



Individual disability insurance

Underwriting guidelines at-a-glance

DI maximum issue and participation limits ¹				
Occupation class	Ages	Issue limit	Participation with other IDI	Participation with group LTD
6A, 5A, 4A, 3A	18-60	\$35,000	\$35,000	\$35,000
	61+	\$20,000	\$35,000	\$35,000
6A-M, 5A-M, 4A-M	18-55	\$30,000	\$30,000	\$35,000
	56-60	\$17,000	\$17,000	\$17,000
	61+	\$10,000	\$10,000	\$10,000
3A-M	18-55	\$20,000	\$30,000	\$35,000
	56-60	\$17,000	\$17,000	\$17,000
	61+	\$10,000	\$10,000	\$10,000
2A/2A-M	18-61+	\$8,000	\$10,000	\$10,000
A/A-M	18-61+	\$6,000	\$8,000	\$8,000

Note: These limits are for new business policies only. May require an additional policy to reach these limits when adjusting. These limits do not include Catastrophic Disability Benefit rider amounts or DI Retirement Security.

DBO maximum issue and participation limits ⁵					
Elimination period	Occupation classes				
	6A ² , 5A, 4A, 3A	5A-M, 4A-M	3A-M	2A	A
Lump sum					
365 day	\$1.5 million	\$1.25 million	\$1.25 million	\$750,000	\$250,000
540 day	\$1.75 million	\$1.5 million	\$1.5 million	\$1 million	\$500,000
730 day	\$2 million	\$1.5 million	\$1.5 million	\$1.25 million	\$750,000
Monthly benefit factors 24 and 36					
365 day	\$1.75 million	\$1.5 million	\$1.25 million	\$1.25 million	\$500,000
540 day	\$2 million	\$1.5 million	\$1.5 million	\$1.5 million	\$750,000
730 day	\$2.5 million	\$1.5 million	\$1.5 million	\$1.75 million	\$1 million
Monthly benefit factor 60					
365 day	\$2 million	\$1.5 million	\$1.25 million	\$1.5 million	\$500,000
540 day	\$2.5 million	\$1.5 million	\$1.5 million	\$1.75 million	\$750,000
730 day	\$3 million	\$1.5 million	\$1.5 million	\$2 million	\$1 million

OE maximum issue and participation limits						
Occupation classes	Elimination period	Monthly benefit factor				
		12	15	18	24	30
5A/5A-M, 4A/4A-M and 3A/3A-M	30 day	\$30,000				
	60/90 day	\$50,000	\$40,000		\$30,000	
2A/A	30/60/90 day	\$10,000				
BLP ⁶ rider maximum issue and participation limits						
Occupation classes		5A/5A-M – 3A/3A-M preferred				
Maximum monthly benefit issue limit		\$20,000				
Maximum monthly participation limit		The amount of the monthly loan obligation				
Maximum aggregate benefit issue limit		\$2,000,000				
Maximum aggregate participation limit		The total aggregate loan obligation				

KPR ⁶ maximum limit	
Occupation classes: 5A/5A-M – 3A/3A-M – \$500,000 lump sum	
Up to \$750,000 when monthly benefits are combined with a lump sum.	

DIRS maximum issue and participation limits	
Individual pay (non-taxable)	\$4,550/month ⁷
Employer pay (taxable)	\$5,850/month ⁷

Exam requirements based on height/weight				
Height	Weight			
	Rating percentage increase			
	25%	50%	75%	100%
5'0"	174	190	200	211
5'1"	180	197	207	218
5'2"	186	203	214	225
5'3"	192	210	221	232
5'4"	198	216	228	240
5'5"	205	223	235	247
5'6"	211	230	242	255
5'7"	217	237	250	263
5'8"	224	244	257	270
5'9"	230	251	265	278
5'10"	237	259	273	287
5'11"	244	266	280	295
6'0"	251	274	288	303
6'1"	258	281	296	312
6'2"	265	289	305	320
6'3"	272	297	313	329
6'4"	279	305	321	338
6'5"	287	313	330	347
6'6"	294	321	338	356

All states¹ – Medical requirements for OE and BLP rider phone or online competition² of Part B

Benefit amount	Ages 18-50	Ages 51+
Up to \$25,000		
\$25,001+		

¹ In CA and NY, there are no labs or physical measurements for OE and BLP (in NY) up to \$10,000/month benefit on ages 18-50.

