

UNDERSTANDING THE IMPORTANCE OF SPECIALTY DISABILITY BENEFITS:

How to contribute to your practice's success by meeting providers' needs while they're on disability leave.

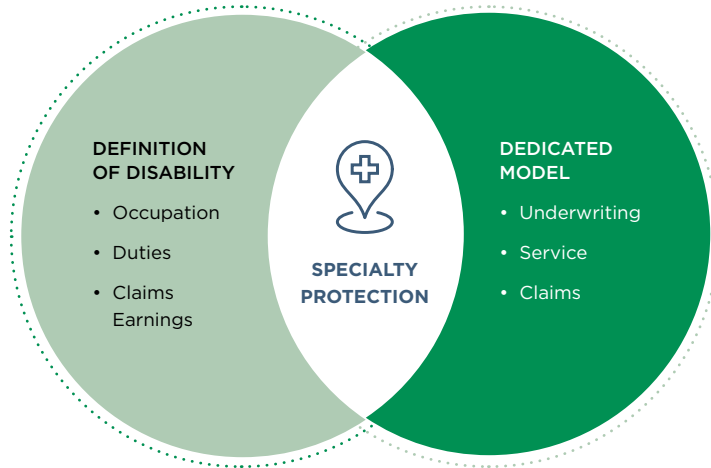


WHAT MAKES DISABILITY COVERAGE SPECIALIZED?



Every medical group faces its own set of unique challenges. But each depends on the individual expertise of their medical providers to support the financial success of their practice. These specific areas of expertise can make purchasing and providing disability insurance coverage even more complex.

When a physical or mental impairment prevents a provider from contributing to their practice's success in the same way they have in the past, you need to feel confident that they'll be supported financially while your clinic adjusts to the disability of the claimant. This is where specialized disability protection can help you.



THE HARTFORD DIFFERENCE



We make it easy. A physician claimant's occupation is their specialty and sub-specialty based on how they practice medicine at your clinic – the number of hours they work, their specific job requirements, etc. Simple as that. Since every physician practices medicine uniquely, this definition helps to answer any concerns you may have around whether or not benefits are payable when a physician at your practice can no longer work at his or her job.

DEFINITION OF DISABILITY: The Foundation of Any Disability Contract

Definition of Occupation: Claimant's job vs. contract's definition of occupation

How the carrier defines occupation is rarely the same as what the employee does on the job. This definition is key to the protection provided to your employees, and carriers can vary widely.

THERE ARE FOUR MAIN DEFINITIONS OF OCCUPATION			
Any Occupation	Own/Your Occupation	Specialty/Sub-specialty as performed in the general labor market	Specialty/Sub-specialty as practiced at your medical group
Any occupation in the general labor market – provides the least protection under a disability contract.	Based on the claimant's own occupation as performed in the general labor market, not at your place of employment.	A more specific definition based on the claimant's specialty and sub-specialty and how it's performed in the general labor market.	The highest level of protection – based on the claimant's specialty and sub-specialty and how it's practiced at your medical group.

DUTY LOSS REQUIREMENT

CLAIMANT'S JOB DUTIES VS. LABOR MARKET OCCUPATIONAL DUTIES

The second major element of the definition of disability is the duty loss requirement. The duty loss must be associated with the carrier's definition of occupation. If the carrier has defined the specialty as it's performed in the general labor market as opposed to how they perform at their medical practice, they're assuming that every physician specialist or sub-specialist is performing in exactly the same way. This may not meet your need to help protect your physicians based on how they practice at your group.

At the time of a claim, carriers will ask the claimant's attending physician to provide medically substantiated limitations – questions like:

- How many hours can the claimant normally work per week?
- How long can they sit, stand and walk at one time and throughout the day?
- Can they drive and for how long?

If the carrier is using the duties of the specialty or sub-specialty as required in the general labor market, you have no idea how that claimant is being protected.

If the carrier is using procedures:

- How is the carrier converting the medical limitations provided by the attending physician into the procedures you're providing?
- Does the carrier know enough about what individual physical and mental requirements are required of each procedure at your clinic vs. the general labor market?



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The Hartford requires just one essential duty loss and uses the information you have identified at the time of claim for the specific claimant. This single duty loss can be the claimant's normal work week – with no preset limits. We do this by comparing the requirements you provide and compare them to the attending physician's restrictions to confirm the claimant's same abilities. Simple as that.



CLAIMS EARNINGS

ACTUAL CLAIMS EARNINGS VS. PHANTOM AND NON-CLAIMS EARNINGS

Carriers have different definitions of claims earnings. It may include earnings from work performed prior to the date of disability or earnings the claimant could receive (sometimes called “maximum capacity” earnings). Including this income can delay, reduce or eliminate the claimant’s receipt of benefits. This is important because carriers require an earnings loss in order to pay the benefits you are expecting.

