



## Individual Disability Income insurance

# How the Supplemental Health Benefit rider Works

The Supplemental Health Benefit rider<sup>1</sup> provides a one-time lump sum benefit equal to six times an Individual Disability Income (DI) insurance policy's ultimate Maximum Monthly Disability Benefit and Social Insurance Substitute Benefit if the insured is disabled under the terms of the policy and has coronary artery by-pass graft surgery, cancer or a stroke. There is no additional cost for this rider.

This benefit helps an insured pay any expenses they may incur due to their medical condition and is paid in addition to other benefits provided by the policy.

### What's Covered

Coronary Artery By-pass Graft Surgery	Cancer	Stroke
Insured undergoes an operation for the correction of two or more blocked arteries of the heart.	<p>Insured has a malignant tumor which has spread to surrounding tissue and has uncontrollable growth.</p> <p>Not all forms of cancer are covered. Please refer to the policy for a complete list of the excluded cancers.</p>	Insured has a stroke which produces a neurological deficit lasting more than 24 hours and results in the loss of brain tissue or bleeding into brain tissue. Evidence of neurological deficit for at least 90 days must be produced.

For complete details regarding coverage and exclusions, refer to your policy.

### When the Benefit Is Paid

The Supplemental Health Benefit is paid the 91st day after the diagnosis/condition (regardless of the policy's Elimination Period) or the date of Disability, whichever is later. To receive the benefit, the insured must:

- Remain Continuously Disabled as defined by the policy, through the date the Supplement Health Benefit is payable.
- Be under regular care of the doctor for the condition or operative procedure (covered by the Supplemental Health Benefit rider)

<sup>1</sup> – May not be approved in all states. Go to: [www.principal.com/stateapprovals](http://www.principal.com/stateapprovals) to see if the rider is approved in your state.

## Examples of How the Benefit is Paid

The following are hypothetical claims examples to showcase how and when the Supplemental Health Benefit is paid out in comparison to the policy's other benefits.

### Scenario 1

Individual DI insurance policy	Supplemental Health Benefit rider
<ul style="list-style-type: none"> <li>1/1/2008 – insured is disabled due to multiple herniated discs and does not return to work</li> <li>6/29/2008 – benefits begin to accrue after satisfying the policy's 180 day elimination period</li> </ul>	<ul style="list-style-type: none"> <li>5/1/2008 – insured suffers a stroke<sup>2</sup> and survives the stroke for 90 days</li> <li>7/30/2008 – rider benefit is payable after 90 days of surviving the condition and remaining Continuously Disabled</li> </ul>

### Scenario 2

Individual DI insurance policy	Supplemental Health Benefit rider
<ul style="list-style-type: none"> <li>1/1/2008 – insured is disabled due to multiple herniated discs</li> <li>6/15/2008 – insured returns to work and no monthly Individual DI benefits are paid since the policy's 180 day Elimination Period is not satisfied</li> </ul>	<ul style="list-style-type: none"> <li>5/1/2008 – insured suffers a stroke<sup>2</sup></li> <li>No rider benefit is payable, since the insured was not Continuously Disabled at the end of 90 days</li> </ul>

### Scenario 3

Individual DI insurance policy	Supplemental Health Benefit rider
<ul style="list-style-type: none"> <li>6/1/2008 – insured is disabled due to cancer<sup>2</sup></li> <li>8/29/2008 – benefits begin to accrue after satisfying the policy's 90 day Elimination Period</li> </ul>	<ul style="list-style-type: none"> <li>8/30/2008 – rider benefit is payable after 90 days of surviving the condition and remaining Continuously Disabled</li> </ul>

### Scenario 4

Individual DI insurance policy	Supplemental Health Benefit rider
<ul style="list-style-type: none"> <li>6/1/2008 – insured is disabled due to cancer<sup>2</sup></li> <li>8/1/2008 – insured returns to work part-time</li> <li>8/29/2008 – partial benefits begin to accrue after satisfying the policy's 90 day Elimination Period (policy includes the Residual Disability Benefit rider)</li> </ul>	<ul style="list-style-type: none"> <li>8/30/2008 – rider benefit is payable after 90 days of surviving the condition and remaining Continuously Disabled</li> </ul>

### Scenario 5

Individual DI insurance policy	Supplemental Health Benefit rider
<ul style="list-style-type: none"> <li>6/1/2008 – insured is presumptively disabled due to blindness</li> <li>6/1/2008 – insured does not need to satisfy the policy's Elimination Period and benefits accrue immediately</li> </ul>	<ul style="list-style-type: none"> <li>10/10/2015 – insured has coronary artery by-pass graft surgery<sup>2</sup></li> <li>1/8/2016 – rider benefit is payable after 90 days of surviving the condition and remaining Continuously Disabled</li> </ul>

2 – Assumes meets the rider's definition of condition/diagnosis.