

Business Protection Benefit

AN OPTIONAL BENEFIT TO HELP FILL CRUCIAL COVERAGE GAPS
FOR PHYSICIAN AND DENTIST OWNERS

When an owner or key employee becomes disabled, the business can experience a loss of revenue or incur extra expenses, such as the cost of hiring a replacement. It also may need to redistribute overhead expenses to other owners.

The MGIS IncomeProtect solution includes specialized group long-term disability (LTD) coverage with optional benefits that help protect the business interests of physician owners. The Business Protection Benefit (BPB) pays an additional benefit *to the practice* when a key employee becomes disabled. The benefit is paid directly to the practice and is not impacted by any other income benefits. The practice may spend this money as appropriate without having to provide proof of expenses incurred.

Clients can customize the benefit by choosing:

- BPB percentage—10%, 20%, 30%, 40%, 50%, 60% of physician's indexed total monthly earnings
- Monthly BPB maximum—\$2,500, \$5,000, \$7,500, or \$10,000
- Benefit duration—12 or 24 months

The benefit is calculated in one of two ways as illustrated on the next page.

IN ACTION—AN EXAMPLE OF PAYMENTS MADE FOR A PHYSICIAN WHO IS TOTALLY DISABLED

An OB-GYN has indexed Total Monthly Earnings of \$23,334, a 60% benefit percentage and a maximum benefit of \$15,000. The Business Protection Benefit has a 50% BPB percentage and a Monthly BPB maximum of \$10,000.

	CUMULATIVE PAYMENTS OVER 12 MONTHS
 <p>Monthly LTD benefit: \$14,000 (60% x \$23,334 indexed total monthly earnings)</p>	\$168,000 paid to key physician
 <p>Monthly Business Protection Benefit: \$10,000 (Lesser of the employee's indexed total monthly earnings multiplied by the BPB percentage (50% x \$23,334=\$11,667), or the monthly BPB maximum (\$10,000), or the employee's monthly LTD benefit maximum (\$15,000).)</p>	\$120,000 paid to the practice

HOW THE BUSINESS PROTECTION BENEFIT IS CALCULATED

If an owner or key employee is **Totally Disabled**, the BPB is calculated by taking the lesser of:

- The employee's indexed total monthly earnings multiplied by the BPB percentage, or
- The monthly BPB maximum, or
- The employee's monthly LTD benefit maximum.

If an owner or key employee is **Partially Disabled**, the BPB is calculated as follows:

$(A \text{ divided by } B) \times C = \text{the monthly payable BPB}$

- A is the indexed total monthly earnings minus the disability earnings
- B is the indexed total monthly earnings
- C is the BPB payable for total disability benefit

To learn more, call your **MGIS Regional Vice President** or **Sun Life Employee Benefits Representative** today.

The MGIS Companies, Inc. is a leading national insurance program manager with deep experience in building and managing specialized programs for medical professionals. We partner exclusively with highly rated carriers and focus on group disability and life, and medical-professional liability insurance for medical groups of all sizes and specialties, including emerging group structures and with unique insurance requirements. MGIS works exclusively through local brokers and benefit advisors.



Founded in 1865, the **Sun Life Financial group of companies** serves millions of customers in 24 countries worldwide. Our insurance companies in the U.S. are leaders in stop-loss and employee benefits, providing our customers with a wide range of disability, life, dental, accident, and critical illness insurance products.

Optional benefits are available at an additional cost.

Group life and disability insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states, except New York, under Policy Form Series 93P-LH, 07P-LH-PT/07C-LH-PT, 12-STDPort-C-01, 12-GPPort-P-01, 15-GP-01, and 16-DI-C-01. In New York, group life and disability insurance policies are underwritten by Sun Life and Health Insurance Company (U.S.) (Lansing, MI) under Policy Form Series 13-GP-LH-01, 13-ADD-C-01-MGIS, 13-GP-LF-01, 13-LF-C-01-MGIS, 12-GPPort-P-01, 13-LF-Port-C-01, 13-ADDPort-C-01, 15-GP-01, 16-DI-C-01 and 12-STDPort-C-01. The disability policies provide disability income insurance only. They do NOT provide basic hospital, basic medical, or major medical insurance as defined by the New York State Insurance Department.

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This coverage does not constitute comprehensive health insurance (often referred to as "major medical coverage") and does not satisfy the requirement for Minimum Essential Coverage under the Affordable Care Act.

Administration for physician products is provided by Medical Group Insurance Services, Inc. (MGIS), in all states, except as follows: in CA by MGIS Insurance Agency, Inc.; in NY by MGIS Insurance Agency. Product offerings may not be available in all states and may vary depending on state laws and regulations.

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