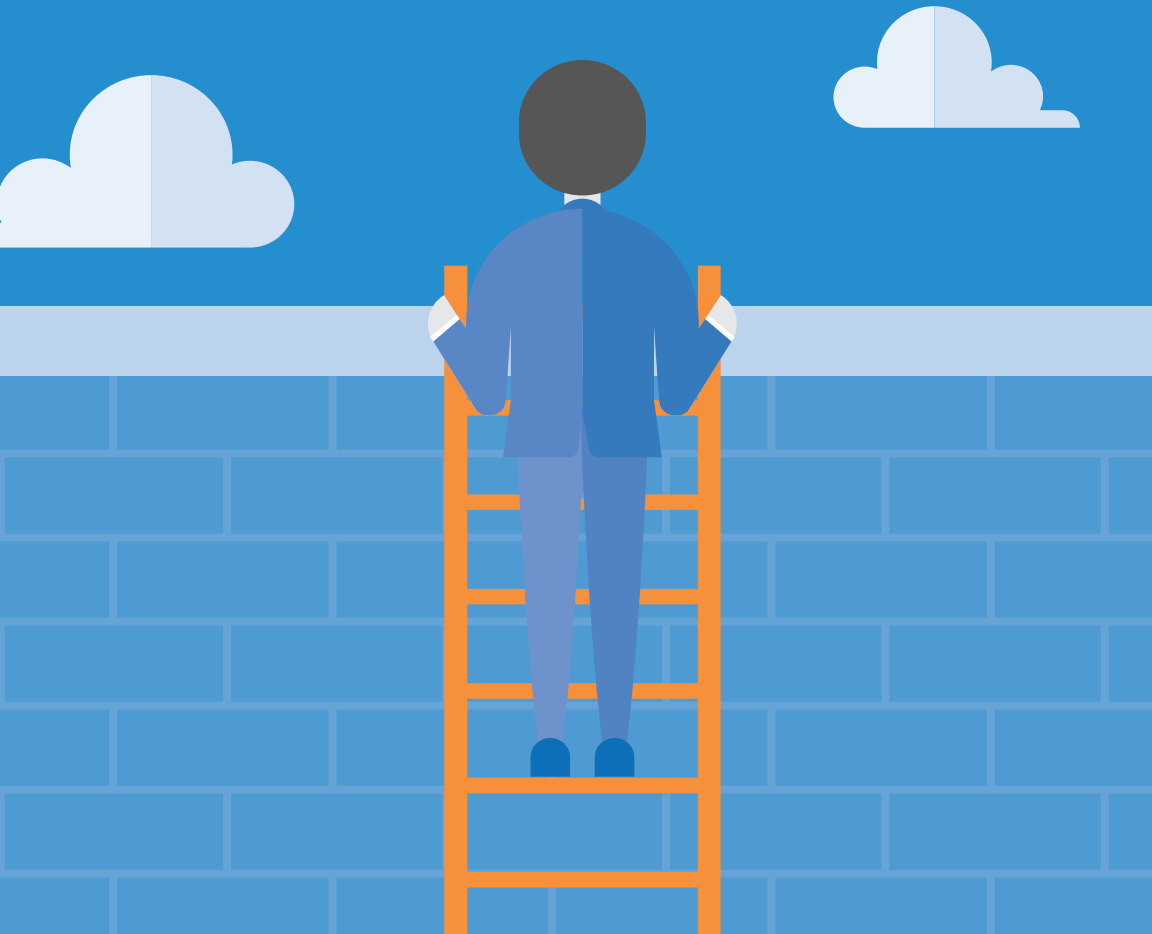


Group benefits

# Looking out for your clients and their employees



# Three simple steps to creating a tailored benefits program with Principal<sup>®</sup>

Your clients want quality benefits. And those benefits need to fit their budget and work for their employees. That's where you come in. You can easily help clients choose what's best for them. Just follow these steps:



## Step 1

### Select products –

Tailor dental, disability, life, vision, critical illness and accident solutions to fit your client's needs.



## Step 2

### Determine who pays for benefits –

Your client can pay all, part or none of their employees' benefits.



