

Easier underwriting for graduating medical residents

Our new medical resident program is exclusively designed for residents who need their individual Disability Income (DI) insurance to keep pace with their growing income once they begin to work or sign an employment contract. This program lets them purchase higher benefit amounts with no lab requirements.

How does the medical resident program work?

Eligibility requirements —

- Includes medical residents only¹.
- Graduating in the current year applying for additional DI coverage².
- Applying for DI coverage between Jan. 1 – Sept. 30 of the graduation year.

Application process —

- Complete the new business application³ and order the TeleApp.
- Note on the Producer Report that it's part of the medical resident program.
- No lab tests are required (no blood or urine).
- The benefit limit is either:
 - › The appropriate Select Professional limit for the doctor's situation and specialty;
 - or
 - › If residents have a signed employment contract, they can apply for the full issue and participation limits — financial underwriting using the employment contract is required.

After-graduation options — If medical residents have a job or employment contract — and already have DI coverage with Principal, they can apply for an:

- **Adjustment application without lab tests** — and TeleApp results are still acceptable for 180 days. This saves the Advanced Benefit Update (BU) for future use, which has these benefits:
 - › Insured residents still have three years to use the BU opportunity.
 - › They can gradually increase their coverage as their lifestyle changes, rather than making a dramatic increase in monthly benefits at once.
- **Advanced BU without lab tests.** Insured residents are eligible for the full issue and participation limit available for their new income level. But, they must accept at least 50% of this full offer or lose all future BU opportunities.

Transition guidelines — Underwriting will review:

- Any pending medical-resident cases applied for after Jan. 1, 2019.
- Issued DI cases for 2019 medical graduates on a case-by-case basis. Note that underwriting won't proactively search for these medical-resident cases, so you'll need to alert them for a review.

20% Multi-Life Resident Discount⁴

It's available when three or more medical residents, fellow, interns or students from the same institution buy DI coverage from Principal®.

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- ¹ **Dental residents are not included in this program.**
 - ² **Not available to medical residents who graduated prior to 2019.**
 - ³ **The application can be modified or declined — it's not a Guaranteed Standard Issue offer.**
 - ⁴ **The Multi-Life Resident discount is based on sex-distinct rates. It requires three or more medical residents/fellows/interns/students from the same institution. It excludes staff physicians.**



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A program for select professionals

Know any young professionals, students or residents whose income is expected to increase quickly? Then consider the Select Professional program from Principal®. It offers higher benefit amounts to help address their changing needs.



The program:

- Allows certain professionals to qualify for higher individual Disability Income (DI) insurance benefit amounts without requiring routine medical requirements or financial documentation.¹
- Offers special limits for DI Retirement Security and Overhead Expense insurance without requiring financials.

Guidelines for specific occupations

Monthly issue and participation limits

Occupations	Occupation class factors	Individual DI	Overhead Expense ³	DI Retirement Security
Architect (degreed)	First two years as business owner	\$4,000	\$10,000	\$1,000
Attorney	First two years in practice	\$4,000	\$10,000	\$1,000
	Law student – third or fourth year	\$2,000	Not available	\$1,000
Certified Public Accountant (CPA)	First two years as business owner	\$4,000	\$10,000	\$1,000
Certified Registered Nurse Anesthetist	First two years in practice	\$2,500	\$10,000	\$1,000
Dentist ²	D.D.S. specialists – first two years in practice	\$6,000	\$10,000	\$1,000
	D.D.S. specialist residents/interns/fellows: • Within 180 days of completing the last of their residency, internship or fellowship • First through last year	\$6,000	Not available	\$1,000
		\$4,000	Not available	\$1,000
		\$5,000	\$10,000	\$1,000
	Dental students: • Within 180 days of entering private practice • Third or fourth year	\$5,000 \$2,500	Not available Not available	\$1,000 \$1,000
Doctor ²	Specialists – first two years in practice			
	• Anesthesiologist and Emergency Medicine	\$6,500	\$10,000	\$1,000
	• Other Specialists (Cardiologist, Dermatologist, Gastroenterologist, Hematologist, Oncologist, Ophthalmologist, Orthopedic Surgeon, Otolaryngologist, Neonatologist, Neurosurgeon, Pathologist, Radiologist and Urologist)	\$7,500	\$10,000	\$1,000
	Specialist residents/interns/fellows:			
	• Within 180 days of completing the last of their residency, internship or fellowship as:			
	> Anesthesiologist and Emergency Medicine	\$6,500	Not available	\$1,000
	> Other specialists (listed above)	\$7,500	Not available	\$1,000
	• First through last year	\$5,000	Not available	\$1,000
	Other M.D., D.O. – first two years in practice	\$6,500	\$10,000	\$1,000

Occupations	Occupation class factors	Monthly issue limits		
		Individual DI	Overhead Expense ³	DI Retirement Security
Doctor (continued)	Other M.D., D.O. residents/interns/fellows:			
	• Within 180 days of completing the last of their residency, internship or fellowship	\$6,500	Not available	\$1,000
	• First through last year	\$5,000	Not available	\$1,000
	Medical students – third or fourth year	\$2,500	Not available	\$1,000
Engineer (degreed)	First two years as business owner	\$4,000	\$10,000	\$1,000
Nurse Practitioner/Physician Assistant	First two years in practice	\$3,000	\$10,000	\$1,000
Optometrist	First two years in practice	\$4,000	\$10,000	\$1,000
	Optometry student – third or fourth year	\$2,000	Not available	\$1,000
Ph.D. Psychologist	First two years as business owner	\$3,000	\$10,000	\$1,000
Podiatrist	First two years in practice	\$2,500	\$10,000	\$1,000
	Resident/intern – first through last year	\$1,500	Not available	\$1,000
Pharmacist	First two years in practice	\$4,000	\$10,000	\$1,000
	Resident/intern – first through last year	\$2,000	Not available	\$1,000
	Pharmacy student – last two years	\$2,000	Not available	\$1,000
Veterinarian	First two years in practice	\$4,000	\$10,000	\$1,000
	Resident/intern – first through last year	\$2,000	Not available	\$1,000
	Veterinary Student – third or fourth year	\$2,000	Not available	\$1,000

Sales idea

When working with select professionals, promote the advance option features of our Benefit Update rider which is available with individual DI insurance policies at no additional cost.

To be eligible for an advance update, clients must have:

- Lost their group long-term disability (LTD) insurance because of a change in employment, or their employer has discontinued or reduced the group LTD insurance benefit amount.
- At least a 20%⁴ permanent and sustainable increase in earnings since the later of the policy issue date or their last adjustment to increase total disability benefits. (Many Select Professional occupation clients fall into this category.)

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JJ1251-16 | 03/2017 | © 2017 Principal Financial Services, Inc.

¹ A TeleApp must be used to take advantage of the \$6,000/month issue and participation limit. A blood profile and urinalysis are required for Individual DI insurance benefit amounts greater than \$6,000/month (issued and applied for with all companies within 180 days of the application date).

² When applying for Select Professional limits on doctors and dentists, the Individual DI insurance benefit is issued without taking into consideration any group disability coverage associated with their residency program or their current employer within their first 180 days in private practice.

³ Need to have business ownership to qualify for Overhead Expense insurance.

⁴ 50% in non-approved states; visit www.principal.com/distateapprovals for details.