

# memo

**FROM:** NJASAP Benefits Committee  
**TO:** NJASAP Members  
**RE:** NJASAP Loss of Medical Policy (NLMP) Overview & FAQ  
**DATE:** January 2025

NJASAP is pleased to offer the Membership a supplemental Loss of Medical Policy (NLMP) that can help save pilots and their families from financial ruin. While the 2025 Amended Agreement (2024AA) provides for loss of medical (LOM) coverage in addition to a long-term disability (LTD) benefit, both policies are limited in terms of benefit amount, coverage and duration. Currently, when a pilot becomes disabled, he or she will receive six months of short-term disability (SALCO), followed by 30 months of LOM insurance that pays 60 percent of his or her salary up to a maximum monthly benefit of \$6,500.

Effective Feb 1, 2025, NJASAP will provide an all-new Core LOM coverage extending pilots' benefits 3 years starting after the company LOM policy ends at month 36 through month 72. This new coverage can pay 60% of your salary up to \$5,000 tax-free. After 72 months, the pilot's employment with NetJets is also terminated. The company's fully taxed LTD plan benefits will pay after the initial 36 months only if the pilot meets the standard definition of disability that excludes a claim if solely "due to loss of professional license alone." This broad definition prevents most pilots from qualifying for NJA LTD benefits after 36 months because many illnesses or diseases that ground a pilot do not meet the LTD plan's traditional **any** occupation definition of disability to receive benefit payments.

For example, if a pilot develops a mild disqualifying heart condition, then he or she will no longer qualify for a Class 1 or 2 medical certificate. While the pilot would qualify for LOM benefits for the first 30 months of the disability, because he or she would likely be able to perform the essential functions of other reasonable occupations, the pilot would no longer receive benefits after being terminated from NetJets. The new NJASAP Base LOM Policy would, however, be able to start providing the pilot LOM coverage and benefits up to \$5,000 tax-free as a supplement to the NJA coverage for up to 36 additional months.

An optional supplemental policy, the NLMP offered through Harvey Watt & Co. (HW&C) will pay for a grounding illness or disease at a rate of 60 or 67 percent of the pilot's covered pre-disability salary in effect up to a maximum tax-free monthly benefit of \$8,000 or \$10,000 respectively after 36 months; noted exclusions apply. The benefit can pay the difference between the other coverage to a combined maximum of the amount you select and continue to pay to age 65 or beyond if a pilot becomes disabled in his or her 60s. Because Harvey Watt does not have an active pay feed from NetJets, the benefit amount and premium will be based on reported covered gross earnings. Members may maintain their current coverage level or increase their covered earnings by advising Harvey Watt of their current annual salary by email, [pilot@harveywatt.com](mailto:pilot@harveywatt.com).

For member convenience, an NLMP FAQ begins on the next page of this packet. Please do not hesitate to send follow-up questions to the NJASAP Benefits Committee, [benefits@njasap.com](mailto:benefits@njasap.com), or HW&C, (800) 241-6103, or [pilot@harveywatt.com](mailto:pilot@harveywatt.com).

# nlmp faq

<p><b>Who underwrites the NJASAP LOM Policy?</b></p>	<p>The NLMP is underwritten by Symetra Life Insurance Company, an A-plus rated carrier. Symetra was chosen as underwriter in December 2016 because it provided the most complete coverage at the lowest cost. The policy is managed by Harvey Watt &amp; Co., (HW&amp;C).</p>
<p><b>Who is Harvey Watt?</b></p>	<p>Atlanta-based HW&amp;C is the world’s largest professional pilot insurance administrator, providing coverage for more than 73,000 pilots. In fact, the firm created the concept of pilot loss of license insurance, and it continues to offer individual policies specifically catered to pilots. Harvey Watt manages or administers pilot disability plans and/or provides aeromedical services for 25 airlines, unions and associations across the globe. For more information, visit <a href="http://www.harveywatt.com">www.harveywatt.com</a>.</p>
<p><b>What are the premiums, and how are they calculated?</b></p>	<p>The benefit amount is based on a pilot’s reported gross annual salary. Premiums are calculated at \$2.085 per \$100 of reported payroll per month for the 60 percent option or \$2.73 for the 67 percent option. Two premium and benefit calculation examples are provided below for each option.</p>

