



Q: What is Loss of Medical Insurance?

Loss of Medical License insurance is a job specific Short Term and Long Term Disability Plan for pilots. It is also commonly referred to as Loss of License insurance. What makes this insurance different than most Short Term and Long Term Disability plans is that it is pilot specific Own-Occupation and provides coverage if you are not safe to work per the FAA Medical Division. These types of insurance products are much harder to obtain because they relate only to your current occupation as a pilot. In other words, if you can't perform your current job because of a disability, you are considered disabled and will collect on a benefit. Given the stringent health, medical, and medication requirements to hold a first class medical, you can only imagine how difficult an own occupation pilot plan would be to come by. These types of plans are only underwritten by a handful of companies because they are often times not profitable. This is a testament to their value. The vast majority of companies our size offer regular Short Term and Long Term Disability. Keep in mind though, that to collect on the typical disability policy, you have to be completely disabled. This means you are not capable of doing any job that you are reasonably qualified for (due to education, training, or experience).

The Short Term Disability Loss of Medical License plan begins paying a benefit day 1 after an injury and day 8 after an illness. The Short Term Disability plan, will cover you for the first six months you are out on disability. The Long Term Disability plan will begin paying a benefit after 6 months. The own occupation/ loss of medical license definition of disability payout of this plan lasts 4 years. You are not required to go find another job and you can receive the full benefit. If you do decide to return to the workforce (in a non-flying job) the plan has a feature to help pay you too. Because the intention of this plan is to help you maintain your previous Quality of Life, this plan has a lifetime "Loss Proportional Formula". In short, if you are not making as much in your new career as you were as a pilot, they will chip in if there's at least a 20% loss in income to make up some of the difference to help replace up to 100% of your flight pay.

One thing that you need to understand about Disability insurance is that it is not a retirement plan. It is not intended to make you rich or encourage you to sit on the couch for the rest of your life. It will however ensure, that even in the worst case scenario, you have enough money to reasonably maintain your current quality of life.

The Symetra plan benefit payout is 60% of your reported pre-disability income. You can choose the tax free dollar benefit amount when you enroll through our company benefits. Since you will be paying the premiums with post tax dollars, **the benefit payout is not taxable**. So, in reality, the payout is closer to 75%-80% of your current base pay. Because, per diem and overtime vary from month-to-month and person-to-person, the payout is based on base salary. There are no accounting mechanisms in place that could constantly match our ever changing monthly take-home, therefore, this plan is based on your covered reported salary. It is important to notify Harvey Watt by emailing pilot@harveywatt.com of any rate changes if you want your benefit to reflect your new hourly rate.

Q: What makes a group plan better than an individual Loss of Medical Plan?

For one, it can be offered with guaranteed issuance to all new hires that apply within 90 days of their hire date. That means, you will not undergo underwriting and will be approved for the plan without having to answer any health questions. The Short Term disability plan will be effective the 1st of the month following receipt of the application and the Long Term disability will be effective the 1st of the month following 90 days from your hire date. Because this is a group plan, it also means that you cannot be individually singled out for a rate increase because of medications or previous health history. Every time this plan is up for renewal, they either renew all of us, or none of us. In other words, you will not be dropped or re-evaluated after any medical changes. That, by itself, makes this plan extremely valuable. Secondly, group plans usually have lower premiums. Why pay more for the same insurance?

Q: Is 4 years of pilot Own Occupation Loss of Medical License insurance enough?

Statistically speaking, the majority of pilots who lose their medical will know within 2 years of the disabling event whether they can expect to return to the cockpit. Four years should be more than enough time to determine whether you will return. It should also give you enough time to train for and launch a new career if necessary while staying on top of your debt obligations. Four years of pilot Loss of License is also generally considered the maximum period for comparable pilot disability plans.

Q: How do I find out if I can return to flying? Is there anything I can do to help my chances?

One health development or medication change can temporarily or permanently end a pilot's career. With so much at stake, it is imperative to solicit the help of professionals when going through AeroMedical issues. There are a few companies that specialize in doing just that. They will typically consist of a group of specialized AeroMedical doctors, flight surgeon nurses, and case managers. Their job, simply put, is to get you back in

the air as soon as possible. One of the great benefits of enrolling in the Symetra Short Term and Long Term Loss of license plan is having the services of the Harvey Watt Aeromedical Department at your fingertips. The Harvey Watt Aeromedical Department, lead by their team of specialized senior AME's, will take on your case and do whatever is necessary to get you back in the air. It is mutually beneficial, to both the pilot and the insurance company, to return you to the line as soon as possible. Harvey Watt & Company's Aeromedical Department is headed by Director Dr. Fred Tilton & Dr. Mike Berry. Prior to joining Harvey Watt, Dr. Tilton & Berry served as the US Federal Air Surgeon in Washington DC.

Q: Are there any off-sets to the 60% payout?

With any disability plan, there are offsets. It is important to know what they are before enrolling, as they may affect you. This plan will guarantee that you receive 60% of your pre-disability income. If you receive any of the payments listed below during your disability period, you will subtract that amount from the Symetra payout. The sum of payments from all sources will be 60% of pre-disability income. Keep in mind that a low percentage of us actually qualify for any of these.

- The Jones Act/Maritime Doctrine
- Statutory Disability
- Current Retirement or Pension Benefits
- Unemployment Benefits
- Automobile No-Fault
- Social Security Disability (Requires you to be TOTALLY disabled for at least one year)
- Railroad Retirement
- Canada/Quebec Pension Plan
- Disability Payments from other Disability Plans
- 3rd Party Liability Payments
- Group Mortgage or Disability Payments

Q: Are there any exclusions from drawing benefits?

Yes, this plan carries these common exclusions.

- -Pre-existing conditions. If you have been treated or diagnosis for any health problem within the last 12 months, that condition is excluded for a period of 24 months as a qualifying disability claim. If you haven't been diagnosed or treated for a medically disqualifying condition for the last 3 months then you have no pre-existing conditions.
- Mental Illness/Substance Abuse limitation is 24 months lifetime.
- -Self Inflicted Injuries
- -Committing or attempting to commit a criminal act
- -Act of War
- -Driving while Intoxicated
- -Insurrection, Rebellion, or taking part in a riot or civil commotion

Q: What if I want to see the actual LOM contract? Where can I find it?

The full policy & Schedule of Benefits can be seen by going to www.Harveywatt.com.