

# 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

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| <ul style="list-style-type: none"> <li>• Alzheimer's disease</li> <li>• Amyotrophic lateral sclerosis</li> <li>• Benign brain tumor</li> <li>• Carcinoma in situ (25% benefit)</li> <li>• Coma</li> <li>• Coronary artery disease (25% benefit)</li> <li>• Heart attack</li> <li>• Invasive cancer</li> <li>• Loss of hearing</li> </ul> | <ul style="list-style-type: none"> <li>• Loss of sight</li> <li>• Loss of speech</li> <li>• Major organ failure</li> <li>• Multiple sclerosis</li> <li>• Occupational infectious disease</li> <li>• Paralysis</li> <li>• Parkinson's disease</li> <li>• Skin cancer (\$250)</li> <li>• Stroke</li> </ul> | <b>Childhood conditions:</b> <ul style="list-style-type: none"> <li>• Cerebral palsy</li> <li>• Cleft lip/palate</li> <li>• Cystic fibrosis</li> <li>• Down syndrome</li> <li>• Muscular dystrophy</li> <li>• Spina bifida</li> </ul> |
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## Product specifications

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

## Benefit options

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

# Eligible		Employee	Spouse
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



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Insurance products issued by Principal Life Insurance Company®, a member of the Principal Financial Group®, Des Moines, IA 50392.

CRITICAL ILLNESS INSURANCE PROVIDES LIMITED BENEFITS. This is an overview of the benefits critical illness insurance provides, but there are limitations and exclusions. For cost and coverage details, contact your Principal® representative. Some provisions may vary or not be available in all states.

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## Arizona Critical Illness Insurance Limitations and Exclusions

### Covered Conditions and related Limitations, Exclusions, and reductions<sup>1</sup>

**Alzheimer's Disease** — must require substantial physical assistance to perform at least 2 Activities of Daily Living (ADLs) for at least 90 days; excludes other forms of dementing organic brain disorders and psychiatric illnesses.

**Amyotrophic Lateral Sclerosis (Lou Gehrig's Disease)** — must require substantial physical assistance to perform at least 2 ADLs for at least 90 days; excludes other motor-neuron diseases.

**Benign Brain Tumor** — excludes tumors of the skull, pituitary adenomas, angiomas and germinomas.

**Carcinoma in Situ<sup>2</sup> (25% benefit)** — excludes carcinoma and melanoma in situ of the skin and all skin cancers, and evidence of cancer cells or cancer genetic material detected by molecular or biochemical probes only with no lesion amenable to tissue diagnosis.

**Coma** — must be due to disease and last at least 7 days; excludes medically-induced comas and comas directly resulting from alcohol or drug use.

**Coronary Artery Disease Requiring Coronary Artery Bypass Graft<sup>2</sup> (25% benefit)**

**Heart Attack<sup>2</sup>** — excludes sudden cardiac arrest and any heart attack occurring during or within 24 hours of a cardiac or coronary artery procedure.

**Invasive Cancer<sup>2</sup>** — excludes certain chronic lymphocytic leukemias; tumors that are nonmalignant, benign, premalignant, noninvasive, dysplasia, or carcinoma in situ; certain skin cancers; certain prostate cancers; microcarcinoma of the thyroid; certain noninvasive papillary cancer of the bladder; and evidence of cancer cells or cancer genetic material detected by molecular or biochemical probes only with no lesion amenable to tissue diagnosis.

**Loss of Hearing (both ears)<sup>3,4</sup>**

**Loss of Sight (both eyes)<sup>3,4</sup>**

**Loss of Speech<sup>3,4</sup>** — excludes congenital birth defects and developmental delays.

**Major Organ Failure<sup>2</sup>** — must be listed with United Network of Organ Sharing (UNOS) or have a suitable donor, or for kidney failure, dialysis is initiated; excludes bone marrow failure resulting from cancer treatment and failure of organs other than bone marrow, heart, kidney, liver, lung and pancreas.

**Multiple Sclerosis** — must have qualifying neurological deficits for at least 6 months.

**Occupational Infectious Disease resulting in HIV or Hepatitis B, C or D** — accidental exposure must occur while performing normal job duties for which you are paid; excludes infections from IV drug use or sexual transmission; reporting requirements apply.

