

Individual Disability Income Insurance

# Multi-Life Underwriting Options



# What is your client's objective?

## Help Protect Personal Income

## Help Protect Retirement Assets

### DI Retirement Security<sup>5</sup>

3+ lives (Multi-Life)<sup>1</sup>

15+ lives (Standard Issue)<sup>1</sup>

Need a monthly benefit greater than \$5,000?

Are the policies being paid for by the employer?

No

Yes

No

Yes

#### Simplified Sales Program<sup>2</sup>

- 20% Multi-Life discount based on unisex rates<sup>3</sup>
  - Up to \$5,000 per month benefit available
  - Can be voluntary or employer-paid
  - Underwriting decision in 48 hours once applications and TeleApp interviews are completed and received
  - Policies and discounts portable should insured leave employer
- Fully Underwritten also available

#### Fully Underwritten

- 20% Multi-Life discount based on unisex rates<sup>3</sup>
- Can be voluntary or employer-paid
- Maximum I&P limits apply
- Policies and discounts portable should insured leave employer

#### Voluntary Standard Issue Program

- Multi-Life Discount based on number of participating lives (minimum of 20% available)
- Employee-paid
- Participation requirements apply and may vary according to case size; census needed in Excel format
- Standard coverage for the approved group
- Streamlined underwriting
- Portable policies and discounts
- Work with the DI Solutions Center
  - Case consultation and plan design recommendations
  - Customized proposals
  - Pre-filled applications<sup>4</sup>
  - Enrollment and re-enrollment assistance

#### Guaranteed Standard Issue Program

- Multi-Life Discount based on number of participating lives (minimum of 20% available)
- Employer-paid
- Standard coverage for the approved group
- Census needed in Excel format
- Streamlined underwriting
- Portable policies and discounts
- Work with the DI Solutions Center
  - Case consultation and plan design recommendations
  - Customized proposals
  - Pre-filled applications<sup>4</sup>
  - Enrollment and re-enrollment assistance

- Multi-Life Discount based on number of participating lives (minimum of 20% available)<sup>3</sup>
- Upon a qualifying disability, insurance benefits are paid to an irrevocable trust, which are invested according to the investment option chosen by the client (option selected once benefits are approved)
- Maximum benefit amount based on IRS Defined Contribution Guidelines for 2008:
  - Individual Pay: The lesser of 15% of annual earned income or \$3,875 per month (includes \$50 trust administration fee)
  - Employer Pay: The lesser of 19% of annual earned income or \$5,000 per month (includes \$50 trust administration fee)
- Minimum benefit amount: \$1,000 per month
- DI Retirement Security benefits are in addition to current I&P limits (coverage coordinated with other types of retirement disability policies)
- When 15+ lives are involved, work with the DI Solutions Center

Offer?

Offer?

No Yes

No Yes

Re-submit as Fully Underwritten or Simplified<sup>2</sup>  
3+ lives (Multi-Life)

<sup>1</sup> MNSA Disorders Limitation rider required for DI Multi-Life cases in some states; optional on employer-sponsored cases in all other states. Not available in TX.

<sup>2</sup> Simplified Sales Programs are not guaranteed issue. Applications could be rated, ridered or declined. Full underwriting will apply if a significant medical condition is reported by the Medical Information Bureau and not verified in parts A & B of the application, or if any other disability coverage has been issued or applied for on a non-medical basis. Subject to minimum premiums and I&P limits. Financial documentation may be required for certain Multi-Life cases.

<sup>3</sup> Discount can be given when three or more employees with a common employer are covered.

<sup>4</sup> May not be available for all underwriting programs.

<sup>5</sup> DI Retirement Security is issued as a non-cancelable, guaranteed renewable, individual disability income insurance policy. It is not a pension or retirement program or a substitute for such a program. DI Retirement Security is not available for government employees, individuals with Group LTD coverage that includes a "retirement supplement," or anyone who is overinsured based on Principal Life's current Issue and Participation guidelines. It may not be available or the benefit amount may be reduced for certain occupations if there is existing DI coverage with lifetime benefits. Additional underwriting guidelines may apply. DI Retirement Security is subject to state approval in CA. For more information on the trust, go to [http://bankerstrust.com/btportfolios/new\\_home.html](http://bankerstrust.com/btportfolios/new_home.html).

# Multi-life offerings

- **The DI Solutions Center** – Your one-stop resource for multi-life case assistance (for 15+ lives), providing pre-sale marketing support, case design consultation, streamlined underwriting, enrollment advice and services and post-sale support.
- **Standard Issue Program** – Provides standard coverage for an entire group.<sup>1</sup> Discounts available for employer-paid or voluntary employee-paid multi-life cases based on participating lives: 20% for 15 to 49 lives; 25% for 50 to 99 lives; and 30% for 100+ lives (20% maximum in CA). This program gives employees an opportunity to obtain coverage without medical evidence of insurability. If they leave their employer, the policy is portable with continued discounts.
- **Simplified Sales Programs** – Streamlined sales process that promises an underwriting decision within 48 hours once the applications and TeleApp interviews are completed and received – without income verification or routine medical requirements!<sup>2</sup>
- **Multi-Life Discount** – 20% discount off unisex rates for three or more lives with a common employer; stackable with Select Occupation and MNSA discounts.<sup>1,3</sup>
- **Select Occupation Discount** – 10% discount for “select” 5A occupations only: actuaries, architects, attorneys\*, CPAs, engineers, pharmacists and executives earning over \$60,000. Select Occupation discount stackable with either Multi-Life or Association and MNSA discounts.
- **MNSA Disorder Limitation Rider<sup>1</sup>** – 5% discount with 2- or 5-year benefit periods; 10% for all other benefit periods. Limits mental, nervous and substance abuse claims to a lifetime benefit of 24 months on disability income insurance policies only. MNSA discount stackable with the Multi-Life and Select Occupation discounts.
- **DI Retirement Security** – Helps clients continue to make retirement contributions in the event of a qualifying disability. Upon a qualifying disability, Individual DI insurance benefits are paid to an irrevocable trust and invested according to the investment options chosen. At the end of the benefit period, trust assets can be distributed to the client based on the terms of the Trust Agreements<sup>5</sup>.

\*Not available for attorneys in California

## FOR MORE INFORMATION

Contact your local representative.



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