

Principal® strives to provide a competitive individual disability insurance portfolio. From time to time, we make changes to our guidelines. The following changes are effective Monday, February 6, 2017:

- The Simplified single-life disability income (DI) monthly benefit increases to \$6,000.<sup>1</sup>
- DI Retirement Security monthly benefit limits increase to \$4,550 for individual paid and \$5,850 for employer paid<sup>2</sup>.
- Several occupations are re-classified for all disability products:
  - 5A: Pharmacists
  - 4A-M: Nurse practitioners
  - 3A-M: Dentists and dental specialties, OB/GYNs, surgeons (general, plastic and orthopedic), pain management physicians and CRNAs
- All 3A-M occupations now qualify for the Regular Occupation rider (in approved states)<sup>3</sup>.
- [Individual DI maximum issue and participation \(I&P\) limits](#) for all -M occupations change:
  - For ages 18-55:
    - Issue limit: \$17,000.<sup>4</sup>
    - Participation limit with other individual disability coverage: \$25,000.
    - Participation limit with other group disability coverage: \$30,000.
  - For ages 56 to 60: The I&P limits are \$17,000.
  - For ages 61+: The I&P limits are \$10,000.
- The 10% Affiliation Discount<sup>5</sup> (sex-distinct rates) is used for medical and dental residency programs with three or more lives (new and existing cases). The 20% Multi-Life Discount (unisex rates) is no longer available for these programs.
- For the Select Professional Program, the Select Professional Limit:
  - Will be issued without taking group disability coverage into account during the first 180 days in practice for doctors and dentists.
  - Is \$6,500/month for anesthesiologists and emergency medicine occupations.

#### Transition guidelines

Business quoted before Saturday, February 4th will not have these changes applied as long as applications are received before Wednesday, March 22nd. Applications received after March 22nd will be issued under these guidelines.

#### What you'll see Feb 4th

- Enhanced look and feel of key reports across multiple products
- I&P limits for -M occupations
- Simplified single-life limit

#### What you'll see by March 1st

- Age-specific I&P limits
- Updated search function in the Occupation Guide
- Updated occupation-related wording regarding the Regular Occupation rider

## What you'll see Feb 4th

- 10% Affiliation Discount<sup>5</sup> for residency cases

## What you'll see by March 1st

- Group disability calculation for medical and dental occupations as clients enter private practice
- DI Retirement Security limits (will appear after March 1st)

We've recently made changes to our I&P limits for our –M occupations; changes are highlighted in blue.

Occupation class	Ages	Issue Limit	Participation with other individual DI	Participation with group disability
6A <sup>2</sup> , 5A, 4A, 3A	18-61+	\$20,000	\$35,000	\$35,000
	18-55	\$17,000	\$25,000	\$30,000
5A-M, 4A-M <sup>3</sup> , 3A-M <sup>3</sup>	56-60	\$17,000	\$17,000	\$17,000
	61+	\$10,000	\$10,000	\$10,000
2A	18-61+	\$8,000	\$10,000	\$10,000
A	18-61+	\$6,000	\$8,000	\$8,000

<sup>1</sup> In California, Simplified single-life DI is not available; APS and financials are required for all DI applications (except Simplified multi-life DI cases).

<sup>2</sup> Includes \$50 trust administration fee.

<sup>3</sup> Not available in California or Vermont.

<sup>4</sup> The Future Benefit Increase (FBI) limit for 3A-M is now \$14,000.

<sup>5</sup> This is a sex-distinct discount. If the Affiliation Discount is not approved in the state written, the Association Discount is used. This applies to new programs and any existing programs when new residents and students are being added. For state approval information, visit [www.principal.com/distateapprovals](http://www.principal.com/distateapprovals).