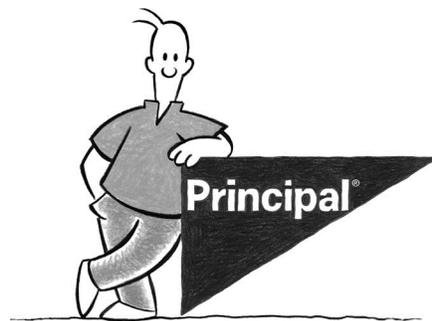


Administration Guide



Welcome to the Principal Financial Group®

We've prepared this quick reference guide to help you with the daily administration of your employer sponsored benefits insured by Principal Life Insurance Company.

As the Policyholder, this guide will give you the basics – from enrolling a new *Member* to how to view your monthly billing statement online through our web site.

The Administration Guide was designed to be a navigational tool and does not include Policyholder specific information. Therefore, you should always use your *Group Policy* along with this Administration Guide for detailed policy provisions.

Neither Principal Life nor its employees give legal or tax advice. The brief discussion of legislation and taxes in this Administrative Guide is neither complete nor necessarily up-to-date; the laws and regulations are complex and subject to change. Consult your attorney or tax advisor about your situation.

Call us!

We're available to help with any questions you may have about administering your *Group Policy*. We may ask the caller to verify their identity by answering a couple of questions. Release of certain protected health information may require authorization from the insured person.

Our administration telephone number is listed at the bottom of your billing statement.

Anytime access to the employer login at www.principal.com

Looking for a fast, convenient and accurate way to manage your group insurance benefits? Check out the online Principal Employee Benefits Service CenterSM at www.principal.com. It's just one of the ways Principal Life Insurance Company makes life simpler for our customers.

Benefits at your fingertips

You can manage benefits at your computer 24 hours a day, seven days a week. Many changes are in real time, so you don't have to wait for processing. There's also less chance for error because you enter the data directly into our system.

Here are just a few ways to put eService to work for you:

- Add new *Members* and update *member* records
- Track online transactions in the activity ledger
- Search and print online booklets/policies
- View billing statements
- Order and print ID cards
- Print and order forms
- Access life and disability claims reports
- E-mail your group administrator
- Access provider directories
- Read legislative updates and access educational newsletters

Our site, www.principal.com, also contains a "Personal Login" section for your employees. There, they can monitor claims and access their benefit booklets, provider directories, explanation-of-benefits statements, and a variety of other tools and calculators to help them stay healthy.

Get your password and sign up today

Follow these steps and enjoy the ease of managing benefits online!

1	<p>Select your primary security administrator. The primary security administrator should be a senior-level staff member or benefits person at your company. This person has access to all of your company's information on our web site, www.principal.com, and has authority to give access to other administrators, as explained in step 5.</p>
2	<p>Get a password. You'll need a password to access the online Principal Employee Benefits Service Center. If you do not have your password, call 800-621-6280 to obtain one.</p>
3	<p>Login at www.principal.com. Simply click on the "Login" box, identify yourself as an employer, and enter your username and password.</p>
4	<p>Accept the legal agreements. Go to the "Plan Info" tab, click on "Agreements" in the left-hand navigation bar, and accept the agreements to:</p> <ul style="list-style-type: none">• Add new <i>Members</i> and make member changes (Eligibility Agreement)• Access online booklets/policies (Booklets Agreement) <p>Note: you will not have access to your online booklets until the Booklets Agreement is accepted. You can view your booklets online the business day after you sign the Booklets Agreement.</p>
5	<p>Set-up secondary security administrators. The primary security administrator can give others access to your company's information at www.principal.com by logging in as described in Step 3, clicking on "Manage Security", and inputting the required information of those who need access. Follow the online instructions to select the appropriate sections for which secondary security administrators should have access.</p> <p>Secondary security administrators should get a password by logging on to www.principal.com as an employer, clicking on "Establish your new username and password", inputting their Enterprise ID and following the instructions. If secondary security administrators receive an error message, please have them call 800-621-6280.</p>

Note: Not all features are available for all products.

Log in to the online Principal Employee Benefits Service Center today and make managing benefits easier!

Frequently Called Numbers

Administration Contact	Telephone Numbers
<hr/> <hr/> <hr/>	Work <hr/> FAX <hr/> E-mail Address <hr/>
Claim Contacts	
1. <hr/> <hr/> <hr/> 2. <hr/> <hr/> <hr/>	Work <hr/> FAX <hr/> E-mail Address <hr/> Work <hr/> FAX <hr/> E-mail Address <hr/>
Agent	Work <hr/> FAX <hr/> E-mail Address <hr/>
Local Representative	Work <hr/> FAX <hr/> E-mail Address <hr/>
Supplies	Work <hr/> FAX <hr/> E-mail Address <hr/>
Other	Work <hr/> FAX <hr/> E-mail Address <hr/>

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Section 1

Glossary

The terms defined in this Glossary are capitalized and in italics throughout the Administration Guide, with the exception of we, us, and our. Not all terms will apply to your insurance policy.