## Step 3

### Add enrollment and benefit administration –

Select the right option to make the process simple, accurate and effective.

## When you need help, we're there

You receive the support and resources needed to be at the top of your game. And your clients receive quick responses to their questions and concerns. Need help? Start by contacting your local sales office.

## We're part of your community. We live, work and play beside you.

Being in your market allows us to:

- Understand your market's specific needs
- Create solutions to solve your challenges
- Develop close relationships

## What we offer

	Employer-paid 3+ lives	Voluntary 5+ lives	Self-funded 50+ lives <sup>1</sup>
Dental	❖	❖ <sup>3</sup>	❖
Disability, short-term	❖ <sup>2</sup>	❖	❖
Disability, long-term	❖ <sup>2</sup>	❖	
Life	❖ <sup>2</sup>	❖	
Vision	❖ <sup>2</sup>	❖	❖
Critical illness		❖ <sup>4,5</sup>	
Accident		❖ <sup>4</sup>	

## Participation requirements

	Employer-paid	Voluntary <sup>6</sup>
Dental Disability Life Vision	<ul style="list-style-type: none"> <li>• 100% for non-contributory</li> <li>• 75% for contributory or 3 enrolled employees, whichever is greater</li> </ul>	20% or 5 enrolled employees, whichever is greater
Critical illness Accident	Not available	10% or 5 enrolled employees, whichever is greater

## Dedicated support for clients with 1,000+ employees

Clients with 1,000+ employees often need extra assistance to create and maintain a competitive benefits package.

That's why these employers have a dedicated National Accounts team that includes a specialized underwriting unit, implementation manager and relationship manager. Available services include:

- Absence management resources
- Online Evidence of Insurability (EOI)
- Performance Guarantee Program for the life of the contract

<sup>1</sup> 50 employees if sold with an insured coverage; 1,000 employees if sold standalone.

<sup>2</sup> 3 employees if sold with another coverage; 5 employees if sold standalone.

<sup>3</sup> 5 employees when employer pays less than 50% of employee premium.

<sup>4</sup> Must be sold with another coverage.

<sup>5</sup> 50 employees in Florida and Vermont.

<sup>6</sup> Can be waived for qualified groups. A minimum of 3 enrolled lives per voluntary coverage required. In New York, 50% of eligible lives or 5, whichever is fewer.

# Dental

Each client is one-of-a-kind. We help you treat them that way with customized designs. Simply select the right combination to personalize your client's dental design – whether paid for by them or their employees.

## › Creating a dental design tailored to your client is easy!

### Step 1 | Choose a product.

Preferred Provider Organization (PPO)	<ul style="list-style-type: none"> <li>• Gives members the freedom to choose any dentist – whether inside or outside our network.</li> <li>• In-network dentists offer the most savings. Claims are based on a discounted fee schedule.</li> <li>• Non-network claims are paid based on usual, customary and reasonable (UCR) fees or negotiated discounted fees.</li> </ul>
Network Select <sup>1</sup>	Provides benefits only when employees visit PPO dentists.
Exclusive Provider Organization (EPO) <sup>1</sup>	Provides benefits only when employees visit EPO dentists who greatly discount fees. The EPO network is a subset of our PPO network.
Point of Service (POS) <sup>1</sup>	Determines benefits at time of service, depending on if members visit EPO, PPO or non-network dentists.
Pre-Paid/Dental Health Maintenance Organization (DHMO) <sup>1</sup>	Provides deep discounts for employees but with a smaller network of dentists.

### Step 2 | Select the deductible, coinsurance and maximums.

	Deductible options	Coinsurance options	Maximum options
Preventive	\$0-300	10-100%	\$200-\$3,000
Basic		10-100%	
Major		10-80%	

<sup>1</sup> Limited availability.

### Step 3 | Choose the service category for procedures.

Easily move procedures between service categories to fit your client's budget. You may also customize age limits and frequency of procedures.