	Pilot A // 60% Benefit	Pilot B // 67% Benefit	Pilot C // 60% Benefit	Pilot D // 67% Benefit
<b>Annual Reported Salary</b>	\$125,000	\$125,000	\$85,000	\$85,000
<b>Monthly Salary</b>	$\$125,000 / 12 =$ \$10,416.67	$\$125,000 / 12 =$ \$10,416.67	$\$85,000 / 12 =$ \$7,083.33	$\$85,000 / 12 =$ \$7,083.33
<b>Monthly Premium Calculation</b>	$\$10,416.67 / 100 =$ $\$104.17 \times \$2.085 =$ \$217.19	$\$10,416.67 / 100 =$ $\$104.17 \times 2.73 =$ \$284.38	$\$7,083.33 / 100 =$ $\$70.83 \times 2.085 =$ \$147.69	$\$7,083.33 / 100 =$ $\$70.83 \times 2.73 =$ \$193.38

Monthly Premium	\$217.19	\$284.38	\$147.69	\$193.38
Monthly Benefit Calculation	\$10,416.67 x 60%	\$10,416.67 x 67%	\$7,083.33 x 60%	\$7083.33x 67%
Tax-Free Monthly Benefit	\$6,250	\$6,979.17	\$4,250	\$4,745.83

<b>Is NetJets involved?</b>	NetJets Aviation, Inc., is not directly involved with the policy.
<b>How and when can I enroll in coverage?</b>	A special open enrollment period is currently in progress, beginning January 2025, and ending Jan 31, 2025. While a member may enroll outside the open enrollment period, late enrollees must complete an application and answer health questions subject to underwriter approval and pre-existing conditions.
<b>Will I have to take a physical or provide evidence of insurability? Can Symetra deny me coverage?</b>	Once you have completed and submitted the application, Symetra will review the material to determine what underwriting items are necessary to make an underwriting decision. Yes, Symetra can deny coverage.
<b>If I am currently on a leave of absence, can I still apply?</b>	Only pilots who are currently working full time with NetJets will be covered. If a pilot is on leave, then he or she may apply for coverage after returning to active status. A 30-day enrollment period will begin upon his or her return, and the member is guaranteed acceptance so long as enrollment takes place within 30 days of his or her return.
<b>I am scheduled to deploy overseas. Will I be covered once I leave?</b>	Unfortunately, no. Once a pilot leaves full-time status, he or she will not be covered. However, the policy can be suspended. Upon the member's return, the policy can be reinstated within 30 days of returning to active flying status with NetJets. The pilot is required to notify HW&C, <a href="mailto:pilot@harveywatt.com">pilot@harveywatt.com</a> , of any pay scale or employment status changes.
<b>I just changed schedules resulting in a change in salary. How does this affect my premium and benefit level?</b>	Any time you experience a change in salary, you are encouraged to notify HW&C as soon as possible to ensure your coverage is adjusted accordingly to keep pace with your new income. In the event you become disabled, your reported salary in effect at that time will determine your benefit coverage. Therefore, it is in your best interest to timely notify HW&C of any change, <a href="mailto:pilot@harveywatt.com">pilot@harveywatt.com</a> .
<b>I have ALPA Loss of License insurance or another kind of disability policy. Will I need to cancel it?</b>	This is entirely up to you. Federal law prohibits an individual from making more money while on disability than if he or she was working; therefore, it is likely the policies would offset each other. An exception would be made if a pilot has a lump sum or monthly pay type policy that pays out prior to the 36-month deadline. You would be well advised to contact HW&C with this information to discuss your options.

**What happens when I become disabled?**

You would go through the normal processes outlined in the 2024AA. Additionally, you must notify HW&C of the same, enabling them to process your claim and, if warranted, engage Symetra to schedule a payout. Benefits from the NLMP will begin 36 months from the disability date. **Pilots who file a substantially completed claim application within the first nine months of a disability can secure a premium waiver following month 12 if they remain disabled.**

**What if I qualify for NetJets' current LTD plan after 36 months?**

If you have an illness or injury that qualifies for the Company's LTD plan, then you may qualify for supplemental payments under NJASAP's supplemental plan. The Union's supplementary plan offers a higher payout when 60 or 67 percent of a pilot's pre-disability salary exceeds \$6,500 per month payable by NetJets.

