



Program Profile

Simplified underwriting



Learning about Simplified underwriting for Individual Disability Insurance (IDI) solutions from Principal® is easy. This program profile outlines the key features you need to know.

How it works

Simplified underwriting is just that – simple – for you and your clients. Our goal is to help you get IDI business on the books, quicker and easier. We do that by **eliminating**:

- Routine medical requirements¹, blood, urine, EKGs and APSs
- Financial verification²
- You needing to help clients complete the medical portion (Part B) of the application

Target market

Almost anyone in the working population – under the age of 50³ – is a good candidate for Simplified. Simplified underwriting is available for income and business protection solutions.

Program benefits

- Streamlined underwriting process
- Great foundational coverage up to set monthly caps (all features, riders, etc. available)
- Available for the majority of IDI products:
 - Individual Disability Income (DI)
 - Overhead Expense (OE)
 - Disability Buy-Out (DBO)
 - Key Person Replacement (KPR)⁴

Product and underwriting guidelines

Issue guidelines

	DI	OE	DBO	KPR
Maximum monthly benefit ²	\$6,000 (issue) \$10,000 (participation) ⁵	\$10,000	\$360,000 aggregate	\$360,000 aggregate
Maximum issue ages	50 (single-life)* 64 (multi-life) ³	50	50	50
Occupation classes	All	All*	All*	3A and above

* In California, there are no labs required for Simplified Single-Life cases up to \$6,000/month, but an APS and financial documentation are required. For Simplified OE and DBO, the A occupation is not available.

Simplified is as easy as 1-2-3

Simplified underwriting typically takes place automatically when basic requirements are met. To make sure it's used:

- 1 Complete Parts A and C of the application and any required forms – with appropriate signatures.
- 2 Schedule a TeleApp interview for your client at 888-TeleApp or take advantage of “on demand” interviewing. Indicate that it is a Simplified application and no additional medical requirements are needed.
- 3 Submit the application along with the cover page, Producer Report and any required forms or financials.

What is TeleApp?

It's a time-saving telephone medical interview service. Over the phone, trained Principal professionals guide clients through confidential questions needed to complete the medical portion (Part B) of the application. The average interview takes 15-20 minutes.

Starting the conversation with clients

Below are tips to starting the conversation with prospects about the importance of disability insurance solutions.

Individual protection

Help make income protection relatable. Discuss it as protection for:

- **Mortgage** - Simplified DI is a great way to help clients hold on to one of their biggest assets – their homes. The benefits provided can help them cover their mortgage, premiums for homeowner’s insurance, utility bills and more.
- **Student loans** – For many recent college graduates just starting their careers, student loan payments are a significant responsibility. Simplified DI can help young professionals protect their credit and continue making payments with their DI benefits.
- **Everyday protection** – Explain that this coverage provides a "Plan B" for income replacement. Benefit payments work like a "paycheck" and can be used to pay everyday expenses and keep savings on track – just like their income does when people are healthy and working.

Business owner protection

Keep the conversation with business owners simple and straightforward. Discuss:

- Protecting their **business and personal** income with disability solutions. Start with personal income protection as the foundation and go from there.
- **Employee benefits.** Share how it’s affordable with the 20% Multi-Life Discount.⁶

¹ 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 ME. Subject to Issue & Participation limits and minimum premium requirement. In California, there are no labs required for Simplified Single-Life cases up to \$6,000/month, but an APS and financial documentation are required.

² Financial documentation required when applying for more than the Simplified amounts – this applies for new applications and adjustments, and for the following occupations (regardless of benefit amount being applied for): Real estate agent/broker, mortgage loan originator/broker, residential construction, real estate developer, attorney specializing in real estate and residential construction. Financial documentation is required if the maximum monthly benefit applied for exceeds these guidelines. Or, with disability income, the coverage applied for is greater than \$10,000/month when combined with existing disability coverage (excluding group long-term disability insurance).

³ Higher issue age may be available with underwriting approval.

⁴ Not available in CA. Not approved in all states. Visit www.principal.com/distateapprovals for more information.

⁵ Up to \$10,000/month participation limit (excluding group long-term disability insurance).

⁶ Multi-Life Discount is available when three or more employees with a common employer purchase IDI products. Discount not available for business products in OH.



principal.com

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

Policy and rider descriptions are not intended to cover all restrictions, conditions or limitations. Refer to policies and riders for full details. Riders are subject to state availability. Some riders are subject to additional premium.

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

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.

JJ1123-17 | 07/2017 | ©2017 Principal Financial Services, Inc.

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