Preventive	Basic	Major
Exams / cleanings	X-rays	Crowns Oral surgery Periodontics Endodontics
	Fillings	Dentures Implants

### Step 4 | Enhance your client's dental design with additional features.

**Additional options** – Add coverage for services typically not included in a traditional dental policy: cosmetic services, 100% coverage for dental accidents, dental implants, orthodontia, and temporomandibular joint (TMJ) treatment.

**Maximum Accumulation Plan** – Allows a portion of unused maximum dollars to roll over to the following year. When your client transfers to our plan, we honor employees' former maximums so they won't start over.

**Preventive Passport** – Stretches employees' dental benefits by encouraging routine care which doesn't count against the annual maximum.

**Employee Choice** – Offer two great dental designs using this feature. Employees decide which design to purchase at enrollment.

#### Extra care at no extra cost

Oral health programs are included in all our dental designs. At-risk members receive extra care with the Periodontal Program and Cancer Treatment Oral Health Program. Plus, members can be confident they've received the best advice with the Second Opinion Program.

## › Large network with a nationwide reach

Having access to a large network means happier employees because they have a variety of dentists to choose from. That means that if your client switches to Principal from another carrier, it's likely that fewer employees will need to change their dentists.

#### 113,000+ unique dentists with multiple offices

You have high expectations of the dentists in our network. That's why we regularly review dentists to make sure they're providing excellent care and their procedure costs are in line with what other dentists are charging.

Our network ranks #1 in size in many metropolitan statistical areas.<sup>2</sup>

<sup>2</sup> April 2016 Strenuus data. Strenuus is a network comparison tool of national competitors.

# Disability

Knowing the ins and outs of disability coverage lets you design programs that meet clients' specific needs. Our flexible options make customization easy!

Enjoy one-stop shopping for disability coverage: Make sure your clients have both group short-term disability (STD) and long-term disability (LTD). Then enhance their benefit package by adding individual disability insurance.

## › One small word makes a big difference

Just one word can determine when – or if – an employee qualifies as disabled. That word is “or.” Using our “or” definition of disability, employees qualify for benefits by meeting either of the following criteria:

Unable to perform the majority of substantial duties of their own job (for STD) and occupation (for LTD).

or

Unable to earn 80% of their pre-disability income

This means that employees who are not **totally disabled** may still qualify from day one.

## Short-term disability

**We use an “own job” definition of disability instead of the more common “own occupation.”**

**What's the difference?** Most carriers expect employees on STD leave to return to their **original job**. We look at the **job** they're performing on the date of disability, not the broader **occupation**.

- Standard and optional features – Choose from a range of benefit percentages, maximum benefits, elimination periods, benefit payment periods and more.
- Incremental benefits – Gives employees the power to purchase a specific benefit amount that fits their budget.

## Long-term disability

- Standard and optional features – Choose from a range of benefit percentages, maximum benefits, elimination periods, own occupation periods, benefit payment periods, work and rehabilitation incentive benefits, and more.
- Bonus-up plan – Increases employees' income replacement by including the cost of coverage in their income.
- Incremental benefits – Gives employees the power to purchase a specific benefit amount that fits their budget.

We make it easy for employees on claim to get help and return to work.

## Getting employees back on their feet – and back to work

Our Return-to-Work Resources<sup>SM</sup> program offers personal rehabilitation plans, work and rehabilitation incentives, and reasonable accommodation benefits.

## Personalized claim services

Each employee receives the right services at the right time. Employees receive expert assistance from:

- Occupational associates – Assist with job development and placement.
- Claim specialists – Serve as the main points of contact and identify appropriate options.
- Social Security advocates – Assist with filing for Social Security Disability Insurance.

## Claims – it's all in the details

Employees can:

- Submit and view claims online 24 hours a day
- Submit a single form for STD and LTD claims
- Receive electronic funds transfer for LTD monthly disability benefit payments

And for routine STD claims, most common conditions are approved with set timeframes and expectations for returning to work.

## › Business owner solutions

Help business owners get the protection they need to help their business run if a disabling illness or injury keeps them from working.

Business owners can be confident in their coverage thanks to our standard definition of compensation. This definition covers the owner's share of the net profits plus his or her salary, averaged over the last two years.

