



Fact Sheet – Supplemental Disability Insurance for Post-Graduate residents

What is it?

The AMA Disability Insurance plan is a way to “top-up” the mandatory disability coverage provided under the PARA Group Disability Insurance plan.

What’s the difference between PARA and AMA disability coverage?

- The PARA Disability Insurance Plan provides Alberta ministry-funded residents automatic coverage of 75% of your monthly salary at no cost to you. The monthly disability benefit is taxable.
- The AMA Disability Insurance Plan is optional coverage of between \$500/month and \$4,000/month and premiums are based on the amount of coverage chosen. The monthly disability benefit is not a taxable benefit*.

Why would I want supplemental coverage?

1. PARA coverage is based on your resident salary, not your future income potential and therefore, it may not be enough to cover your current and long-term monthly living expenses should you be unable to work due to a disability.
2. The AMA top-up is a head start to full coverage once you become a practicing physician.

What is the PARA/AMA advantage for residents?

The PARA/AMA advantage is that both the PARA and AMA coverage are paid together in the event you become disabled. If you have a retail disability insurance policy the PARA coverage will only supplement it up to your monthly resident salary.

PGY	Monthly Resident Salary ¹	PARA Coverage (75% of salary)	AMA Coverage	Total AMA/ PARA Coverage	Total Retail ² / PARA Coverage ³
1	\$4,767	\$3,575	\$4,000	\$7,575	\$4,767
2	\$5,276	\$3,957	\$4,000	\$7,957	\$5,276
3	\$5,683	\$4,262	\$4,000	\$8,262	\$5,683
4	\$6,090	\$4,567	\$4,000	\$8,567	\$6,090
5	\$6,599	\$4,949	\$4,000	\$8,949	\$6,599
6	\$7,006	\$5,254	\$4,000	\$9,254	\$7,006
7	\$7,569	\$5,677	\$4,000	\$9,677	\$7,569
8	\$8,178	\$5,950	\$4,000	\$9,950	\$8,178

¹ PARA salary scale as of July 2019

² Retail coverage may include an Association offset – read your policy carefully

³ The PARA coverage will only supplement retail coverage up to your gross monthly salary

How much would the AMA \$4,000/month coverage cost per month?

Post-graduate resident members receive a 50% savings off our already competitive disability insurance rates.

Example: Monthly premium for under age 35, non-smoker, 90-day elimination period (including Cost of Living Adjustment rider):

	Female	Male
Physician premium	\$51.75	\$25.22
Resident premium after 50% premium credit	\$25.88	\$12.61

Premiums are based on age and the amount of coverage you apply for. Age is your age as of the policy anniversary date of January 1st. Premiums will increase on the policy anniversary date as you move into the next five-year age band (35, 40, 45, etc.). Rates and AMA Premium Credit are not guaranteed.

Am I eligible to apply?

You can apply for the plan if you are:

- An AMA member, and
- Actively at work in Canada on a full-time basis for at least 25 hours per week.

How do I apply?

Applying is easy...simply complete the enclosed application for insurance and return it to our office. Underwriting includes a telephone interview but no automatic blood/urine sample. Manulife may request this or other information depending on your medical history. Section 5 of the application – Financial Information – does not need to be completed.

What happens when I finish residency training?

When you finish residency training your PARA coverage may be converted to the AMA plan without proof of good health. At that time the Cost of Living Adjustment (COLA) and Guaranteed Insurability Benefit (GIB) riders are automatically issued. The COLA rider protects your disability benefit by adjusting it to inflation and the GIB rider allows you to increase coverage annually, without proof of good health, as your income increases.

Your AMA coverage continues unchanged as you are already in our physician plan.

Is the coverage portable outside Alberta?

Yes, the coverage is portable throughout the world. AMA non-resident membership is required at a current cost of \$50/year.

Who do I contact for more information?

Please contact ADIUM Insurance Services at:

T: 780.482.0692

TF: 1.888.492.3486

Email: adium@albertadoctors.org

* The information in this Fact Sheet is not to be relied upon as tax advice for specific situations. Please seek advice from a tax professional.



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