

Welcome to The Source!

Dear Member,

Welcome to your first edition of *The Source*, OMA Insurance's newsletter.

The Source has been designed to provide you with the latest information about OMA Insurance and to provide information on topics of interest to the medical profession. The future of *The Source* lies entirely in your hands, as this first issue is only a trial and will depend on your feedback.

It is important that you tell us what you think about this issue and what topics you would like to see addressed in the future, to help us make *The Source* more useful to you. E-mail us at info@OMAinsurance.com.

We appreciate your feedback.

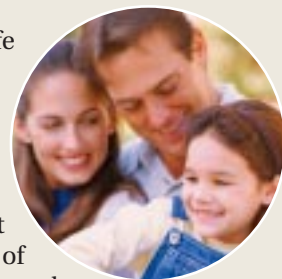
On behalf of the staff at OMA Insurance, thank you and we hope you enjoy reading *The Source*.

Gordana Urosevic, Editor

Dividend Refunds: Re-Investing in Your Future

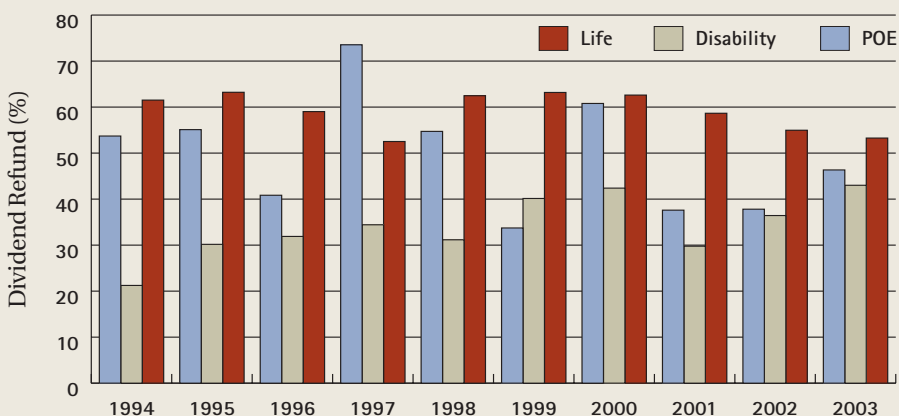
By Gordana Urosevic

The hallmark of the OMA Disability Income, Life Insurance, and Professional Overhead Expense (POE) plans since 1956 has been the fact that they were designed and structured in a manner that results in an annual premium refund to insured members whenever the total of all claims and expenses is less than premiums collected. While annual premium refunds are not guaranteed, refunds have been paid in mid-December of each year since the plans' inception. This means that you, and not the insurance company, get to profit from good claims experience.



The refunds in the past ten years have averaged over 30% for Disability Income, over 50% for Term Life, and over 40% for the Professional Overhead Expense plan (see chart below). In fact, in 2003, the premium refunds were as follows: 43% for the Disability Income plan, 53% for the Term Life plan, and 46% for the Professional Overhead Expense plan.

You can purchase insurance from an insurance company that keeps all the profit generated from good claims experience or you can insure with OMA Insurance and use the surplus premiums generated to re-invest in your future. The choice is yours.



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Great news for Medical Students!

By Gordana Urosevic



We've listened to what you've told us and we hear you loud and clear. Effective January 1, 2004 we enhanced your Student Disability Income plan based on your feedback. As a medical student in a covered province, you can now obtain comprehensive high-quality coverage at a low cost, all with **no medical information** required.

There are two great plans available allowing greater flexibility when it comes to choosing the coverage that best suits your needs.

If you obtain the Student Disability Income Insurance coverage now, your coverage will automatically transfer to the regular OMA Disability Income plan when you complete your medical school studies, again without you having to provide any medical information.

The OMA Insurance Student Disability Income plan is your first stepping-stone to securing your financial future as today's medical student and tomorrow's medical professional. If you follow the OMA Insurance 3-step approach to obtaining Disability Income insurance, you will enjoy comprehensive coverage that compares favourably with the best plans available in the marketplace at a preferential cost.