Principal also offers individual disability solutions to help business owners protect their income, business and employees from the threat of a disability.

**Absence management resources** – Be compliant with FMLA laws.

Keeping up with and administering employees' leaves of absence can be challenging.

Clients have fewer worries interpreting federal and state laws when using Principal Absence Management. They'll know decisions are compliant and consistent with disability and Family and Medical Leave Act (FMLA) administration. Employers with 150+ employees and short-term disability coverage from Principal are eligible for these services.

**Employee Assistance Program (EAP)**<sup>1</sup> – Count on help when employees need it.

From concerns like decreasing stress to more complex issues such as divorce, the Employee Assistance Program provides recommendations and information to help employees with life's everyday, and not so everyday, challenges. Employees and their immediate families have access to free, confidential service, as well as referrals to supportive and community resources.

Choose from three service levels: Core, Enhanced and Premier.

<sup>1</sup> Not available with self-funded coverage.

# Life

Employers, employees and beneficiaries all have different needs for life insurance. Find the solution that satisfies everyone with our flexible products. Then add Accidental Death & Dismemberment coverage to give employees even more benefits.

	Group Term Life	Voluntary Term Life
Employee benefits	Flat, percentage of salary or combination	Increments or percentage of salary
Coverage amounts	Up to \$1 million	Up to \$500,000
Guaranteed coverage	Available	Available
Waiver of premium	Available with a choice of definition of disability, elimination periods and duration options	Available with a choice of definition of disability, elimination periods and duration options
Accelerated benefits	75% of benefit up to \$250,000 <sup>1</sup> (available in most states)	75% of benefit up to \$250,000 <sup>1</sup> (available in most states)
Optional dependent coverage	Flat benefits for spouse and children up to age 26	Flat benefits for spouse and children up to age 26 <ul style="list-style-type: none"> <li>• Up to \$250,000 for spouse</li> <li>• Up to \$25,000 for children</li> </ul> Guaranteed coverage
Conversion	Employees and dependents can purchase individual insurance if coverage terminates.	Employees and dependents can purchase individual insurance if coverage terminates.
Portability	Not applicable	Options include: to age 70, three or five-years

## Accidental Death & Dismemberment (AD&D)<sup>2</sup>

- Can add to group term life for employees or voluntary term life for employees and spouses
- Core benefit is paid for loss of life, hands, feet, thumb and index finger, or vision as a result of an accident
- Optional packages include:
  - › Standard– seatbelt/airbag, education, repatriation, loss of use/paralysis, loss of speech and/or hearing, exposure, disappearance
  - › Family– child care, spouse career adjustment
  - › Transportation– helmet, public transportation

## › Getting benefits sooner

Helping individuals receive the benefits promised – as quickly and easily as possible – is our top priority. Often, a benefit check can be received sooner. For qualified claims up to \$50,000, we can gather information over the phone – without your client submitting a claim form or death certificate. Beneficiaries are then able to manage financial responsibilities a little easier.

With online claim submission, employers and beneficiaries can easily submit claims 24/7.

## Extra features<sup>3</sup> – at no extra cost to your client

<b>Travel assistance<sup>4</sup></b> Helps employees ease some of the worries of traveling – whether in the U.S. or internationally.	Employees, their spouses and dependent children have access to a variety of services, including travel and medical assistance plus emergency medical evacuation benefits. Assistance is available for travel 100+ miles away from home for up to 120 consecutive days. Available with group term life insurance only.
<b>Will and legal document center<sup>5</sup></b> Lets employees create simple legal documents online.	These online resources and tools are easy-to-use. Employees and their spouses can create essential legal documents – such as a will, living will, healthcare power of attorney, durable power of attorney, and medical treatment authorization for minors. Plus, they can access estate planning tools and a personal information organizer.
<b>Identity theft kit<sup>5</sup></b> Lets employees be proactive in protecting one of their most important assets – their identity.	If employees' identities are stolen, despite their best efforts, they'll get valuable tips on how to restore it.
<b>Beneficiary support</b> Helps those coping with the death of a loved one.	Beneficiaries receive help coping with the emotions and financial decisions that surface when a loved one dies. Services include grief support and a financial review. Spouses and dependents also receive three months of free online will preparation services.