**Why do I have to wait 36 months before the policy pays out?**

The NetJets LOM Insurance Policy only offers coverage for up to the first 36 months. NJASAP's intent is to offer a supplemental coverage option that enables members to protect their families after the company disability benefit ends.

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

A single health development or medication change can drastically affect your career. With so much at stake, it is imperative to solicit the help of professionals when faced with aeromedical issues. A few companies specialize in aviation medicine, employing specialists and case managers who will work with you to get you back in the air as soon as possible. Comprehensive assistance for pilot medical certificate reinstatement can easily exceed \$1,000 without coverage.

One of the best benefits associated with enrolling in the NLMP is having the services of the Harvey Watt Aeromedical Department (HWAD) at your fingertips. If you are on track to begin drawing LOM benefits, the HWAD, which is staffed by a team of specialized AMEs, can help review your case and assist you with reclaiming your medical certificate. It is to the pilot and insurance company's mutual benefit to hasten the pilot's return to the line. Harvey Watt frequently works with Aviation Medicine Advisory Service (AMAS) to accomplish this goal.

Dr. Fred Tilton & Dr. Mike Berry serve as HWAD's full-time medical directors. Prior to joining Harvey Watt, both doctors served as the U.S. Federal Air Surgeon, overseeing the FAA Aeromedical Certification Division. Berry & Tilton's department is second to none: Their team is currently assigned to assist thousands of pilots across the globe, and they have a proven history of offering invaluable assistance.

Please note: The HWAD's full menu of services only becomes available after a pilot has taken leave due to disability *and* he or she is on track to draw benefits from the NLMP. For day-to-day aeromedical assistance, AMAS is available to assist you.

**Are there offsets to the benefit payout?**

Offsets are inherent to most disability plans, and it is important to identify them and how they may affect you prior to enrolling in comprehensive assistance for pilot medical certificate reinstatement. The NLMP provides a tax-free benefit of 60 or 67 percent of your reported pre-disability income. Should you receive any

	<p>of the payments listed below during the disability period, Symetra may reduce its payout to ensure the sum of all benefits does not exceed a certain percentage of your pre-disability income:</p> <ul style="list-style-type: none"> <li>▪ Jones Act/Maritime Doctrine,</li> <li>▪ statutory disability,</li> <li>▪ unemployment benefits,</li> <li>▪ automobile no-fault,</li> <li>▪ Social Security Disability: You are required to be <i>totally</i> disabled for at least one year to qualify,</li> <li>▪ railroad retirement,</li> <li>▪ Canada/Quebec Pension Plan,</li> <li>▪ disability payments from another disability plan(s),</li> <li>▪ third-party liability payments, and</li> <li>▪ group mortgage or disability payments.</li> </ul>
<p><b>Will a pension offset my benefit?</b></p>	<p>Pension benefits do not usually offset disability benefits as any type of military or airline pension or 401(k) benefit received prior to the disability is generally excluded from a benefit offset. Social Security disability or retirement is a noted exception.</p>
<p><b>What exclusions would prevent me from drawing benefits?</b></p>	<p>The plan carries the following common exclusions:</p> <ul style="list-style-type: none"> <li>▪ Pre-existing conditions: If, at the start date of policy coverage you have been treated or diagnosed with any health problem within the last 12 months, then that condition is excluded for a period of 24 months as a qualifying disability claim unless there are other qualifying conditions disabling you.</li> <li>▪ self-inflicted injuries,</li> <li>▪ committing or attempting to commit a criminal act,</li> <li>▪ act of war: Injuries sustained during a terrorist attack would not disqualify you from drawing benefits as terrorism is not considered an act of war,</li> <li>▪ driving while intoxicated, and</li> <li>▪ insurrection, rebellion, or taking part in a riot or civil commotion: Labor strikes and pickets are federally protected activities, and, according to Symetra, are not considered a civil commotion. As such, injuries sustained during such activities would not prevent a pilot from drawing benefits.</li> </ul>
<p><b>Where can I find the NLMP contract?</b></p>	<p>The Summary of Benefits is available on the Harvey Watt website; click the NJASAP logo. Please take the time to review the document, and to direct questions to the NJASAP Benefits Committee, <a href="mailto:benefits@njasap.com">benefits@njasap.com</a>, or to Harvey Watt, (800) 241-6103.</p>
<p><b>How do I enroll?</b></p>	<p>To enroll in the plan, please complete the forms included in this packet and return them to HW&amp;C via mail, fax, or email. Enrollees must pay directly for this coverage by filling out a bank draft form from Harvey Watt with routing and account numbers to authorize automatic monthly withdrawals from your account. Withdrawals are scheduled for the fifth day of the month after coverage</p>