If you haven't received your Student Disability Income plan package, please contact our office at (416) 340-2918 or 1-800-758-1641 and we'll be more than glad to send the information to you.

We guarantee this is the best plan at the best price currently available.

Definitions of Disability

By Manuela Tesi

Are you getting bogged down with all the different definitions of disability the insurance industry keeps throwing at you? Don't fret; you're not alone! We thought it was time to finally put an end to all this confusion and help you distinguish once and for all the difference between definitions of disability used in Disability Income plans by OMA Insurance and those used by some private insurers. Here's the scoop:

- Our Standard Definition (also known as Own Occupation) of total disability provides benefits if, as a result of sickness or injury, you are unable to perform the essential duties of your regular occupation, are under the regular care of a physician, and you are not engaged in any other gainful occupation. If you choose to work in another occupation, however, you are no longer considered totally disabled, but may be eligible for residual disability benefits if you suffer a loss of income of at least 20%.
- Our Own Occupation (also known as

Own Occupation Plus) Definition of disability requires that you pay additional premium. As in the Standard (Own Occupation) Definition, you are totally disabled if you are unable to perform the essential duties of your regular occupation and are under the regular care of a physician. The difference is that if you choose to work in another occupation you continue to be considered totally disabled and eligible to collect total disability benefits even if you have no loss of income.

It is important to note that neither the Standard Definition nor the Own Occupation Definition type allows the insurer to require that you work in a new occupation.

It is also important to note that the OMA's Standard Definition of disability is the same as what some private insurers are calling Own Occupation and the OMA's Own Occupation is the same as what some private insurers are calling Own Occupation Plus.

Residents - Avoid The Mistake That Could Affect Your Future Financial Security

As a Resident, you may already be aware that OMA Insurance has joined forces with your Resident Association (PAIRO, PARI-MP and PAIRN) and your medical association/society to offer you quality Disability Income, Professional Overhead Expense (POE) and Life Insurance, without requiring proof of good health when you successfully complete your training program. This offer referred to as the *Essentials* offer of coverage is under the same OMA Insurance programs, which currently insures over 16,000 physicians. Not only is it available with no medical information required and with no special policy exclusions, but you will also qualify for a 50% premium reduction on the Disability Income and POE coverage for the first two years. In addition to the 50% premium reduction, you still get to participate in Premium Refunds, as described on page 1.

You must apply for this offer of coverage either just prior to completing your training program or **no later than 120 days** following successful completion of your training program. The earliest that coverage under the offer comes into effect is the date when your coverage provided by your Residency Association terminates. If you have existing OMA or private Disability Income coverage during your residency, this coverage can be topped up to the *Essentials* offer maximum and you will still qualify for the premium reduction.

Be sure to visit our web site at www.OMAinsurance.com to Pre-Register online to notify us of your expected program completion date. We'll ensure you are sent an enrollment form prior to that date.

Professional Overhead Expense

By Jacques Rocheleau

When you start to build your career as a medical professional, the first types of coverage you are likely to obtain are Life and Disability Income insurance. As you progress in your profession though, other insurance needs may arise. For instance, how will you pay for your practice expenses while you recover from a disability?

If you have financial responsibilities for your practice, you should protect yourself with Professional Overhead Expense (POE) insurance. Without adequate POE coverage, your practice overhead obligations may have to be paid from your Disability Income insurance - the very insurance you will need to pay for your personal and family expenses. Even if you have the maximum available Disability Income insurance, you leave yourself and your family vulnerable if your

overhead obligations are not insured.

Effective January 1, 2004, OMA Insurance added two new elimination periods to the POE plan available to members. The new 60-day and 90-day elimination periods, along with the existing 14-day and 30-day elimination periods, add greater flexibility for those members whose earned income continues for a period even if they are totally disabled.



Are You Adequately Insured?