<sup>1</sup> Available to qualified terminally ill employees. Death benefits are reduced by the amount of any accelerated benefits received. Because of possible tax consequences, employees should contact a tax advisor before receiving accelerated benefits. Receipt of the accelerated death benefit may affect eligibility for public assistance programs.

<sup>2</sup> In some states, certain provisions listed as AD&D may be paid as a personal loss benefit.

<sup>3</sup> These products and services are not part of the insurance contract and may be changed or discontinued at any time. Principal is not liable for products and services provided by third parties.

<sup>4</sup> Participants are responsible for any incurred fees or expenses.

<sup>5</sup> The use of these services should not be considered a substitute for consultation with an attorney.

# Vision

It's simple and affordable. Vision insurance is easy for employers to administer and can fit all budgets. Recommend that clients round out their employee benefits package with either managed care vision or scheduled coverage. Both are available to employees and dependents to age 26.

## › Managed Care Vision

- An established network of VSP providers, including both independent providers and retail chains
- Discounts and special offers on name-brand eyewear
- Cost savings on qualifying vision procedures and screenings

### Managed Care Vision features

<b>Exams<sup>1</sup></b>	Covered in full after \$10 copay every 12 months
<b>Prescription glasses</b>	
Lenses – One pair covered every 12 months	\$10 or \$25 copay
Frames – Covered up to \$150 every 12 or 24 months	
<b>Elective contacts</b>	Covered in full after \$60 copay every 12 months
Fitting and evaluation services	
<b>Elective contacts</b>	Covered up to \$150 every 12 months
Materials	
<b>Necessary contacts</b>	Covered in full after \$10 or \$25 copay every 12 months

## › Scheduled Vision

- No deductibles, co-payments or networks
- Discounts available when using a VSP provider
- Employees can visit the provider of their choice
- Benefit amounts available in \$5 increments

<sup>1</sup> Materials only benefit designs are available that include prescription glasses and contacts but not exams.

# Supplemental benefits

Help clients enhance their benefits program with critical illness and accident insurance. They pay lump-sum tax-free<sup>1</sup> cash benefits directly to employees, regardless of other insurance coverages or actual expenses. The purchase process is straightforward for employers and employees with our simplified product designs.

## › Critical illness

Critical illness insurance covers the most common serious illnesses: cancer, heart attack, stroke, major organ failure and coronary artery bypass graft. When a covered employee or family member is diagnosed with a specific critical illness, they receive a cash benefit to use any way they want.

- Benefit amounts up to \$100,000.
- Guaranteed coverage.
- Multiple payouts - Covers additional occurrences of the same or different illnesses when separated by 12 months. The same illness must be 12 months treatment free.
- Maximum lifetime benefit - Two times the scheduled benefit.
- Optional: dependent coverage, wellness benefit and portability.

## › Accident

Accident insurance pays an up-front benefit based on covered injuries received because of an accident. It's not dependent on services, tests or treatments, so a covered employee or family member can get paid right away with less paperwork. And there's no guesswork about the benefit amount.

- Covers burns, comas, concussions, dental or eye injuries, dislocations, fractures, internal injuries, and disc/knee cartilage/tendon/ligament/rotator cuff injuries.
- Choice of 24-hour coverage or off-the-job only.
- Optional: dependent coverage, accidental death and dismemberment (AD&D) benefit, wellness benefit and portability.

<sup>1</sup> Based on current federal income tax laws, if insurance premiums are paid with after-tax dollars, the benefits are received income-tax-free.

ACCIDENT AND CRITICAL ILLNESS INSURANCE PROVIDE LIMITED BENEFITS. Some provisions are not available in all states. Critical illness or accident must be sold with another Principal group product.

