



Learning about individual Disability Income (DI) employee benefit solutions from Principal® is easy. This program profile outlines the key things you need to know.

### How it works

Providing a well-rounded employee benefits program makes sense for many small- to medium-sized businesses. It helps employees feel valued so they're more likely to stay with the company.

One way you can help employers enhance their employee benefits offering is to talk to them about individual DI insurance. Principal offers a variety of underwriting programs to help reach different employers, and typically offers at least a 20 percent Multi-Life discount.<sup>1</sup>

### Multi-life underwriting programs

- **Fully underwritten:** Full underwriting reviews are conducted to be eligible for the maximum benefit amounts are available.
- **Simplified DI multi-life:**<sup>2</sup> Provides benefits, up to a set maximum, with no routine medical requirements.
- **Standard Issue (GSI):** Policies are issued to groups of employees without requiring routine medical inquiries, attending physician statements (APSs) or electrocardiograms (EKGs).
- **Fallback GSI:** Routine medical and financial underwriting are conducted on all eligible employees to provide the opportunity to qualify for the maximum benefit available. If a health concern is identified during underwriting, the employee receives the “fallback” standard issue offer.

Program	Routine medical	APS/EKGs	Financials	Benefits	Discounts
<b>Fully underwritten</b>	No	Yes	Individual W-2 or tax forms required	Up to maximum issue and participation limits	20%: 3 or more lives
<b>Simplified DI multi-life</b>	No	No	Employee census	Up to \$6,000/month	20%: 3 or more lives <sup>2</sup>
<b>GSI</b>	No	No	Employee census	Based on census and participating lives	20%: 10-49 lives <sup>3</sup> 25%: 50-99 lives 30%: 100+ lives
<b>Fallback GSI</b>	Yes	Yes	Employee census	<ul style="list-style-type: none"> <li>• Initially up to maximum issue and participation limits</li> <li>• Fallback GSI offer based on census and participating lives</li> </ul>	20%: 8-49 lives <sup>3</sup> 25%: 50-99 lives 30%: 100+ lives <sup>4</sup>

## Target market

- 3A and above occupation classes
- Has group long-term disability (LTD) coverage
- **Industries:** Manufacturing, banking, pharmaceuticals, IT, engineering, consulting, telecommunications
- **Employer-paid benefits:** Businesses with 10 to 30 participating lives<sup>2</sup> and annual employee incomes of \$75,000+
- **Voluntary benefits:** Businesses with fewer than 250 eligible lives and annual employee incomes of \$35,000+
- **Non-traditional opportunities:** Solutions for part-time employees and 1099 contractors

### Sales tip

Multi-life sales don't need to be part of a formal employee benefits program to offer the 20 percent discount.<sup>1</sup>

## Starting the conversation with employers

Layering DI on top of group LTD can help provide a comprehensive benefits offering. Group LTD is a great foundation for income protection, but for many, especially your highly compensated employees, it may not be enough.

Group LTD typically replaces 60 percent of earnings (up to a monthly benefit), bonus and incentive pay aren't usually covered and benefits are often taxable. Get started by offering a benefits review.

 **Let's connect** | Contact your local representative or visit [advisors.principal.com](https://advisors.principal.com).



[principal.com](https://principal.com)

Disability insurance from Principal<sup>®</sup> is issued by Principal Life Insurance Company, Des Moines, Iowa 50392-0002.

For producer information only. Not for use with consumers or the public.

This information is provided with the understanding that Principal is not rendering legal, accounting or tax advice. You should consult with appropriate counsel or other advisors on all matters pertaining to legal, tax or accounting obligations and requirements.

#### Not FDIC or NCUA insured

May lose value • Not a deposit • No bank or credit union guarantee  
Not insured by any Federal government agency

Principal, Principal and symbol design and Principal Financial Group are trademarks and service marks of Principal Financial Services, Inc., a member of the Principal Financial Group.

JJ1726-03 | 02/2017 | ©2017 Principal Financial Services, Inc.

Not all benefits, features and riders are available in all states or to all occupation classes.

<sup>1</sup> Discount available when three or more employees with a common employer are covered (based on gender-neutral rates). Not available for dental or medical residency programs.

<sup>2</sup> No blood, urine, exams, EKGs or APSs required unless a significant medical condition is reported by MIB, significant medical information is obtained from the TeleApp or other available information, or any other disability coverage has been issued or applied for on a non-medical basis. Applications could be rated, ridered or declined based on all underwriting information available; this is not a guaranteed issue program. Urine/HIV test is required in Maine. Subject to issue and participation limits and minimum premium requirement. In California, if all three applications are not submitted together, we'll require an APS and financials on the first two applications, but not for the third application or any subsequent applications for that case (unless required by the underwriter).

<sup>3</sup> 25 lives required for physicians.

<sup>4</sup> Not available for employer-paid cases.