



McMaster University Long Term Disability Benefits for Clinical Faculty

Eligible physicians who are members of Clinical Faculty are provided with an extensive disability insurance package that helps to protect the financial well-being of the physician if an accident or sickness prohibits him/her from earning an income. It provides coverage in your occupation(s) for total and/or partial disability, after a 180-day waiting period, with benefits payable to age 65. There is no requirement to submit proof of health to be insured for these benefits if enrolled within the required period.

Our Broker Consultant is Terry Zavitz of Zavitz Insurance & Wealth Inc. She and her team are available to answer any questions or assist with a claim.

Terry, or one of her team members, will be contacting you to help you enroll into the program when you first start with McMaster. They will also contact you at various times to outline benefit changes, options available upon turning age 65, changes in plan design based on income, and other events of importance.

Contact Information

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Plan Design

The Long-Term Disability (LTD) plan consists of two parts: a guaranteed issue individual policy, with a group top up. **Eligibility for benefits is effective on the first day of employment. There is a time limit to enroll without requiring evidence of health so it is vital to arrange a time to talk to one of the advisors when contacted.**

Individual Disability GSI (Guaranteed Standard Issue)

\$6,000/month for all physicians earning \$160,000 or more per year

\$3,500/month for all physicians earning \$90,000 or more, but less than \$160,000 per year

\$2,000/month for all physicians earning less than \$90,000 per year

Key Features:

- Guaranteed level premium with 30% discount, policy is portable world-wide
- Coverage in your own occupation(s)
- Residual / Partial to age 65, allows the plan member to work part-time while disabled and continue to receive benefits based on the income loss.
- Cost of Living Adjustment based on the change to the CPI, minimum 2% annually, for the duration of claim
- Coverage continues past age 65 with a 2-year benefit period, decreasing to 1 year at age 75, if working a minimum of 30 hours a week after age 65
- Ability to change your policy to a long-term care plan
- Integrates with the group benefit and can be coordinated with other coverage you may have

Group Disability

The group benefit amount is based on 85% of your basic monthly income, after taxes, less the individual coverage (GSI) outlined above. The maximum group benefit is \$10,000/month on top of the GSI.

Key Features:

- Coverage to age 65 in your occupation(s)
- Waiting period is satisfied with days of total disability
- After the waiting period the plan provides for total and partial benefits to age 65
- Cost of Living Adjustment of 3% annually for the duration of a claim, to age 65
- Spousal disability benefit of \$1000/month for 2 years per claim
- Conversion privilege if no longer eligible for group coverage

Example: A physician that earns \$200,000 before tax would be eligible for a **\$10,000** monthly disability benefit, tax-free. The first \$6,000 is the individual GSI plan where the premium is paid directly by the physician from his/her personal bank account. The remaining \$4,000 of group LTD is paid by the physician by payroll deduction. Since the premiums are paid by the physician, benefits **are paid tax-free if there is a claim.**

Enrollment Process

McMaster enrolls each physician online for the group LTD. A representative from Zavitz Insurance & Wealth will contact you via email/phone to complete the individual GSI enrolment form and to coordinate benefits between the group, the GSI, and any existing coverage. The group insurance is mandatory and the individual GSI plan is also mandatory, unless similar coverage is in force.

There is no evidence of health required to qualify for the GSI or the group benefit.

Zavitz Insurance & Wealth will integrate any existing in force disability coverage with the McMaster GSI and group LTD plan to ensure you have the appropriate coverage to protect your income.

Changes in Total Compensation

Your benefits are based on your 'regular earnings' at McMaster which include your base salary, certain stipends, and the stated RMA ceiling, all outlined in your Personal Agreement with McMaster. RBC is formally notified by McMaster University of any change to regular earnings every January 1st and July 1st. If your regular earnings increase, the GSI and group coverage will increase. If your regular earnings decrease, the GSI is not affected, however the group benefit will decrease.

Support When You Need It

One of the team members at Zavitz Insurance & Wealth will contact you when you first become eligible for coverage and/or if there is a salary increase which requires a signed statement for the individual GSI coverage. They are available to answer any questions, as well as to assist during a claim.

The above summary is meant as a guide only. Read the contracts for full details. While every effort is made as to the accuracy of this summary, the terms of the contract prevail if there is a discrepancy.