

INSURANCE FOR TEXAS PHYSICIANS

TMA MEMBER BUSINESS OVERHEAD EXPENSE

You've worked hard to build your medical practice and it's up to you to make sure it's protected. We've enhanced our TMA Member Business Overhead Expense plan to help you do just that.



AVAILABLE THROUGH



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DON'T LET YOUR PRACTICE SUFFER IF YOU CAN'T WORK

Whether you've had your own medical practice for years, or are just starting out, you know that running a medical practice is expensive. You pay employee salaries, rent, taxes, utilities — and the bills could add up quickly if you were to become disabled and couldn't practice medicine while you were recuperating.

After working hard to realize your dream of opening your own practice, you don't want to be in a position of having to close up shop if you can't work for a while. That's why it makes sense to consider the TMA Member Business Overhead Expense Insurance plan, available to you through the TMA Insurance Trust (TMAIT) and issued by **The Prudential Insurance Company of America (Prudential)**.

We're always looking for ways to make your **Texas Medical Association (TMA)** membership more valuable. As a TMA member you're eligible to apply for

the TMA Member Business Overhead Expense Insurance plan if you:

- **Are working full time and younger than age 65**
- **Are the owner or partner of a medical practice**

TMA Member Business Overhead Expense Insurance can be an important part of your financial future, and a TMA Insurance Trust advisor can help you secure a plan that fits your unique needs.



Keeping Your Practice Viable

The TMA Member Business Overhead Expense Plan helps practice owners cover the costs of running a practice when they are too sick or injured to work. Personal disability insurance is not designed to cover their personal expenses **and** the costs of running a practice.

This coverage makes monthly payments that can help keep a practice operating and remain financially viable. The Plan helps to pay costs like rent, salaries, taxes, and other expenses – even the cost of a locum tenens to see patients while the owner recovers. Importantly, by keeping the practice up and running, it protects the owner's years of hard work, accumulated equity, goodwill among patients and staff, and positive standing in the community.

TMA Member Business Overhead Expense Insurance can help

If you become disabled

If you're disabled and can't work, TMA Member Business Overhead Expense Insurance reimburses your actual overhead expenses, up to the benefit amount you select. At the time of claim, you can choose whether Prudential will make payments to you or your business. And you can receive benefits even if you're partially disabled and your income suffers. During disability, your coverage is continued at no cost to you. TMA Insurance Trust's plan covers you 24/7, and you don't have to be permanently disabled or confined to your home or a hospital to receive benefits. TMA Member Business Overhead Expense Insurance covers office expenses that you typically incur in the running of your practice.

Know Your Needs

If you don't know how much TMA Member Business Overhead Expense Insurance you may need, use this worksheet to find out. If your practice is a professional corporation or a partnership, only list your portion of the expenses.

Monthly expense worksheet

Replacement physician (locum tenens)	\$
Rent or mortgage	\$
Employee salaries	\$
Employee benefits	\$
Depreciation	\$
Property taxes	\$
Loan interest	\$
License fees	\$
Office insurance (including malpractice)	\$
Accountant fees	\$
Ongoing educational programs	\$
Professional membership dues	\$
Business seminars (including travel expenses)	\$
Electricity	\$
Heat	\$
Water	\$
Laundry	\$
Depreciation of equipment	\$
Computer network and data access fees	\$
Office supplies	\$
Other fixed expenses	\$
Principal and interest on debt related to purchase of practice	\$
Principal and interest on student loans (amount previously payable by practice)	\$
Cost of maintenance of equipment	\$
Leased office equipment & furniture payments	\$
Other maintenance services	\$
Car allowances (as related to the practice)	\$
Business loan interest on existing loans incurred prior to disability	\$
Subscription charges for professional journals and periodicals	\$
Accountant and auditor fees	\$
Interest on office equipment loans	\$
Payroll taxes	\$
Telephone answering service	\$
Total	\$
Subtract estimated overhead reduction during disability**	\$
Monthly benefit needed	\$

**If you can reduce any expenses during disability without impacting your business, you may want to subtract this amount when calculating your insurance needs.