**Paralysis** — requires permanent, complete and irreversible loss of use of two or more arms or legs due to disease, which has continued for 90 days.

**Parkinson's Disease** — must progress to Stage 4 on the Hoehn and Yahr scale; excludes other Parkinsonian syndromes or substance-induced diseases; initial diagnosis of any stage must occur while insured under this policy.

**Skin Cancer (\$250 benefit)**

**Stroke<sup>2</sup>** — must have qualifying neurologic deficit measured 30 days or more after the event; excludes symptoms due to TIA's, migraines, hypoxia, traumatic injury to brain tissue or blood vessels, and vascular disease affecting the eye, optic nerve or vestibular functions.

### Childhood Conditions

**The following conditions apply only to Dependent Children diagnosed prior to the age of 18 and while insured under the policy.<sup>5</sup>**

**Cerebral Palsy** — excludes similar conditions

**Cleft Lip/Palate**

**Cystic Fibrosis**

**Down Syndrome**

**Muscular Dystrophy**

**Spina Bifida** — excludes spina bifida occulta

Benefits are payable for a first occurrence of a different covered condition if more than 12 months has elapsed since the prior critical illness. Total payment for all critical illnesses resulting from the same illness or disease will not exceed the Scheduled Benefit amount.

A spouse may be covered for up to 50% of the employee benefit amount. Dependent Children are automatically covered at 25% of the employee benefit amount for both Childhood Conditions and other covered Critical Illnesses.

<sup>1</sup> Refer to the policy for definitions applicable to all terms used in this document, and for other applicable terms and conditions, and relevant clinical and diagnostic criteria. Proof of diagnosis and submission of medical records are required. Claim procedures must be satisfied. Limitations and exclusions must not apply.

<sup>2</sup> These conditions (Carcinoma in Situ, Coronary Artery Disease, Heart Attack, Invasive Cancer, Major Organ Failure, and Stroke) pay a benefit for multiple occurrences of the same critical illness if more than 12 months has elapsed between occurrences, and no treatment is received for at least 12 months. All other conditions listed above do not pay for multiple occurrences of the same illness.

<sup>3</sup> Must be due to disease, total and irrevocable, which cannot be partially or totally corrected by any procedure, aid or device.

<sup>4</sup> A Dependent Child must be at least 3 years old on the date of diagnosis. If the child is diagnosed before age 3, a benefit will be paid if the child is insured at the time of the initial diagnosis, the diagnosis is confirmed on or after the child reaches age 3, and the child remains insured.

<sup>5</sup> Childhood Conditions diagnosed prior to birth are covered if the member was insured under the policy at the time of diagnosis and the Dependent Child became insured at live birth.

## General Limitations and Exclusions

Benefits will not be paid for a critical illness caused by, contributed to, or resulting from willful self-injury or self-destruction, while sane or insane; war or act of war; voluntary participation in an assault, felony, criminal activity, insurrection, or riot; duty as a member of a military organization; conditions diagnosed outside of the United States unless the diagnosis can be confirmed by a licensed physician in the United States; the use of any drug, narcotic, or hallucinogen not prescribed for the covered person by a licensed physician, or if prescribed, not used in a manner consistent with that prescription; the use of alcohol, including the operation of a motor vehicle if, at the time of operation, the operator's alcohol concentration exceeds the legal limit allowed by the jurisdiction where the injury occurs; a cosmetic surgery or other elective procedures that are not medically necessary; or a preexisting condition.

No benefits will be paid for any critical illness incurred while residing outside the United States for more than 6 months; or incurred while incarcerated in any type of penal or detention facility.

The covered person must incur the critical illness and the initial diagnosis of any stage of the illness must be made while insured for that critical illness under this policy.

This summary is not an insurance contract or a complete statement of its provisions. It does not modify or change the provisions of any policy or rider. If there is a discrepancy, the policy is the final arbiter of the coverage. 2742176-022023

## Preexisting Condition Limitation

A Preexisting Condition is any sickness or injury, including all related conditions and complications, or a pregnancy, for which a covered person received medical treatment, consultation, care, or services, or was prescribed or took prescription medications in the 6 month period before they became insured under the policy.

No benefits will be paid for a critical illness that results from a Preexisting Condition until the covered person has been insured for 12 months. After 12 months, the Member must be actively at work for one full day or the Dependent must be insured for one full day for their illness to be covered.



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