# Fast, convenient and simple ways to manage group benefits

## › Education and enrollment

More employee participation. Less work for you and your clients. That's what our education and enrollment programs are all about. Clients can tailor programs to meet their specific needs. They choose the best way to:

- Educate employees about benefits – group or one-on-one meetings
- Enroll in benefits – online, paper or census

And when it's time to promote enrollment, clients have access to customized materials, enrollment books and forms. Most items are also available in Spanish.

## The right program gets results

Because our enrollment programs produce successful results, we may waive product participation requirements for qualified groups. A minimum of three enrolled lives per coverage is required.<sup>1</sup>

Help your clients choose from three online enrollment options.

eBenefits Edge suite of products	Enrollment Exclusive	Enrollment PLUS1	Total Management
	Enroll in group benefits from Principal.	Enroll in group benefits from Principal + medical coverage from another provider.	Enroll and administer benefits – from Principal and all other providers – no matter how many are used.
Minimum number of eligible employees	20	50	50
Cost	Free	Single per-employee fee	50-74 employees – flat monthly fee 75+ employees – per employee per month fee
Principal product(s) needed to qualify	1	2 for employers with 75+ employees 3 for employers with 50-74 employees	2 for employers with 75+ employees 3 for employers with 50-74 employees

<sup>1</sup> In New York, 50% of eligible lives or 5, whichever is fewer.

## › Online benefits administration

To help clients and their employees manage benefits, two options for online administration are available 24/7. You can help clients with benefits administration. Just ask them to grant you access to all features.

- **eService** – This free service, for use after enrollment, lets employers manage their Principal benefits.
- **Total Management** – This competitively priced service is used for both enrollment and ongoing administration. It consolidates the client's benefits into a single system – no matter how many providers are used.

	eService	Total Management
Products supported	Any Principal group product	Products from all benefit providers
Eligible products	All standard accounting products available	Employer-paid, contributory or voluntary. Medical, dental, disability, life, vision, supplemental, flex, 401(k) and COBRA (support only)
Minimum number of eligible employees	No minimum	50
Cost	Free	50-74 employees – flat monthly fee 75+ employees – per employee per month fee
Principal product(s) needed to qualify	1	2 for employers with 75+ employees 3 for employers with 50-74 employees

## Free Electronic Data Interchange (EDI) services

Have clients who already use a payroll, human resource information system (HRIS) or other system? Recommend our EDI services. Best of all, there's no additional cost.

Clients with at least 50 enrolled employees can securely transmit employee benefit information from their system to ours.

Clients receive:

- Flexibility – Most file formats are accommodated.
- Security – They select from four secure options to transmit data, including a web-based option that eliminates the need to invest in encryption software.
- Data accuracy – Full data files are accepted to ensure a complete match of every file.

# An employee benefits leader you can count on.

## A little bit about Principal

Principal helps people and companies around the world to build, protect and advance their financial well-being with our retirement, insurance and asset management expertise.

- Ranked 227th on Fortune magazine's list of the Largest 500 Corporations based on revenues. (June 2017)
- Principal Life has been rated A or higher for over 75 years by A.M. Best Company<sup>1,2</sup>
- Principal Life has strong financial ratings from A.M. Best Company, Moody's Investors Service, S&P Global and Fitch Ratings<sup>1</sup>

## Set your clients up for success

Working with us for clients' employee benefit solutions, you're able to take advantage of our knowledge, experience and commitment to service.

- 67,000+ employer relationships with 3.5 million covered members
- Ranked as the No. 3 provider of group benefits (dental, life and disability) insurance based on 2016 LIMRA data on fully insured employer contracts in force. (May 2017)



Contact your local sales representative or go to [advisors.principal.com](http://advisors.principal.com).

<sup>1</sup> Ratings reflect each rating agency's opinion of our financial strength, operating performance and ability to meet our obligations to policyholders and are not a rating of securities nor a recommendation to buy, hold, or sell any security, including our common stock.

<sup>2</sup> A.M. Best data and research. Ratings as of May 31, 2017. "A" is the third highest of 13 rating levels used by A.M. Best Company to rate life insurers. BEST'S REVIEW, July 2017.







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Insurance issued by Principal Life Insurance Company, 711 High Street, Des Moines, IA 50392.

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