

Understand the ins and outs of critical illness insurance

Coverage that helps pay the expenses associated with having a serious illness

Life doesn't always go as expected. Serious illnesses happen. And while medical insurance helps pay for medical expenses, and disability insurance replaces a portion of lost income, they don't cover all the costs associated with having a serious illness.

That's why Principal® offers a way to help employees financially prepare for their expenses if the unexpected happens. With critical illness insurance, when a covered employee or family member is diagnosed with a specific critical illness, they receive a lump-sum cash benefit to use any way they choose, regardless of other insurance they have or actual expenses incurred.

Covered illnesses

- Alzheimer's disease
- Amyotrophic lateral sclerosis
- Benign brain tumor
- Carcinoma in situ (25% benefit)
- Coma^{1, 2}
- Coronary artery disease (25% benefit)
- Heart attack
- Invasive cancer
- Loss of hearing¹
- Loss of sight¹
- Loss of speech¹
- Major organ failure
- Multiple sclerosis
- Occupational infectious disease³
- Paralysis¹
- Parkinson's disease
- Skin cancer (\$250)^{2, 3}
- Specified infectious disease⁴
- Stroke

Childhood conditions:

- Cerebral palsy
- Cleft lip/palate
- Cystic fibrosis
- Down syndrome
- Muscular dystrophy
- Spina bifida

Product specifications

First occurrence	Benefits are payable the first time a critical illness is incurred under the policy, subject to pre-existing condition limitations.
Multiple payouts	<ul style="list-style-type: none"> • Benefits for a first occurrence of a different critical illness are payable if incurred more than 12 months after the preceding critical illness.⁵ • Benefits for additional occurrences of carcinoma in situ, coronary artery disease, heart attack, invasive cancer, major organ failure, and stroke are payable if incurred more than 12 months after the preceding critical illness and 12 months treatment-free.⁶
No maximum lifetime benefit	A maximum lifetime benefit doesn't apply.
Pre-existing conditions⁷	6 months prior/12 months insured.
Spouse/child coverage	<ul style="list-style-type: none"> • Spouse benefit up to 50% of employee benefit. • Children are automatically covered for 25% of the employee's benefit for no additional cost.
Health screening benefit for preventive care⁸	<ul style="list-style-type: none"> • Employers have the option to remove. • \$50/year for each employee, covered spouse, and dependent child.
Portability (proof of good health not required)⁹	<ul style="list-style-type: none"> • Employers have the option to remove. • Duration of 3 years, 5 years or to age 70. • Must be insured for 12 months, under age 70, and not incurred a critical illness.

Benefit options¹⁰

Critical illness insurance is only available with another Principal group product.

# Eligible		Employee ¹¹	Spouse ^{12, 13}
5+	Minimum benefit	\$5,000	\$2,500
5-99	Guaranteed issue	\$20,000	\$10,000
	Maximum benefit	\$50,000	\$25,000
100-999	Guaranteed issue	\$30,000	\$15,000
	Maximum benefit	\$100,000	\$50,000
1,000+	Guaranteed issue	\$35,000	\$17,500
	Maximum benefit	\$100,000	\$50,000

¹ In Idaho, these illnesses are not covered: coma, loss of hearing, loss of sight, loss of speech, and paralysis.

² In New Jersey, these illnesses are not covered: coma or skin cancer.

³ In California, skin cancer is referred to as specified skin cancer, and there are no benefits for occupational infectious disease.

⁴ Not available in all states.

⁵ In Connecticut and Pennsylvania, no waiting period for a first occurrence of a different critical illness. In Tennessee, the waiting period is 30 days. In Georgia and Maine, the waiting period is 6 months.

⁶ In Georgia and Maine, the waiting period is 6 months for additional occurrences of the same critical illness.

⁷ In Pennsylvania, pre-existing conditions are 3 months prior/12 months insured. In Colorado, Maine, New Hampshire, New Jersey, and Utah, pre-existing conditions are 6 months prior/6 months insured.

⁸ Not available in Colorado or Michigan.

⁹ Not available in Colorado, Kentucky, Montana, Oregon, or Utah. In Alaska, Connecticut, and New Jersey, requirements vary.

¹⁰ In Florida, the maximum benefit is the guaranteed issue amount.

¹¹ In Idaho, guaranteed issue amounts for employees are: 5-99 eligible is \$15,000; 100-999 eligible is \$20,000; 1,000+ eligible is \$25,000.

¹² In New Jersey, the minimum benefit for spouses is \$2,000. Guaranteed issue amounts for spouses: 5-99 eligible is \$10,000; 100-999 eligible is \$14,000; 1,000+ eligible is \$16,000. The maximum benefit for spouses: 5-99 eligible is \$24,000; groups of 100+ use the same limits listed in the chart above.

¹³ In Idaho, the minimum benefit for spouses is \$2,000. Guaranteed issue amounts for spouses: 5-99 eligible is \$6,000; 100-999 eligible is \$10,000; 1,000+ eligible is \$12,000. The maximum benefit for spouses: 5-99 eligible is \$24,000; groups of 100+ use the same limits listed in the chart above.



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