² Producer-completed Part B requires APS and labs for all ages and amounts, para-med over \$7,500 for all ages.

All states¹ – Medical requirements for DBO and KPR phone or online completion² of Part B

Benefit amount	Ages 18-50	Ages 51+
Up to \$100,000		
\$100,001 to \$750,000		
\$750,001+		

¹ In CA and NY, there are no labs or physical measurements for DBO and KPR (in NY) up to \$100,000 and from \$100,000 - \$360,000/month benefit for ages 18-50.

² Producer-completed Part B requires APS, labs & para-med over \$200,000 for ages 18-50, over \$50,000 for Ages 51+.

Group supplement limits

- Available to all occupation classes, associations and government employees
- To determine the amount of Individual coverage, subtract 70% of the LTD monthly benefit from the individual pay issue and participation limit. This is only available with employer-paid taxable group LTD

Financial verification requirements

Income documentation⁸ is required:

- For any application not using Part B phone or online
- For benefit amounts applied for that are greater than the Simplified underwriting limits—this applies for new applications and adjustments.
- If an aggregate benefit amount applied for is more than \$360,000, regardless of age

Disability Income (DI)

In addition to the above, the following income documentation is required if benefit amount applied for is more than \$6,000 without existing disability coverage or if benefit amount applied for and other coverage inforce or pending (excluding group long-term disability) exceeds 10,000/month, as well as:

- Single-life case – if over age 50 for all benefit amounts applied for
- Multi-life case – if over age 64 for all benefit amounts applied for
- In California for all single-life cases (regardless of the benefit amount applied)
- Two years of financials for the following occupations (regardless of the amount being applied): real estate agent/broker, mortgage loan originator/broker, residential construction, and real estate developer

Disability Buy-Out (DBO)^{4,5}

- Disability Buy-Out statement must be submitted with the application
- Profit and loss (income) statement (year-to-date)
- Past two years’ business federal income tax returns
- Current balance sheet

Overhead Expense (OE) and Business Loan Protection (BLP) rider

- Overhead Expense statement must be submitted with the application
- Prior year’s business federal income tax return or profit and loss statement for the last 12 months—if in force and applied for OE exceeds \$10,000/month with all companies
- If the BLP rider is on the policy, submit a copy of the loan contract agreement

Key Person Replacement (KPR)

- Application supplement must be submitted with the application
- Non-owner – W-2 or third-party verification of salary and bonus (not employer letter)
- Owner – same financials as required for DI

DI Retirement Security (DIRS)

- Application supplement must be submitted with the application
- No financials required if applying only for DIRS (except in CA)
- Income documentation (as noted in the above DI section) required if applying for DIRS and DI

Unearned income

If unearned income is less than 20% of earned income, do not reduce the benefit amount available to the client. If it is more than 20% of earned income, calculate the monthly average of the amount over the 20% allowance. Reduce the maximum total benefit available to the client by 50% of this amount.

Use the chart at left to determine if your client’s height/weight requires a rating. A weight that is greater than those listed under the 100% column is considered uninsurable. In order for weight loss to be included in the total weight, the weight must be kept off for 12 months; otherwise, add half of the weight loss back into the total weight.

