

Northwestern Mutual Expands Disability Insurance Choices for Medical Professionals

Only company to offer True Own Occupation and Medical True Own Occupation optional definitions of total disability

Northwestern Mutual has paid dividends to participating disability income insurance policyowners totaling \$3 billion over past 10 years

MILWAUKEE, Dec. 6, 2022 /PRNewswire/ -- Northwestern Mutual announced today that it is introducing additional flexibility and choice into its lineup of disability insurance solutions for medical professionals, including physicians and dentists. Medical market clients will now have a choice between a True Own Occupation definition and an enhanced Medical True Own Occupation definition when selecting a policy to protect their income if they were to become totally disabled and could not work.

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"We have been protecting the incomes of medical professionals for more than 50 years, and over that time we have constantly looked for ways to innovate our product offerings to meet the evolving needs of these clients," said Kamilah Williams-Kemp, vice president of risk products at Northwestern Mutual. "We 'get' medical professionals, and know they obtain disability insurance early in their

careers and that a lot can change over time in terms of their primary income-generating activities. That's why we have enhanced our Medical True Own Occupation definition that follows doctors and dentists throughout their careers and provides them with flexibility and choices in the event they become disabled."

A disability insurance contract's definition of total disability is important because it determines whether the policyowner can collect some or all of their benefits. The new Medical True Own Occupation definition, which is unique to Northwestern Mutual, is the most robust available in the industry today. Its earliest iteration was initially introduced in 2009 based on direct input from physicians about their understanding and expectations as it related to their personal disability income insurance policies.

Medical professionals will now have the choice between the following definitions of disability:

True Own Occupation: If a medical professional is totally disabled, unable to perform the substantial and material duties of their regular occupation, and they choose to work in an occupation other than the regular occupation at the time of onset of disability, they will be eligible to receive their full monthly benefit for total disability regardless of the income they earn from working in the new occupation.

Medical True Own Occupation: If a medical professional is unable to perform the substantial and material duties of their regular occupation which generate 50% or more of their direct patient care billings (e.g., procedural duties), but they are still able to perform one or more of the other substantial and material duties of their regular occupation (e.g., clinical duties), they can choose not to work and still be eligible to receive their full monthly benefit.

Additionally, the Medical True Own Occupation definition provides the same protection to medical professionals as is provided by the True Own Occupation definition. If a medical professional is totally disabled, unable to perform the substantial and material duties of their regular occupation, and they choose to work in an occupation other than the regular occupation at the time of onset of disability, they will be eligible to receive their full monthly benefit regardless of the income they earn from working in the new occupation.

"Income protection is foundational to financial security in any financial plan, and it is especially important for medical professionals," Williams-Kemp added. "When you begin your working life several years later than most and front-load it with significant student debt, you have to take steps to protect your earning potential. It is over the arc of their careers that medical professionals reap the benefits of their upfront investment in education and training and can secure long-term financial rewards and security."

Medical professionals who are existing policyowners will also be able to leverage the expanded choices. Those with recently issued disability policies can take advantage of these new benefits without any additional underwriting, while clients with older policies will have the opportunity to acquire these options if they meet the typical applicable underwriting requirements.

All policies are backed by Northwestern Mutual's industry-leading financial strength and, most notably, policyowners can share in the company's success through the company's dividends. Dividends are a portion of the company's surplus that is paid back to policyowners, and they represent one of the most important ways that Northwestern Mutual delivers value to policyowners.

Northwestern Mutual offers one of the only participating disability income policies in the market that offers dividends. When dividends are paid on disability income policies, they reduce the following year's policy premium. Northwestern Mutual has paid dividends on disability income insurance every year since 1971. In the last 10 years alone, these policyowners have received more than \$3 billion in total dividends, effectively lowering the cost of their premiums while continuing to provide the risk protection needed.

About Northwestern Mutual

[Northwestern Mutual](#) has been helping people and businesses achieve financial security for more than 165 years. Through a holistic planning approach, Northwestern Mutual combines the expertise of its [financial professionals](#) with a personalized digital experience and industry-leading products to help its clients plan for what's most important. With more than \$561 billion in combined company and client assets, \$34 billion in revenues, and \$2.1 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to nearly five million people with life, disability income and long-term care insurance, annuities, and wealth and investment management services. Northwestern Mutual ranked 97 on the 2022 FORTUNE 500 and was recognized by FORTUNE® as one of the "World's Most Admired" life insurance companies in 2022.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. Subsidiaries include **Northwestern Mutual Investment Services, LLC** (NMIS) (investment brokerage services), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company® (NMWMC) (investment advisory and services), federal savings bank; and Northwestern Long Term Care Insurance Company (NLTC) (long-term care insurance). **Not all Northwestern Mutual representatives are advisors. Only those representatives with "Advisor" in their title or who otherwise disclose their status as an advisor of NMWMC are credentialed as NMWMC representatives to provide investment advisory services.**

Northwestern Mutual continues to have the highest financial strength ratings awarded to any U.S. life insurer by all four of the major rating agencies: A.M. Best Company, A++ (highest), June 2022; Fitch Ratings, AAA (highest), August 2022; Moody's Investors Service, Aaa (highest), May 2022; S&P Global Ratings, AA+ (second highest), July 2022. Third-party ratings are subject to change and are a measure of the company's relative financial strength and security but are not a reflection of the performance or stability of funds invested in a company's separate accounts. Ratings are for The Northwestern Mutual Life Insurance Company and Northwestern Long Term Care Insurance Company.

Disability income insurance policies contain some contractual features and optional benefits that may not be available in all states. Occupation and significant duties are determined at the time of claim based upon your work activities. The ability to perform the substantial and material duties of your occupation is only one of the factors that determine eligibility for disability benefits. Eligibility for disability income insurance, additional policy benefits and qualification for benefits is determined on a case-by-case basis. Monthly benefits and final premiums for the coverage shown are subject to underwriting guidelines, issue limits and may require a medical examination. The amount of benefits provided depends on the benefits selected and the premium varies with the amount of benefits selected. Dividends are not guaranteed. This policy also contains exclusions, limitations and reduction of benefit provisions. For costs and further details of the coverage, including exclusions, any reduction or limitations and the terms under which the policy may be continued in force, see your agent or write the company. To be used with forms ICC16TTNCDI(0916), ICC16TTGRDI(0916), FOR MTOO and TOO or state equivalent.

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