	is approved. Pilots may cancel coverage at any time and can adjust covered reported earnings by sending an email to <a href="mailto:pilot@harveywatt.com">pilot@harveywatt.com</a> .
Who do I contact with questions?	Please contact HW&C with questions by telephone, (800) 241-6103, or email, <a href="mailto:pilot@harveywatt.com">pilot@harveywatt.com</a> .
What policies are primary and secondary?	The company plans always pay first acting as the primary policies. The NJASAP Core policy then can provide benefit coverage in the event your condition is a true Loss of Medical License claim and not covered by the company traditional LTD policy with a traditional Any-Occupation definition of disability as most have not qualified for that plan. NLMP Voluntary Plan through Harvey Watt supplements the core plan paying the difference in the amount of coverage you purchase and the Core plan's 60% of covered income up to \$5,000. The NJLMP can pay 60% up to \$8,000 or 67% up to \$10,000 in total coverage.
How does the NJASAP Core LOM plan calculate my benefit amount?	Your covered Pre-Disability Income is the Earnings Reported to Harvey Watt by NJASAP on a monthly basis that are in effect at the time of disability. PDI is calculated using your current payrate on a 7 on 7 off schedule.
How does the NJASAP Supplementary NLMP calculate my benefit amount?	Your covered Pre-Disability Income is the Earnings Reported to Harvey Watt by you in writing and in effect at the time you become Disabled under the policy.
Are there any future planned Open Enrollment opportunities for me to sign up or increase benefit percentage?	NJASAP First Officers upgrading to their first Captain position on or after January 1, 2025, will be offered a 30 day Open-Enrollment window during which they may newly enroll or increase their current benefit percentage. This is effective when the status of the upgrade change is made effective on the NJA published seniority List.





**Return Applications to: Harvey Watt & Company**

PO Box 20787 | Atlanta, GA 30320 | Phone 1-800-241-6103 | Fax 1-404-761-8326 pilot@harveywatt.com

**Group Disability Insurance**

**Voluntary Long Term Disability**

**SUMMARY OF BENEFITS**

**Sponsored By:** NetJets Association of Shared Aircraft Pilots  
**Effective Date:** February 1, 2025  
**Policy Number:** 01-017231-00

The information in this summary may be replaced by any subsequently issued summary or policy amendment.

**Benefit Highlights:**

<b>Benefit Amount</b>	67% of salary up to \$10,000 per month	
<b>Elimination Period</b>	36 months (number of months you must be disabled to collect disability benefits)	
<b>Maximum Benefit Duration</b>	Reducing Benefit Duration (RBD):	
	<u>Age at Disability</u>	<u>Maximum Payment Duration</u>
	Less than age 60	To age 65 (but not less than 60 mos.)
	60	60 months
	61	48 months
	62	42 months
	63	36 months
	64	30 months
	65	24 months
	66	21 months
	67	18 months
	68	15 months
	69 and over	12 months
<b>Accumulation of Elimination Days</b>	You can satisfy the days of your elimination period with either total (off work entirely) or partial (working some hours at your current job) disability.	
<b>Pre-Existing Condition</b>	You may not be eligible for benefits if you have received treatment for a condition within the 12 months prior to your initial eligibility date until you have been covered under this plan for 24 months.	
<b>Survivor Income Benefit</b>	A survivor benefit may be paid to your beneficiary if you should die while receiving qualifying disability payments.	
<b>Benefit Limitations</b>	Mental Illness: 6 months per lifetime Substance Abuse: 6 months per lifetime	

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## Eligibility

All full time Line Pilots who are members in good standing with NetJets Association of Shared Aircraft Pilots enrolled in the 67% Buy Up plan.