Accelerated Life Benefit – This benefit allows you to help a terminally ill employee maintain financial control before death. This feature allows a portion of the group life insurance benefit to be paid during the last months of life. There are possible tax consequences to receiving an accelerated benefit payment and the employee should contact a tax advisor for details. Receipt of accelerated benefits could also affect eligibility for public assistance.

Amendment – Any change made to the existing *Group Policy*.

Contributory Coverage – A coverage for which the *Member* pays a portion of the cost (this includes retiree's, if covered, and disabled employees).

Dental Coverage with a Benefit Waiting Period

Case Level Benefit Waiting Period – For a new group, this provision allows a benefit waiting period before certain benefits of the dental coverage are available. Only limited coverage will be provided for a period of time. Refer to your *Group Policy* for details.

Late Entrant Benefit Waiting Period – For employees enrolling after their initial eligibility period, this provision allows a benefit waiting period before certain benefits of the dental coverage are available. Only limited coverage will be provided for a period of time. Refer to your *Group Policy* for details.

End of the Insurance Month Termination Dates – The last day of the *Insurance Month* as defined in your *Group Policy*.

First of the Insurance Month Effective Dates – First day of the *Insurance Month* coinciding with or next following the last day of the initial waiting period.

Group Policy – An employee benefit insurance policy that has been issued to you by Principal Life.

Insurance Month – A period of time as defined in your *Group Policy*.

Job Class – The schedule of insurance category into which an employee is placed in order to determine the amount of coverage for which the employee is eligible as stated in the *Group Policy*.

Late Entrant – Employees who do not enroll for coverage when they are first eligible and do not qualify for a *Special Enrollment*.

Member – Any eligible employee who has enrolled and is a participant under the Group Policy.

Non-Contributory Coverage – A coverage for which the employer pays the entire cost. We do not accept waivers for non-contributory insurance unless mandated by the state or allowed by the Medical/Dental policy.

Participation Requirements – A provision in the *Group Policy*, which requires a specific percent of all eligible employees and dependents be enrolled for a coverage.

Policyholder – The entity to whom this *Group Policy* is issued.

Reinstatement – Reactivating a *Member's* coverage once he/she has returned to work.

Special Enrollment – A specific event that allows an eligible employee or dependent, who previously waived coverage, to enroll for coverage and not be considered a *Late Entrant*.

Standard Effective Dates – Actual date of eligibility.

Standard Termination Dates – Actual date of ineligibility.

Vision Coverage with a Benefit Waiting Period

Case Level Benefit Waiting Period – Some policies have a benefit waiting period before certain benefits of the dental coverage are available. Only limited coverage will be provided for a period of time. Refer to your *Group Policy* for details.

Late Entrant Benefit Waiting Period – For employees enrolling after their initial eligibility period, this provision allows a benefit waiting period before certain benefits of the vision coverage are available. Only limited coverage will be provided for a period of time. Refer to your *Group Policy* for details.

Waiting Period – The amount of time specified in your *Group Policy* that an employee must satisfy to be eligible for coverage.

We, Us, Our – Principal Life Insurance Company, Des Moines, Iowa.

Section 2

Employer Policy Administration

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As the *Policyholder*, it is your responsibility to administer this *Group Policy* for your employees.

- Protect and maintain the confidentiality of your employees' personal health information as required by the HIPAA Privacy Rule.
- Maintain adequate participation.
- Contribute to the *Member's* premium.
- Report changes promptly.
- Check your billing statement each month to confirm the accuracy of *Member* and dependent information, effective dates, and premium amounts.
- Pay premium on a timely basis.
- Notify *Members* of any termination of coverage and changes in policy provisions.



Note: If the provisions in this Administration Guide or your *Group Policy* differ with any state or federal requirements, we apply the state or federal requirements instead.

Responsibilities for Maintaining Employee Benefits

This section provides an overview of your administrative responsibilities, while the Employee & Dependent Administration Section gives detailed instructions on processing employee and dependent changes.

HIPAA Privacy Rule

The HIPAA Privacy Rule protects the privacy and confidentiality of personal health information. A health plan (or insurance carrier) is not permitted to use or disclose Protected Health Information (PHI) without permission from the individual unless the use or disclosure falls within one of the HIPAA Privacy Rule's permitted uses and disclosures. The rule applies to medical, prescription, dental, and vision coverages.

What is Protected Health Information (PHI)?

PHI is individually identifiable health information that is transmitted or maintained in any form or medium (written, electronic or oral). Individually identifiable health information is health information that is:

Created or received by a health plan and relates to the past, present or future physical or mental health or condition of an individual or the provision of or payment for health care to the individual; and

Either identifies the individual or there is a reasonable basis to believe the information could be used to identify the individual.

Consequences of Employers with Fully Insured Group Health Plans Receiving PHI

Generally, employers sponsoring fully insured group health plans have limited responsibilities under the HIPAA Privacy Rule. An employer can create or receive enrollment data and Summary Health Information* without triggering additional duties. If you create or receive PHI (other than enrollment data and Summary Health Information) without authorization from the individual, you must perform the following administrative duties under the HIPAA Privacy Rule:

- Designate a privacy officer and complaint contact;
- Provide training to your workforce on your privacy policies and procedures;

*Summary Health Information is defined by the HIPAA Privacy Rule as information that describes the claims history, claims experience of type of claims experience by individuals and from which certain identifiers outlined in the HIPAA Privacy Rule are removed.

