



INDIVIDUAL DISABILITY INCOME INSURANCE

Did you know that one in four of 20-year-olds today will become disabled before they reach age 67?¹ It's a staggering figure—25% of those entering the workforce will at some point be at the mercy of their savings or Social Security payments—or if they have the foresight to protect their income, from a private source like the AAOS Member Insurance Program.

Is your ability to work and earn a living protected in case of a disability? A disabling injury occurs nearly every second in the United States, so protecting your most valuable financial asset—your income—is more important than ever.²

And because of your membership with the AAOS, you're eligible to apply for quality individual disability insurance that is:

- **Non-cancelable**
- **Discounted by 10% for AAOS members**
- **At a guaranteed premium rate until age 65!**

¹ Social Security Administration, *Fact Sheet, October 18, 2011*

² National Safety Council, *Injury Facts 2010 Ed.*

WHAT CAN AAOS INDIVIDUAL DISABILITY INCOME INSURANCE DO FOR ME?

The AAOS Individual Disability Income Insurance policy helps you pay your necessary living expenses if you have a qualifying disability. It is non-cancelable and has guaranteed premium rates to age 65, meaning the insurance carrier cannot change or cancel your policy—except for nonpayment of premiums—or increase your premium before you reach age 65, regardless of changes in your income, occupation, or health!

After age 65, you may still conditionally renew your policy annually for the rest of your life as long as you are working full time and meet the requirements. If you conditionally renew your policy, your premium will change based on your age at renewal.

WHAT IF I ALREADY HAVE DISABILITY INSURANCE?

If you have an existing Disability policy, you may still want to consider AAOS Disability Income Insurance. Many policies have a maximum monthly benefit amount of \$10,000–\$15,000—or less. If you earn much more than that, you may want two or more policies in place to make up the maximum 60–67% of your income monthly benefit allowed. Also, many employer-provided Disability plans do not provide:

- **Portability**
- **Non-cancelability**
- **High face amounts**
- **Your Occupation Policy** (*see details below*)

WHAT WILL HAPPEN IF I BECOME DISABLED?

As an AAOS Individual Disability Income insured, upon becoming unable to work due to a disability, you will be issued a maximum monthly total Disability Benefit based on your current income and occupation when you purchased your policy. Once disabled under the terms of the policy, you must satisfy your policy's elimination period before receiving benefits.

WHAT ARE THE POLICY'S FEATURES?

You may apply for an Individual Disability Income policy with up to \$15,000/month based on your income. The issue age for Disability Income is 18 to 60.

- **Your Occupation Policy**—Protects you if you are unable to work in your occupation(s)—the one you are actively working in at the time of your disability—until the end of your benefit period, which means you are not required to work in another occupation. Benefits are payable (after satisfying your policy's elimination period) to the end of your benefit period as long as you remain disabled.

- **Competitive Product Design**—Built-in policy features and optional riders¹ available to help you customize your policy:
 - **Residual Disability Benefit**²—Even if you are not totally disabled and have a loss of earnings, you may receive partial benefits if certain requirements are met.
 - **Transitional Occupation**^{2,3}—receive benefits if you become totally disabled in Your occupation, but are working in another occupation. Benefits you receive from your policy are based on replacement of your pre-disability earnings up to 100 percent.
 - **Cost of Living Adjustment**—During a disability, you receive cost of living adjustments to your monthly benefit to help keep up with inflation.
- **Future Increase Opportunities**—These may be available automatically to help keep your policy up to date without requiring additional underwriting.
- **Tax-Free Benefits**—You can receive benefits income tax-free when you pay premiums with after-tax dollars.
- **Regular Occupation**^{1,3,4}—If you have a qualifying disability from Your occupation and choose to work in another occupation, you'll receive full benefits, regardless of the income you earned from the other occupation.

HOW CAN I LEARN MORE?

Want to find out how an Individual Disability Income Insurance policy can help protect your ability to work and earn an income—and maintain your current lifestyle and future financial plans?

- Visit www.aaosinsurance.com for complete details and informative downloads
- Speak with an AAOS Member Insurance Program Representative directly at **866.679.0888**, or email aaos@aaosinsurance.com to send questions or have a Representative call you when it's convenient for you.

WHERE DO I APPLY?

Begin by completing our no-obligation AAOS Individual Disability Income Insurance quote request form at www.aaosinsurance.com. If you would like assistance with your quote request, call the AAOS Member Insurance Program at **866.679.0888**.

¹ These riders available at an additional cost.

² If your policy has both the Residual Disability rider and the Transitional Occupation rider, benefits are not paid out under both riders at the same time. If you meet the definitions and terms of both riders, the monthly benefit you receive is the greater of either the Residual Disability or Transitional Occupation benefit.

³ These riders cannot be issued on the same policy.

⁴ The Mental/Nervous Substance Abuse Disorder rider is required with the Regular Occupation rider.

Policy and rider descriptions are not intended to cover all restrictions, conditions or limitations. Refer to policies and riders for full details. All features, provisions and riders may not be available for all occupation classes and may not be available in every state. Disability insurance has limitations and exclusions. For costs and complete details of the coverage, contact your Principal Life financial representative.

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