## Standard Provisions:

- Six-month recurrent disability/temporary recovery
  - If the insured recovers and returns to work, and the same sickness or injury causes the disability to occur again within six months of the date the prior disability ended, Symetra will resume monthly payments if the insured is covered under the policy for the period of temporary recovery.
- Waiver of premium
  - Premium payments for coverage are suspended for an insured while he/she is receiving disability income payments under this policy.
- Cost of living freeze
  - Except for increases in income earned (or received from any form of employment) once other income amounts have been subtracted from the gross monthly disability payment, the insured's payment will not be further reduced due to a cost of living increase in any other income amounts.
- Vocational rehabilitation
  - Provides assistance through services such as testing and training as well as job modification and placement.
- Social Security assistance
  - Helps an insured obtain Social Security disability benefits
- Continuity of coverage

## Rates for Voluntary Long Term Disability coverage

Monthly rates per \$100 of covered payroll: **\$2.73**

## Calculating Your Cost

$$\frac{\$2.73}{(\text{rate})} \times \frac{(\text{your monthly gross earnings to a maximum of } \$14,925.37)}{/100=} = \$ \frac{\text{Monthly Voluntary Long Term Disability cost}}{\text{cost}}$$

This summary provides only a brief description of the Disability Income Insurance coverage insured by Symetra Life Insurance Company under the GDC 4000 series Group Disability Income Insurance policy. For a complete description, including all definitions, exclusions, limitations, and reductions in coverage, as well as information on termination of benefits, please contact your benefit administrator or refer to the Group Insurance Certificate you will receive when you become insured. Coverage will be offered under Group Policy number 01-017213-00. All benefits are subject to the terms and conditions of the Group Policy. If there is a difference between the information in this summary and the information contained in the Group Insurance Certificate, the terms of the Group Insurance Certificate will prevail. The terms of coverage may change over time; always refer to your current Group Insurance Certificate for information regarding your insurance benefits.

## Insured by Symetra Life Insurance Company

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The information in this summary may be replaced by any subsequently issued summary or policy amendment.

**Benefit Highlights:**

<b>Benefit Amount</b>	60% of salary up to \$8,000 per month	
<b>Elimination Period</b>	36 months (number of months you must be disabled to collect disability benefits)	
<b>Maximum Benefit Duration</b>	Reducing Benefit Duration (RBD):	
	<u>Age at Disability</u>	<u>Maximum Payment Duration</u>
	Less than age 60	To age 65 (but not less than 60 mos.)
	60	60 months
	61	48 months
	62	42 months
	63	36 months
	64	30 months
	65	24 months
	66	21 months
	67	18 months
	68	15 months
	69 and over	12 months
<b>Accumulation of Elimination Days</b>	You can satisfy the days of your elimination period with either total (off work entirely) or partial (working some hours at your current job) disability.	
<b>Pre-Existing Condition</b>	You may not be eligible for benefits if you have received treatment for a condition within the 12 months prior to your initial eligibility date until you have been covered under this plan for 24 months.	
<b>Survivor Income Benefit</b>	A survivor benefit may be paid to your beneficiary if you should die while receiving qualifying disability payments.	
<b>Benefit Limitations</b>	Mental Illness: 6 months per lifetime Substance Abuse: 6 months per lifetime	

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## Eligibility

All full time Line Pilots who are members in good standing with NetJets Association of Shared Aircraft Pilots enrolled in the 60% Buy-Up plan.

## Standard Provisions:

- Six-month recurrent disability/temporary recovery
  - If the insured recovers and returns to work, and the same sickness or injury causes the disability to occur again within six months of the date the prior disability ended, Symetra will resume monthly payments if the insured is covered under the policy for the period of temporary recovery.
- Waiver of premium
  - Premium payments for coverage are suspended for an insured while he/she is receiving disability income payments under this policy.
- Cost of living freeze
  - Except for increases in income earned (or received from any form of employment) once other income amounts have been subtracted from the gross monthly disability payment, the insured's payment will not be further reduced due to a cost of living increase in any other income amounts.
- Vocational rehabilitation
  - Provides assistance through services such as testing and training as well as job modification and placement.
- Social Security assistance
  - Helps an insured obtain Social Security disability benefits
- Continuity of coverage

## Rates for Voluntary Long Term Disability coverage

Monthly rates per \$100 of covered payroll: **\$2.085**

## Calculating Your Cost

$$\frac{\$2.085}{(\text{rate})} \times \frac{(\text{your monthly gross earnings to a maximum of } \$13,333.33)}{/100} = \$ \frac{\text{Monthly Voluntary Long Term Disability cost}}{\text{cost}}$$

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