THERE ARE FOUR MAIN CONSIDERATIONS FOR CLAIMS EARNINGS	
Is an earnings loss required during the elimination period?	Carriers that require an earnings loss during the elimination period, whether the claimant is working or not, would require you to provide documentation of the payment of receivables/earnings which could possibly delay the receipt of benefits.
Do earnings include income from work performed prior to the date of disability?	If included, these earnings could have the effect of delaying the receipt of or reducing benefits.
Does the carrier include earnings the claimant is able to earn or is eligible to receive (sometimes called “maximum capacity” earnings)?	Including these earnings could mean that your employee does not meet the definition of disability under the contract and benefits could be eliminated or terminated. In addition, if these earnings are part of benefit calculations, they could reduce benefits for income the claimant is NOT receiving.
What happens if your employee does not have the required earnings loss following their elimination period?	Claimants may need to re-satisfy their elimination period, thus delaying the receipt of benefits. Any new claim would be subject to the terms and conditions of the policy in effect at that time.



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- The Hartford has no earnings loss requirement during the elimination period, thus eliminating the need for any earnings documentation during this period from you. This allows you to fully disburse receivables or pay a draw without any impact to the satisfaction of the elimination period.
- If the disbursement of the receivable is based on work performed prior to the claimant’s date of disability, it has no impact on the claim and will not reduce benefits or affect the satisfaction of the elimination period.
- The Hartford only considers the actual earnings of the claimant in both the definition of disability and any benefit calculations – not earnings they could receive if they were working to their maximum capacity – and allocates them to the period of time earned.
- If the claimant does not have an earnings loss at the end of the elimination period, they do not need to “re-start” their claim, as long as the earnings loss occurs within 12 months of their date of disability.

The Hartford uses only the actual earnings the claimant receives for work performed during their period of disability, and allocates them to the period they were earned. If the claimant is not working, they cannot have earnings. Simple as that.

DEDICATED MODEL

SPECIALIZED PROTECTION GOES BEYOND THE CONTRACT

A carrier with coverage specialized for your industry should ideally partner with you by providing a dedicated team – even before you’re officially a customer. Without these dedicated teams and specialized processes, you’ll have to explain “draw,” “true-up,” “on call” or other terms unique to the healthcare industry over and over again. And you risk a costly mistake if something gets lost in translation. Dedicated teams provide experience and depth of understanding that cannot be duplicated in a scattered approach.

Service: A Team That Truly Gets You

Once you’re on board, a dedicated account manager who is part of a specialized medical group service team, not a call center, should be assigned to you, and help create customized solutions that will ease your administrative burden because they understand the nuances of your specific practice. They should be able to offer pre-disability earnings solutions that include all of the employee’s earned income from your group, such as draw, true-up, K-1 distributions, on-call pay, etc. They should be your single point of accountability for creative solutions regarding enrollment, billing, tax services, your plan designs, reporting and claims by becoming, in essence, an extension of your internal operational team.

Underwriting: Proficiency Understanding Unique Risks

When considering a carrier with specialized coverage, find out if they have a medical group underwriting team. This team’s specialized knowledge and experience means that they understand the unique risks associated with medical groups like yours. Different specialties may not have the same risks. This expertise will not only ensure you have the right coverage, but it can assure your coverage is appropriately priced for the long-term management of your practice.

Claims: Expertise When It Matters Most

The rubber meets the road when it’s time to file a claim. But if your claims team doesn’t specialize in medical groups, your experience and outcomes may not be what you’d like. Your carrier’s claims team should understand the elements of the jobs that specialized medical and dental professionals perform – how physically and mentally demanding they are – and how an employee’s disability may impact the medical team they work within at your practice. Most importantly, your carrier should also have extensive experience and knowledge of your compensation programs that allow the proper adjudication of benefit payments.



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The Hartford has dedicated service and claims for all-size medical groups and for all of the staff working in your practice. This allows us to understand your practice, create the contract provisions and offer service and claims processes and procedures that will respond efficiently and effectively to your needs. Again, it’s just that simple.

Last year, 96% of our medical group business remained with The Hartford and over 30% of our new business comes from returning customers.¹ Each of these customers value our product, service and claims.

For you, your employees and claimants, specialized contracts supported by dedicated resources means better service and claims outcomes.

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¹ Based on The Hartford’s internal data. Full year 2021.

Disability Form Series includes GBD-1000, GBD-1200, or state equivalent.