By Manuela Tesi

When was the last time you evaluated your insurance needs? You'd be surprised at how many of your colleagues haven't made any changes to their insurance coverage in over 10 years. Surely their income and financial responsibilities, and therefore their insurance needs, have changed, so why is it that they still continue to be insured for the same level of coverage?

The biggest insurance buying mistake is not buying enough of the coverage you need to protect yourself and your family while you are insurable. While it's not easy for us to think about being ill or leaving our loved ones behind, a sudden illness or accident could occur at any time, regardless of how healthy you may be. Now is the perfect time for you to re-evaluate your overall financial needs.

If you have debts and/or a young family you most likely need a substantial amount of affordable term life insurance.

In addition to paying off debts, if you have a family you will want to provide them with a stable source of funds to maintain a comfortable standard of living.

Consider if you were to become disabled and had no Disability Income insurance, your family would have to provide for themselves...and for you. Why put them through that burden?

As your needs change with your financial responsibilities, it's vital to have enough life and disability insurance at all times. Don't wait until you become uninsurable. Secure your financial future today!

For a free review of your insurance needs, contact one of the following MD Management Consultants:

NAME OF SPECIALIST	LOCATION	TOLL-FREE NUMBER	LOCAL TELEPHONE
Adam Burton	Toronto	1-800-387-2646	(416) 598-1442
Mary Ruddock	London	1-800-461-9587	(519) 432-0883
Joy Sleeth	Kingston	1-800-363-5527	(613) 548-8770
Patricia Cullen	Ottawa	1-800-387-4018	(613) 722-7688
Kelly Griffith	Hamilton	1-800-883-6015	(905) 526-8999
Denise Snow	Halifax	1-800-565-1771	(902) 425-4646
Keith Butler	St. John's	1-800-229-1798	(709) 726-2136
Tammy Osborne	St. John's	1-800-229-1798	(709) 726-2136

Debt Management: What will you carry into your practice?

By MD Management

Student loans, personal lines of credit, credit cards and other personal loans are common types of debt among students and residents. Practising physicians may also carry additional debt such as a mortgage or a loan to start or set-up their practice.

What are my options? What can I do?

Common questions regarding debt management include:

- Should I repay my loans as quickly as possible? Should I sacrifice some repayment for investment in RSPs?
- How much can I reasonably afford to pay off and still pay living expenses each month?

The truth is, there is no “one size fits all” answer to these questions. Each person’s situation is both unique and complex.

Where do I start?

The most important step you can take is to speak to an **MD Financial Consultant** who can advise you on prudent debt levels and debt management. Once you fully understand the implications of various debt levels on your future plans, you’ll be in a better position to control it today.

Your MD Financial Consultant also has information on a referral-based partnership (the MD Banking Referral

Service) with the National Bank giving all physicians access to unique banking services, including student and resident lines of credit, mortgages and other loan types. **Practice Solutions’ practice management curriculum seminar may also be available through your residency program.**

The above is an excerpt from the MD Management Financial Planning article *Resident Debt Management*. For a copy of the complete article or articles on other financial planning topics, please contact your local MD Management office. For the location of an office near you call **1-800-267-2332** or visit us at **CMA.ca**.

Upcoming OMA Insurance Events

Current

Web Site Changes: We are currently in the process of updating our web site to make it more user-friendly. If you have any suggestions about how we can improve our content, please feel free to provide us with your feedback.

May 2004

GIB Option Period: If you have the Guaranteed Insurability Benefit rider, this will be your chance to increase your Disability Income coverage without having to provide evidence of health, provided your income qualifies you for the increase. Look for the GIB option letter coming to your door soon and make sure you don’t miss the deadline to apply!

August 2004

Annual Renewal: Have you moved your home or office? If so, it’s important to make sure we have your current mailing information to avoid any delay in receiving your premium notice to renew your valuable insurance coverage.

September 2004

Student Orientation Sessions: OMA Insurance will be holding insurance information sessions for medical students. Keep checking our web site at OMAinsurance.com to find out when we’ll be having a session at your campus.



OMA Insurance

Working Together to Secure Your Future

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