



Long-term disability insurance

One less worry for employees on disability leave

They can be reimbursed for their COBRA¹ medical premiums to help reduce unexpected expenses.

When an employee has a long-term disability, they have a lot on their mind. You can help reduce some of their financial stress by adding the optional **medical premium supplement** feature to your group long-term disability coverage from Principal®. The supplement helps decrease employees' out-of-pocket costs for COBRA medical coverage.

This benefit, available to employers with 20+ employees, is paid separately from employees' disability benefits and may be applied to individual or family COBRA premiums. For employees approved for Social Security Disability Insurance (SSDI), the supplement helps bridge the gap to Medicare.

Select the right options for your employees

You can choose the benefit duration (amount of time employees are eligible to receive disability benefits) and the monthly payment amount (which can't exceed the medical insurance premium).

Benefit duration	Monthly payment amount
12 months ² , 24 months or the end of COBRA.	\$100 ³ , \$200 ³ , \$300, \$400, \$500, \$750 ⁴ or \$1,000.

Let's look at an example

Due to an illness, Joshua is eligible for long-term disability insurance. He moves to COBRA coverage to continue his medical benefit, and his premium is \$388/month. The monthly payment amount selected by his employer determines the benefit Joshua receives—not to exceed the medical insurance maximum.

Joshua's employer selected a monthly payment amount of \$300 for up to 24 months, so Joshua receives a \$300 benefit. However, if his employer had selected a \$400 monthly payment, Joshua would receive a \$388 benefit—enough to cover his medical insurance premium.

How do employees qualify?

Employees become eligible for the medical premium supplement when they:

- Qualify as disabled.
- Are disabled for at least six months.
- Are eligible for and elect to continue medical coverage under COBRA.⁵



Let's connect

Contact your local sales representative.

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¹ Consolidated Omnibus Budget Reconciliation Act

² Not available in California.

³ Not available in California or Louisiana.

⁴ Not available in Montana.

⁵ May also be available under a state continuation law.



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Insurance is issued by Principal Life Insurance Company®, Des Moines, IA 50392.

Not available in Connecticut. This flyer is not approved for use in Arizona, Connecticut, or New Mexico. Available with Employee Choice, if both designs include the provision.

Disability insurance has limitations and exclusions. Principal® does not offer medical insurance. For cost and coverage details, contact your Principal representative.

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