Executive Summary

In January 2018, AVMA officially combined the PLIT and LIFE Trusts under one umbrella Trust. AVMA PLIT and AVMA LIFE began collaborative marketing and trade show efforts that included co-branded convention booths, joint convention support, and cross-promotional communications and advertising. The Trust and AVMA also began monthly AVMA Family Meetings with the goal of leveraging each other’s strengths in marketing communications and supporting cross-organizational engagement.

The combining of the Trusts led to a single Board of Trustees comprised of two Trustees each from the previous LIFE and PLIT Boards and five new appointments. Dr. Joe Kinnarney was named as Chair of the new board. Following the creation of the AVMA Trust Board, the Trustees began a search for an AVMA Trust CEO. Ms. Tracey Gray-Walker assumed that role in February 2019.

Currently, the Trust’s focus is on strategically aligning PLIT and LIFE under the joint brand of the AVMA Trust while improving and adding to the AVMA Trust’s core programs, services and offerings. Together as one Trust, AVMA PLIT and AVMA LIFE provide valuable AVMA member benefits. These benefits include a comprehensive insurance program that encompasses a wide variety of coverages and support. The AVMA Trust program ensures that AVMA members and their practices are protected by policies designed specifically for their needs.

In addition to professional liability, business insurance, disability, life insurance and other personal coverages, the AVMA Trust offers human capital consulting, risk management resources and many other tools and services. There will be new program offerings in 2019 to further support the needs of today’s AVMA members.
The AVMA Trusts provided protection to over 65,000 AVMA members generating over $140 million of annual premium across the following coverages:

Professional Liability policies and endorsements
Business Insurance
Life Insurance
Disability
Hospital Indemnity
AD&D
Homeowners, renters, personal auto
**2018 AVMA Trust Highlights**

LIFE managed more than **108,000 policies representing** over **25,000 members**. In 2018, 6,705 new policies were issued.

**AVMA LIFE sponsors insurance products that include:**
- Life Insurance
- Long-Term Disability Income Insurance, with riders for:
  - Future purchase option
  - Cost of living adjustment
  - Own occupation coverage
  - Spouse/domestic partner coverage (new this year)
- Short-Term Disability Income Insurance, which includes a maternity benefit
- Supplemental Disability Income Insurance (for Educational Expense Obligations)
- Critical Illness
- Accidental Death & Dismemberment
- Professional Overhead Expense
- Hospital Indemnity
- Rabies Prophylaxis/Titer reimbursement
- Student Life and Disability Insurance
- Long-term Care
- Dental
- Vision

Disability and Life insurance continue to serve as the cornerstones of all products we offer member veterinarians. But we can’t sit back on our past accomplishments, so the Trustees continue to refine those products to make them relevant for today’s needs.
Disability Income Enhancements:
- Introduced spouse disability income insurance as an option
- Enhanced the own occupation benefit option by removing the 5-year limitation on full benefit payments

Life Insurance Enhancements:
- Enhanced our Family Group Life Insurance plan with the addition of a chronic care rider
- Introduced the QuickDecision℠ underwriting process for our Family Group Life Insurance plan, providing members with a simpler application experience

Other Enhancements:
- Launched an educational blog, which touches on topics such as insurance, finances, mental health and quality of life tips
- Implemented enhancements to the agent portal

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<thead>
<tr>
<th>Product</th>
<th>Policies</th>
<th>Premium</th>
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<tbody>
<tr>
<td>Life Insurance</td>
<td>29,594</td>
<td>$13,265,741</td>
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<tr>
<td>Disability Income</td>
<td>34,666</td>
<td>$19,483,599</td>
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<td>Hospital Indemnity</td>
<td>2,492</td>
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<td>AD&amp;D</td>
<td>18,810</td>
<td>$196,509</td>
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AVMA | PLIT

PLIT managed **65,601** Professional Liability policies/endorsements and **17,000** Business Insurance policies.

- **Continued strength of the Professional Liability offering.** The team of Trust Veterinarians worked with the program’s Professional Liability carrier (Zurich) to review 3,800 professional liability claims and spoke almost daily with insured members facing potential or actual claims.

- **Business & Personal Insurance growth.** The program’s sales and marketing teams bolstered efforts to grow participation in the business and personal insurance markets, producing positive results for enrollment in Business Owner’s Policies, Employment Practices Liability and Group Personal Excess coverages.

- **Educational opportunities.** The PLIT team enhanced the program with a number of new educational resources for members that included informational video content and the Veterinary Insurance User’s Guide (a complete manual on the protections provided by the PLIT program).

The PLIT program ended another strong year with nearly 80% of eligible AVMA member veterinarians (65,601) insured with the primary Professional Liability coverage. The program also increased enrollment in the Veterinary License Defense endorsement, bringing the insured-member total to 51,544 or 78% of current Professional Liability policyholders. In total, Professional Liability policies and endorsements generated $30.45M in premium for the year.

The 2019 Professional Liability renewal required a rate increase for the primary, excess and license defense policies to cover the rising costs and frequency of claims in the profession. In addition, the Primary and Excess Liability policies saw a 4% premium increase; for the vast majority of insured members, this equated to an annual increase of $12 or less per policy. License defense endorsements required a 10% rate increase, although the maximum increase was just $11 annually.
Business Insurance
In 2018, the PLIT program added 3% to its business insurance policy count—for a total of 17,000 policies—and $68.85M in premium for all lines of business insurance. This growth includes a 4% increase in Business Owner’s Policies from 2017, and a 7% increase in the book of business for Employment Practices Liability (EPL) policies. The program marketing and sales teams worked together throughout the year to educate members on the need for EPL insurance. The results of those efforts are evident in the new business EPL sales for the year: the team added more than $1.2M in EPL premium to the program’s book of business.

