such period.

In the event of death, the survivor benefit will be paid to the Insured's spouse or if there is no spouse at that time, or if a beneficiary has not been designated, payment will be made to your estate.

If you cancel within 30 days, your premiums will be refunded.



To help protect your financial future and your assets, Doctors of BC offers and administers a comprehensive array of insurance products that includes:

- INCOMEprotect™ Disability Plans
- Physicians' Disability Insurance (PDI) Plan
- Professional Expense Insurance
- Life Insurance
- Accidental Death and Dismemberment Insurance
- Critical Illness Insurance
- Health Benefits Trust Fund, providing health/dental benefits for physicians and office staff



Information and application forms for all Doctors of BC insurance plans may be found at [doctorsofbc.ca/insurance](https://doctorsofbc.ca/insurance).

To contact a Doctors of BC Insurance Administrator or to book an appointment with a non-commissioned Insurance Advisor:



Tel: **604 638 2904** Toll Free: **1 800 665 2662 ext 2904**



Email: [insurance@doctorsofbc.ca](mailto:insurance@doctorsofbc.ca)

This brochure provides the highlights and not the details of Doctors of BC Professional Expense Insurance plan. INCOMEprotect™ is a trademark of the Association of Doctors of BC.



Plans underwritten by

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