



ALPA Loss of License Insurance Is There When You Need It

▶ “What would happen if I couldn’t fly?” That’s a question all career pilots ask themselves. While pilots cannot always prevent the unexpected, ALPA can sometimes help lessen the damage when a disability threatens the career that has provided its members with the lifestyle they’ve come to know.

“ALPA Loss of License Insurance

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—F/O Ken Rogers, R&I Committee chairman

is one type of protection that all ALPA members need, making sure that they’ll remain financially secure if they lose their medical certification,” says First Officer Ken Rogers (Delta), chairman of ALPA’s Retirement and Insurance Committee.

ALPA offers two kinds of Loss of License coverage: monthly benefits and lump-sum payments.

ALPA group Loss Of License coverage

The monthly Loss of License plan pays monthly benefits for loss of medical certification because of covered physical or mental disabilities. Benefits begin 12 months after the date of disability and continue during disability for as many as 48 months. After a covered pilot reaches age 57, the maximum benefit duration incrementally decreases each year (based on age at the date of disability) from the 48 months, until age 68, when the duration is 12 months.

Six levels of monthly Loss of License benefits are available to eligible members:

- \$600 per month for maximum benefits totaling as much as \$28,800;

- \$1,200 per month for maximum benefits totaling as much as \$57,600;
- \$1,800 per month for maximum benefits totaling as much as \$86,400;
- \$2,400 per month for maximum benefits totaling as much as \$115,200*;
- \$3,000 per month for maximum benefits totaling as much as \$144,000*;
- \$3,600 per month for maximum benefits totaling as much as \$172,800.*

*These amounts are available only if your annual airline compensation is at least \$50,000.

A lump-sum payment of remain-

ing monthly benefits may be requested after 24 consecutive months of disability. A lump sum will be granted if it is determined that the covered pilot is permanently unable to perform every duty of employment in the capacity for which that pilot held a valid airman certificate. The lump-sum payment will be in an amount determined based on the amount of monthly benefits for which that pilot is covered and the number of remaining months during which such benefit might otherwise be payable.

A “seat change” benefit is available if the pilot held a Class 1 medical certificate immediately before becoming disabled and before exhausting benefits, and because of medical reasons that pilot is required to fly in a lesser capacity and status than that held immediately before becoming disabled.




Highlights of ALPA Insurance

Group Loss of License

- As much as \$3,600 per month in benefits
- Prompt payout
- “Seat change” benefits if a disability requires you to fly in a lesser capacity

Lump-Sum Loss of License

- As much as \$250,000 in lump sum benefits
- Lump-sum payout provides the money needed to go back to school or start a new career 

Under this provision, the pilot’s monthly benefits will be reduced so that his or her current airline aviation compensation and ALPA’s Loss of License benefits do not exceed the average rate of monthly compensation during the 12 months immediately preceding the disability. (The total amount of such excess benefits withheld during the period of disability will be payable beginning with the 61st month of disability in monthly installments equal to the monthly benefit paid during the period of disability).

Apprentice and reactivated members are automatically enrolled in the Loss of License plan at the \$1,200 benefit level, effective on the first day of the month after ALPA’s Membership Service Department receives a completed, signed, and LEC-approved application for membership. This benefit is provided at no cost to the member until completion of probationary employment; thereafter, the member must pay premiums to continue this coverage.

If a pilot maintains this coverage, or applies for additional coverage while a first-time apprentice or within 30 days of transfer from first-time apprentice status to active status, that pilot’s premiums will be discounted 75 percent for the remainder of that plan year and 50 percent the following plan year.

ALPA Lump-Sum Loss of License Insurance

ALPA Lump-Sum Loss of License Insurance is also designed to help pilots at a time when they really need it. Losing medical certification to fly can be a devastating event, leaving a pilot with no other way to support his or her family. Loss of License coverage can provide as much as \$250,000 lump-sum cash in a pilot’s hands when it is needed most.

This is especially necessary for pilots because of the unique character of the work. Airline pilot training is intense and very specialized, which can make moving into another field of work difficult.

With the ALPA Lump-Sum Loss of License Insurance, ALPA pilots have the opportunity to get back on their feet financially. The large up-front payment can be used to go back to school, start a business, or otherwise make up for the loss of income.

Exclusions and limitations

ALPA’s LOL coverage has several exclusions and limitations that pilots need to understand. This plan does not pay benefits for disabilities caused or contributed to by

1. intentional self-inflicted injuries or attempted suicide;
2. commission of, or attempt to commit, a crime;
3. acts of war, declared or undeclared; invasion; acts of foreign enemies; hostilities; civil war; riots; civil commotions; rebellions; insurrections or military or usurped power; provided, however, that this exclusion does not apply to disability incurred during active full-time airline employment if the aircraft in which the covered pilot is traveling is unintentionally involved in any such hostile acts;
4. military service in the armed forces of any state, province, country or international authority, except if such

service does not interrupt active full-time airline employment; and

5. laser vision-correction surgery, unless you undergo such surgery to treat a disabling condition (applies to the lump-sum Loss of License plan only).

ALPA’s Group Loss of License and Lump-Sum Loss of License Insurance plans have additional restrictions; for details, visit the “Insurance Programs” website by clicking on the “Member Benefits” link on the left-hand menu on Crewroom.alpa.org.

Dependable coverage when it counts most

A pilot who loses medical certification cannot depend on his or her airline to make up the pilot’s financial loss. Many airline employee benefit plans have a definition of disability that is not satisfied simply by the loss of medical certification.

Coverage from the Association that represents you can help make up the difference. ALPA understands your unique needs as a pilot. From representation in Washington, D.C., to aviation safety programs, you trust the services that ALPA provides—and the ALPA Loss of License coverage is just one of many affordable plans you can benefit from as an ALPA member.

For an application, annual premiums and rates, and additional information on the ALPA Loss of License Insurance programs, visit the “Insurance Programs” website by clicking on the “Member Benefits” link on the left-hand menu on Crewroom.alpa.org. ALPA’s Membership Services Department can also answer your questions at 1-888-FLY-ALPA or 703-689-2270.

The Guardian Life Insurance Company of America, an A+ rated insurer with a growing presence in the disability market, underwrites the ALPA Monthly Loss of License and Lump-Sum Loss of License insurance plans. 