- No routine medical requirements
- Blood profile, urinalysis, physical measurements

DI issue and participation limits								
Annual earned income	Individual pay			Employer pay			Group supplement limits with LTD	
	Maximum disability benefit	Maximum SIS	Total benefit	Maximum disability benefit	Maximum SIS	Total benefit	Individual pay	Employer pay
\$15,000	\$300/mo	\$700/mo	\$1,000/mo	\$450/mo	\$700/mo	\$1,150/mo	\$1,000/mo	\$1,100/mo
16,000	325	725	1,050	475	725	1,200	1,050	1,175
18,000	400	750	1,150	600	750	1,350	1,150	1,300
20,000	500	775	1,275	675	800	1,475	1,275	1,450
24,000	625	875	1,500	875	875	1,750	1,500	1,725
30,000	1,000	900	1,900	1,150	1,000	2,150	1,850	2,150
36,000	1,250	900	2,150	1,575	1,000	2,575	2,200	2,575
40,000	1,500	950	2,450	1,800	1,050	2,850	2,450	2,850
48,000	1,725	1,075	2,800	2,325	1,075	3,400	2,900	3,400
50,000	1,825	1,100	2,925	2,450	1,100	3,550	3,050	3,550
52,000	1,875	1,125	3,000	2,575	1,125	3,700	3,150	3,700
60,000	2,225	1,175	3,400	3,000	1,250	4,250	3,600	4,250
70,000	2,550	1,250	3,800	3,550	1,400	4,950	4,300	4,950
80,000	2,850	1,350	4,200	4,075	1,575	5,650	4,500	5,650
90,000	3,350	1,400	4,750	4,350	1,650	6,000	5,200	6,175
100,000	3,800	1,400	5,200	5,060	1,650	6,710	5,825	7,150
110,000	4,190	1,400	5,590	5,580	1,650	7,230	6,450	7,905
120,000	4,580	1,400	5,980	6,150	1,650	7,800	7,070	8,685
130,000	4,945	1,400	6,345	6,565	1,650	8,215	7,590	9,360
140,000	5,310	1,400	6,710	7,035	1,650	8,685	8,370	10,220
150,000	5,775	1,400	7,175	7,450	1,650	9,100	8,840	11,025
160,000	6,245	1,400	7,645	8,075	1,650	9,725	9,360	11,620
170,000	6,710	1,400	8,110	8,645	1,650	10,295	9,880	12,300
180,000	7,180	1,400	8,580	9,270	1,650	10,920	10,400	12,950
190,000	7,650	1,400	9,050	9,895	1,650	11,545	10,815	13,625
200,000	8,115	1,400	9,515	10,465	1,650	12,115	11,335	14,300
210,000	8,635	1,400	10,035	11,090	1,650	12,740	11,960	15,105
220,000	9,105	1,400	10,505	11,715	1,650	13,365	12,480	15,835
230,000	9,570	1,400	10,970	12,285	1,650	13,935	13,000	16,535
240,000	10,040	1,400	11,440	12,910	1,650	14,560	13,520	17,265
250,000	10,510	1,400	11,910	13,150	1,650	14,800	13,990	18,070
260,000	10,850	1,400	12,250	13,350	1,650	15,000	14,560	18,670
270,000	11,000	1,400	12,400	13,600	1,650	15,250	15,080	19,420
280,000	11,150	1,400	12,550	13,950	1,650	15,600	15,600	20,125
290,000	11,400	1,400	12,800	14,200	1,650	15,850	16,120	20,850
300,000	11,600	1,400	13,000	14,350	1,650	16,000	16,745	21,215
310,000	11,860	1,400	13,260	14,550	1,650	16,200	16,985	21,600
320,000	12,115	1,400	13,515	14,750	1,650	16,400	17,545	22,285
330,000	12,525	1,400	13,925	15,180	1,650	16,830	18,105	22,720
340,000	12,880	1,400	14,280	15,690	1,650	17,340	18,615	23,410
350,000	13,340	1,400	14,740	16,100	1,650	17,750	19,125	23,715
360,000	13,745	1,400	15,145	16,555	1,650	18,205	19,685	24,480
370,000	14,155	1,400	15,555	17,065	1,650	18,715	20,195	25,145
380,000	14,460	1,400	15,860	17,575	1,650	19,225	20,755	25,500
390,000	14,615	1,400	16,015	18,085	1,650	19,735	21,420	26,010
400,000	14,765	1,400	16,165	18,595	1,650	20,245	22,410	26,520
420,000	14,920	1,400	16,320	19,105	1,650	20,755	23,400	27,440
440,000	15,125	1,400	16,525	19,565	1,650	21,215	24,385	28,050
460,000	15,275	1,400	16,675	19,975	1,650	21,625	25,375	29,000
480,000	15,430	1,400	16,830	20,380	1,650	22,030	26,360	29,875
500,000	15,530	1,400	16,930	20,790	1,650	22,440	27,350	30,475