AVMA PLIT POLICY BREAKDOWN

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<tr>
<th>Policy Type</th>
<th>Policy Count</th>
<th>Policy Premium</th>
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<tbody>
<tr>
<td>Workers' Compensation</td>
<td>6,413</td>
<td>$36,759,972</td>
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<tr>
<td>Property</td>
<td>7,199</td>
<td>$20,526,271</td>
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<td>Employment Practices Liability</td>
<td>1,784</td>
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<tr>
<td>Auto</td>
<td>872</td>
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<tr>
<td>Other</td>
<td>610</td>
<td>$1,853,833</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>16,878</strong></td>
<td><strong>$68,856,333</strong></td>
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National Practices
PLIT’s National Practice team continued to develop relationships and pursue opportunities across the country in 2018. Last year, the national practice group—which began as a small opportunity for the PLIT program—grew significantly as the business continued acquiring practices. It now generates $114,000 in premium through the program. The team was also successful in renewing business policies with two of its other national practice partners for a second year. An additional resource was also highlighted in the National Practice team’s 2018 marketing and sales collateral: HUB’s Human Capital Consulting (HCC) services. HUB’s HCC team provides larger businesses with solutions to their human capital needs, as well as an HR-hotline for any urgent advisory demands.
Personal Insurance
In November, the program added a new identity theft protection service for members—IDShield—through a partnership with LegalShield. Like the PLIT’s other personal insurance offerings, IDShield was made available for the extended AVMA Family including AVMA-member families and non-veterinarian employees. Marketing efforts in 2018 included communication through the program’s digital channels, and features in PLIT’s newsletters.

Marketing and sales efforts around Group Personal Excess (GPE) insurance also helped expand enrollment in those policies by 13% over 2017, for a total premium of nearly $190,000.
AVMA Trust Student Engagement

AVMA | LIFE®

The next generation of AVMA members is extremely important, and we want to make this group of individuals feel welcomed in the profession and association.

Highlights of student engagement:

- Continued the Student Representative Program, in which veterinary students representing almost every College of Veterinary Medicine assist us with student communication
- **Provided $139,349 to student programs**, including $100,000 for the ALL for Students Program and $25,000 to the National VBMA
- Attended the **SAVMA Symposium** and the **SAVMA Chapter Summit**
- Partnered with Dr. Evan Antin, a major influencer in the veterinary community, to boost our presence on **AVMA LIFE social channels**, including Facebook and Instagram, to better connect with younger members
- Continued student marketing initiatives, including our Tilt-a-Tale campaign (a whimsical take on Choose Your Own Adventure books) and our Hide & Seek campaign (an interactive quiz), to increase student awareness of AVMA LIFE and the importance of insurance

AVMA | PLIT®

Student AVMA members play a critical role in AVMA PLIT’s efforts to drive both AVMA membership, as well as enrollment in PLIT program offerings. In 2018 the Trust Veterinarians and PLIT marketing team engaged students in a number of new ways. Leading up to the SAVMA Symposium, PLIT held a photo contest and announced a winner at the show. As part of their efforts to increase collaboration, PLIT and LIFE joined forces at the Symposium to maximize engagement with student members.
In October of 2018, AVMA PLIT launched another student photo contest that coincided with the creation of the @avmaplitstudents Instagram account. This contest successfully kicked off the new social media channel, which concluded the year with approximately 400 student followers after only three months. The goal of the student Instagram account was to generate awareness of the PLIT, the student liability program and educational opportunities provided through AVMA.

AVMA PLIT also sponsored the Vet School Unleashed podcast, hosted by University of Missouri student, Seth Williams, as a means of driving program awareness with student members.
2019 AVMA Trust Sneak Peek

A number of exciting initiatives for the AVMA Trust program are underway for 2019:

- **Association Health Plan (AHP)** - After much effort to once again sponsor a health insurance plan as an AVMA member benefit, the AHP launches on 7/1/19. The rollout will be in a phased approach and be offered initially in nine states with additional states to be added soon. Blue Cross Blue Shield of Illinois is the insurance carrier. The AVMA Trust AHP will have many value-added benefits for members.

- **Veterinary Interactive Screening Program (VISP)** - The VISP uses an online platform that allows participants to anonymously take a questionnaire to determine how stress and depression may be affecting them. Professional counselors review the submitted questionnaires and help connect distressed participants to mental health services. A pilot program is under consideration.

- **Member engagement** – to continue to build on member engagement and improve member satisfaction, with a focus on education of Trust programs and cross-selling opportunities.

- **Member education survey** – to better understand the needs of members as they relate to educational content and engagement with the AVMA Trust.

- **Personal insurance user experience enhancements** – to optimize the quoting experience and marketing opportunities for members and the extended AVMA family.

- **National Practice user experience enhancements** – to streamline the management of professional liability policies for National Practices.

- **AVMA Family Collaboration** – to enhance member benefits and drive veterinarians to enroll and retain membership with the AVMA.