With tax-deductible payments

Your TMA Member Business Overhead Expense Insurance premium payments may be deductible when filing your federal income tax. As a business expense, your payments fall under IRS ruling 55-264, IRB 1955-19, page 8. Consult your tax advisor about this deduction.

If you leave Texas

If you decide to move out of state, you can continue your coverage as an affiliate TMA member until you reach age 75.

When survivors need support

If you die while receiving benefits, your spouse or dependent children will receive a single lump-sum benefit equal to three times your monthly benefit amount. The payment will be prorated if fewer than three months remain in your specified benefit period.

Additional coverage and benefit information

Benefits begin after you have been totally disabled for 30 continuous days and are retroactive to the first day of your disability.

If you are under age 70, benefits may be extended beyond the benefit period that was selected. See the chart below for the details.

Monthly Benefit Amount	Benefit Period	Extension of Benefits
\$1,000 - \$35,000	24 Months	If aggregate benefit dollar amount is not reached during the benefit period, benefit payments may continue for up to an additional 12 months to 36 months or until the aggregate dollar amount is attained.
\$36,000 - \$50,000	12 Months	If aggregate benefit dollar amount is not reached during the benefit period, benefit payments may continue for up to an additional 12 months to 24 months or until the aggregate dollar amount is attained.

Your coverage ends on the November 1 that follows your 75th birthday.

You are considered totally disabled if you can't perform the material and substantial duties of your occupation due to sickness or injury. You must be under the care of another licensed physician, and you can't be engaged in any other gainful occupation.



Calculate Your Rate

Use the chart below to calculate your monthly premium. The maximum monthly coverage amount is \$50,000, in increments of \$1,000. Premiums are paid monthly. Subsequent changes to your rate are based on your age as of each November 1st. Your rate will increase as you enter a higher age band.

Age	TMA Member Monthly cost per \$1,000 of coverage
Under 30	\$2.33
30-39	\$3.00
40-44	\$4.00
45-49	\$5.33
50-54	\$7.00
55-59	\$8.00
60-64	\$12.33
65+	\$13.00

Coverage ends on the November 1 that follows your 75th birthday.

Rates are subject to change, but only on a class-wide basis.

Rates will increase as you enter a higher age category.





Why Choose TMA Insurance Trust?

We're different - on purpose

Created by physicians, for physicians, we ensure access to quality coverage that reflects the realities of practicing medicine.

Our distinct approach is a shared advantage: with no shareholders, there are no inflated costs or hidden fees, and every dollar is used with purpose. This means exclusive member rates and caring, unbiased guidance from advisors whose compensation isn't tied to sales. Surpluses are reinvested in vital resources like free professional development and mental health support, all to benefit you personally and professionally, and to strengthen the physician community you're part of.

Apply Now

Requesting coverage is easy. All you need to do is complete the enclosed Coverage Request Form. Then fax or mail your completed form to **TMA Insurance Trust**.

Call

800-880-8181

Monday through Friday
8:00am to 5:00pm, CST

Fax

512-370-1799

Mail

TMA Insurance Trust
401 W. 15th St., Suite 600
Austin, TX 78701

Online

memberenroll.tmail.org

30-day free look

Our 30-day "free-look" period means you can sign up for coverage with no risk or obligation. If you decide not to accept coverage, simply return your Certificate of Coverage within 30 days.

Questions?

To learn more about this plan, please call us toll-free at (800) 880-8181. Our trusted insurance advisors are available to assist you Monday-Friday, 8:00am to 5:00pm, CST.

Visit our Website at
TMAIT.org

The TMA Member Business Overhead Expense Insurance plan contains exclusions that describe conditions under which benefits are not payable. Refer to the Group Contract for complete details regarding exclusions and reductions.

TMA Member Business Overhead Expense Insurance is issued by The Prudential Insurance Company of America, Newark, NJ. This coverage contains certain limitations and exclusions; please see the certificate booklet for full details. If there is a discrepancy between this document and the certificate, the terms in the certificate will prevail. Contract series 83500.

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