520,000	16,195	1,400	17,595	21,100	1,650	22,750	28,335	31,075
540,000	16,960	1,400	18,360	21,350	1,650	23,000	29,325	31,675
560,000	17,470	1,400	18,870	21,700	1,650	23,350	30,090	32,275
580,000	17,800	1,400	19,200	22,150	1,650	23,800	30,855	32,875
600,000	18,200	1,400	19,600	22,550	1,650	24,200	31,620	33,475
620,000	18,600	1,400	20,000	22,750	1,650	24,400	32,385	34,075
640,000	19,100	1,400	20,500	23,150	1,650	24,800	33,150	34,675
660,000	19,600	1,400	21,000	23,550	1,650	25,200	33,915	35,000
680,000	20,100	1,400	21,500	23,950	1,650	25,600	34,680	35,000
700,000	20,500	1,400	21,900	24,350	1,650	26,000	35,000	35,000
720,000	20,900	1,400	22,300	24,750	1,650	26,400	35,000	35,000
740,000	21,300	1,400	22,700	25,150	1,650	26,800	35,000	35,000
760,000	21,700	1,400	23,100	25,550	1,650	27,200	35,000	35,000
780,000	22,000	1,400	23,400	25,950	1,650	27,600	35,000	35,000
800,000	22,300	1,400	23,700	26,350	1,650	28,000	35,000	35,000
820,000	22,600	1,400	24,000	26,750	1,650	28,400	35,000	35,000
840,000	22,900	1,400	24,300	27,150	1,650	28,800	35,000	35,000
860,000	23,200	1,400	24,600	27,550	1,650	29,200	35,000	35,000
880,000	23,500	1,400	24,900	27,950	1,650	29,600	35,000	35,000
900,000	23,800	1,400	25,200	28,350	1,650	30,000	35,000	35,000
920,000	24,100	1,400	25,500	28,750	1,650	30,400	35,000	35,000
940,000	24,400	1,400	25,800	29,150	1,650	30,800	35,000	35,000
960,000	24,700	1,400	26,100	29,550	1,650	31,200	35,000	35,000
980,000	25,000	1,400	26,400	29,950	1,650	31,600	35,000	35,000
1,000,000	25,300	1,400	26,700	30,350	1,650	32,000	35,000	35,000
1,020,000	25,600	1,400	27,000	30,750	1,650	32,400	35,000	35,000
1,040,000	25,900	1,400	27,300	31,150	1,650	32,800	35,000	35,000
1,060,000	26,200	1,400	27,600	31,550	1,650	33,200	35,000	35,000
1,080,000	26,500	1,400	27,900	31,950	1,650	33,600	35,000	35,000
1,100,000	26,800	1,400	28,200	32,350	1,650	34,000	35,000	35,000
1,120,000	27,100	1,400	28,500	32,750	1,650	34,400	35,000	35,000
1,140,000	27,400	1,400	28,800	33,150	1,650	34,800	35,000	35,000
1,160,000	27,700	1,400	29,100	33,350	1,650	35,000	35,000	35,000
1,180,000	28,000	1,400	29,400	33,350	1,650	35,000	35,000	35,000
1,200,000	28,300	1,400	29,700	33,350	1,650	35,000	35,000	35,000
1,220,000	28,600	1,400	30,000	33,350	1,650	35,000	35,000	35,000
1,240,000	28,900	1,400	30,300	33,350	1,650	35,000	35,000	35,000
1,260,000	29,200	1,400	30,600	33,350	1,650	35,000	35,000	35,000
1,280,000	29,500	1,400	30,900	33,350	1,650	35,000	35,000	35,000
1,300,000	29,800	1,400	31,200	33,350	1,650	35,000	35,000	35,000
1,320,000	30,100	1,400	31,500	33,350	1,650	35,000	35,000	35,000
1,340,000	30,400	1,400	31,800	33,350	1,650	35,000	35,000	35,000
1,360,000	30,700	1,400	32,100	33,350	1,650	35,000	35,000	35,000
1,380,000	31,000	1,400	32,400	33,350	1,650	35,000	35,000	35,000
1,400,000	31,300	1,400	32,700	33,350	1,650	35,000	35,000	35,000
1,420,000	31,600	1,400	33,000	33,350	1,650	35,000	35,000	35,000
1,440,000	31,900	1,400	33,300	33,350	1,650	35,000	35,000	35,000
1,460,000	32,200	1,400	33,600	33,350	1,650	35,000	35,000	35,000
1,480,000	32,500	1,400	33,900	33,350	1,650	35,000	35,000	35,000
1,500,000	32,800	1,400	34,200	33,350	1,650	35,000	35,000	35,000
1,520,000	33,100	1,400	34,500	33,350	1,650	35,000	35,000	35,000
1,540,000	33,400	1,400	34,800	33,350	1,650	35,000	35,000	35,000
1,560,000	33,600	1,400	35,000	33,350	1,650	35,000	35,000	35,000

