

How will you be able to pay your student loans if you become sick or injured?



*Introducing...*

**Medical ValueGuard™**

Own-Occupation Disability Protection For Your Student Loans

You have invested countless hours learning your trade.

That time spent learning also came with significant personal expense and more importantly significant borrowing.

#### Consider the statistics

- **\$157,944 – Average educational debt of indebted graduates of the class of 2010.**
- **78 percent of graduates have debt of at least \$100,000.**
- **42 percent of graduates have debt of at least \$150,000.**
- **85 percent of graduating medical students carry outstanding loans.**
- **Almost three in ten of today's 20-year-olds will become disabled before reaching age 67.<sup>1</sup>**
- **Every 90 seconds someone files for bankruptcy in the wake of a serious illness.<sup>2</sup>**



You have protected your income with disability insurance to make sure your monthly expenses could be met. What about your student loans? Did you know that if you become disabled and can no longer be a doctor that you could still be liable for your student loans?

The department of education states the following:

Your student loan may be discharged (forgiven) if you become totally and permanently disabled. If a physician (doctor of medicine or osteopathy) certifies that you are totally and permanently disabled and you meet other requirements during a three-year conditional discharge period, your loan(s) may be discharged.<sup>3</sup>

This is totally and permanently disabled in **any occupation**. In other words your ability to perform any gainful activity in any field of work could disqualify you from having your loan discharged.<sup>4</sup> To qualify for a discharge, your loan must have been provided by the Federal Government and does not include private loans taken over by the government.

How significant is your loan liability?

For the average graduate with \$150,000 in school debt planning on repaying their loan over 10 years at 5% interest, the monthly payment is almost \$1,600. This is more than most people's mortgage!

Protect yourself today against the effects of this significant liability with Medical ValueGuard. Make sure that when a disability moment happens, this hidden liability does not leave you and your family struggling.

<sup>1</sup> Social Security Administration, Fact Sheet 2009

<sup>2</sup> The American Journal of Medicine. Vol 122, No. 8. Aug 2009

<sup>3</sup> <http://www2.ed.gov/offices/OSFAP/DCS/disputes.html#Disability>

<sup>4</sup> Discharge Application: Total and Permanent Disability, Department of Education

# GENERAL PRACTITIONERS

## Permanent Total Disability Lump Sum + Accidental Death

12 Month Elimination Period

Age	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000
25-29	\$501	\$712	\$922	\$1,133	\$1,344	\$1,555	\$1,768	\$1,976	\$2,187
30-34	\$513	\$730	\$947	\$1,164	\$1,381	\$1,597	\$1,814	\$2,031	\$2,248
35-39	\$545	\$777	\$1,010	\$1,243	\$1,475	\$1,708	\$1,940	\$2,173	\$2,406
40-44	\$618	\$887	\$1,156	\$1,426	\$1,695	\$1,964	\$2,233	\$2,503	\$2,772
45-49	\$745	\$1,078	\$1,411	\$1,744	\$2,077	\$2,409	\$2,742	\$3,075	\$3,408
50-54	\$974	\$1,421	\$1,869	\$2,316	\$2,763	\$3,211	\$3,658	\$4,105	\$4,553
55-59	\$1,346	\$1,979	\$2,612	\$3,245	\$3,878	\$4,511	\$5,144	\$5,777	\$6,410

## Temporary Total Disability Rider

90 Day Elimination Period, 9 Month Benefit Period

Age	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$3,500
25-29	\$292	\$398	\$504	\$610	\$716	\$822
30-34	\$292	\$398	\$504	\$610	\$716	\$822
35-39	\$292	\$398	\$504	\$610	\$716	\$822
40-44	\$292	\$398	\$504	\$610	\$716	\$822
45-49	\$292	\$398	\$504	\$610	\$716	\$822
50-54	\$292	\$398	\$504	\$610	\$716	\$822
55-59	\$292	\$398	\$504	\$610	\$716	\$822

### CONDITIONS:

- Annual premiums based on age(s) during term.
- Annual Premiums
- Three Year Policy Period
- Subject to an acceptable application, medical underwriting and financial justification.
- This is not an offer for insurance, and no risk shall be bound until Lloyd's of London issues a certificate, policy, or binder evidencing insurance.
- Underwriters reserve the right to rate, rider, or make exclusions to the policy.
- The Temporary Total Disability benefit (if selected) will be paid to the insured and the Permanent Total Disability benefit will be paid directly to the lender.
- The Permanent Total Disability benefit payable will not be more than the outstanding loan amount.

Applicable Surplus Lines Taxes and Fees subject to state regulations at time of issue



# SURGEONS & SPECIALISTS

## Permanent Total Disability Lump Sum + Accidental Death

12 Month Elimination Period

Age	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000
25-29	\$536	\$764	\$993	\$1,221	\$1,449	\$1,677	\$1,908	\$2,134	\$2,362
30-34	\$550	\$785	\$1,020	\$1,255	\$1,490	\$1,725	\$1,960	\$2,195	\$2,430
35-39	\$585	\$837	\$1,090	\$1,342	\$1,595	\$1,847	\$2,100	\$2,353	\$2,605
40-44	\$666	\$959	\$1,253	\$1,546	\$1,839	\$2,132	\$2,426	\$2,719	\$3,012
45-49	\$807	\$1,171	\$1,535	\$1,899	\$2,263	\$2,627	\$2,991	\$3,355	\$3,719
50-54	\$1,062	\$1,553	\$2,044	\$2,535	\$3,026	\$3,517	\$4,009	\$4,500	\$4,991
55-59	\$1,474	\$2,172	\$2,869	\$3,567	\$4,264	\$4,962	\$5,659	\$6,357	\$7,054

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## DEFINITIONS

- **Accident** or **Accidental** means a single sudden and unexpected event, which occurs during the Policy period at an identifiable time and place and which causes unexpected Bodily Injury at the time it occurs.
- **Elimination Period** means the continuous and uninterrupted period of time during which the Insured must be Totally Disabled. A separate Elimination Period applies for each new disability which occurs.
- **Permanent Total Disability** means that the insured has a Total Disability which is determined by a Physician to be of continuous and indefinite duration, and to permanently prevent the Insured from engaging in his or her Occupation.
- **Sickness or Disease** means an Insured's sickness, disease, illness, malady or complication of pregnancy which manifests itself during the Coverage Period and is diagnosed by a Physician.
- **Temporary Total Disability** means that solely and directly as a result of Injury or Sickness the Insured is certified by a Physician as being wholly and continuously prevented from engaging in the Occupation stated in the Schedule.

## CONDITIONS

- Persons issued a standard, fully underwritten non-cancellable or guaranteed renewable disability policy within the past 90 days are eligible to enroll with no further medical underwriting.
- Financial Justification: Documentation of Loan Responsibility.

## Case Studies

A Physician had a private Health Professions loan balance of \$250,000. After suffering a disability, he was unable to fulfill the financial obligations of the loan. Due to the fact that the loan was from a private institution, it did not qualify for a Loan Discharge. The Medical ValueGuard policy provided a lump sum benefit of \$250,000 which was payable after the 12 month elimination period to pay off the loan.

A Physician suffered a disability and it was medically determined that he would be wholly and continuously prevented from engaging in his Occupation. Following a 90 day elimination period, the policy provided a monthly benefit of \$1,500 for 9 months to fulfill his student loan payment. At the end of the 9 month benefit period, the policy paid the outstanding loan balance of \$150,000 in one lump sum to the lender.

Please contact your local insurance representative,  
or call us for a representative near you.



Insurance arranged by International Specialty Insurance, Inc. and underwritten by certain underwriters at Lloyd's