Medical requirements

All states¹ – Medical requirements for DI when phone or online completion² of Part B

Benefit amount	Ages 18-50	Ages 51-64
Up to \$6,000 – single-life		
Up to \$6,000 – multi-life		
\$6,001 to \$10,000 – single- and multi-life		
\$10,001+		

Note: In California, an APS and financials are required for single-life cases and for the first two lives of a multi-life case (when not submitting three applications for the same case together or when requested by the underwriter). Additional requirements may be needed.

¹ In CA and NY, there are no labs or physical measurements for DI up to \$6,000/month benefit for ages 18-50 single life and 18-64 multi-life.

² Producer-completed Part B requires blood profile, urinalysis, and physical measurements for all ages and amounts. Para-med exam required over \$7,500 ages 18-50 and over \$6,000 ages 51+.

For all medical exams and studies, the monthly benefit amount includes:

- The total coverage issued and applied for with all companies within six months of the application date and
- All inforce coverage with Principal[®] issued on a non-medical basis within the last five years

To calculate total DI (Disability Benefit & Social Insurance Substitute [SIS]), OE and Business Loan Protection rider amounts should be added together, and all DBO and KPR total benefits should be added together.

¹ When automatic increase riders are on a policy, the maximum I&P limits are lower.

² The 6A occupation class is for individual Disability Income insurance, including DI Retirement Security and Disability Buy-Out insurance in approved states; not available in California. For a complete list of state approvals, visit www.principal.com/distateapprovals.

³ For adjustments on 4A-M and 3A-M policies prior to the 700 Policy Series, the issue limit remains at \$10,000/month and the participation limit with other coverage is \$20,000/month.

⁴ Not available in Massachusetts.

⁵ Guidelines, limits and required documentation vary for single business owner DBO policies (HH794). For details, go to JJ2166.

⁶ Not approved in all states; not available in California.

⁷ Amounts include \$50 trust administration fee.



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