- Develop appropriate administrative, technical and physical safeguards to protect the privacy of PHI;
- Implement privacy policies and procedures to comply with the standards, implementation specifications and other requirements of the HIPAA Privacy Rule;
- Develop a process to receive complaints concerning your health plan's privacy policies and procedures;
- Develop sanctions and apply those sanctions against employees who fail to comply with your health plan's privacy policies and procedures;
- Be able to mitigate any harmful effect that is known of a use or disclosure of PHI that violates your health plan's privacy policies and procedures; and
- Develop your own Notice of Privacy Practices informing insureds of the uses and disclosures of their personal health information without an authorization, descriptions of the insured's individual rights, and how those rights can be exercised;
- Develop policies and procedures to implement the HIPAA Privacy Rule's individual rights, including: the right to request restrictions on uses and disclosures of PHI; right of access to PHI; right to amend PHI; and the right to receive an accounting of disclosures of PHI.

In addition to the administrative duties outlined above, a fully insured group health plan having PHI must also develop policies and procedures to implement the HIPAA Privacy Rule's individual rights, including: the right to request restrictions on uses and disclosures of PHI; right of access to PHI; right to amend PHI; and the right to receive an accounting of disclosures of PHI.

How to Avoid PHI

We will assume that you do not create nor wish to receive PHI unless you inform us otherwise and provide us with a certificate stating that your ERISA plan documents have been revised to comply with the HIPAA Privacy Rule's requirements. We recommend employers with fully insured group health plans that create or receive PHI consult their attorney for advice concerning compliance with the HIPAA Privacy Rule.

Enrollment forms and Health Statements require special handling. Instruct *Members* to send completed Health Statement forms directly to us. If you review completed Health Statement forms, even for accuracy or completeness, you are accessing the *Member's* PHI and, as a result, you must comply with the HIPAA Privacy administrative requirements outlined above. Provide *Members* with a return envelope, form VV1589. To order the envelope, go to www.principal.com and log in as an Employer in the "Account Login" section in the upper left or call 1-800-554-3392 for assistance (Monday through Friday, 7 a.m. to 6 p.m., Central Standard Time). Instruct the *Members* to submit the completed Health Statement form directly to us. Completed Enrollment forms likely do not contain PHI and, therefore, do not need to be sent directly to us.

Claim forms completed by *Members* may also contain PHI and, therefore, should not be reviewed for accuracy or completeness. Provide *Members* with a return envelope which can be obtained online and instruct the *Members* to submit the completed Claim form directly to us.

Reports from us only contain Summary Health Information, which do not trigger the administrative duties.

Authorization

PHI can be used and disclosed if authorization is received from the individual. The authorization must be voluntary and meet specific standards under the HIPAA Privacy Rule to be considered valid. We have developed an authorization that is compliant with the HIPAA Privacy Rule. A copy of the authorization form should be provided to each employee or dependent when he/she requests that his/her PHI be disclosed to a third party, including you as the plan sponsor.

Notice of Privacy Practices for Personal Health Information

If your policy includes dental or vision care expense insurance, you must distribute a copy of the Principal Life Notice of Privacy Practices for Personal Health Information to each covered employee (including any employee on state or COBRA continuation). You must also provide a copy of the Notice to each newly-enrolled employee. Our Notice of Privacy Practices for Personal Health Information can be found on our web site at www.principal.com.

If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice to provide insurance-related information to a custodial parent or legal guardian, you must also provide a copy of the Privacy Notice to the custodial parent or legal guardian.

Participation Requirements

RESPONSIBILITIES	DETAILS
Offer coverage to eligible employees and dependents	<p>Offer coverage to every eligible employee and dependent. Every eligible employee must complete an Employee Enrollment & Waiver Form or an Employee Change Form even if he/she is refusing coverage.</p> <p>If you employ a husband and wife, each should enroll for all coverage(s) they are eligible for as an employee.</p>
Review Eligibility	<p>Check your billing statement each month to determine if <i>Members</i> and dependents are still eligible for coverage. It is equally important to review eligibility of the employees who are not enrolled currently.</p>
Maintain minimum <i>Participation Requirements</i> (varies by state and coverage)	<p><i>Participation Requirements</i> must be met as defined in your <i>Group Policy</i>. If you do not have enough eligible employees and dependents enrolled, coverage(s) may not be renewed.</p> <ul style="list-style-type: none"> • All eligible employees and dependents must enroll for any <i>Non-Contributory Coverage</i> offered. • A minimum percent of eligible employees and dependents must enroll for any <i>Contributory Coverage</i> offered.

Refer to the following page for an example of *Participation Requirements*.

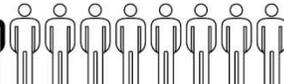
This example gives you a general idea of how many employees to enroll so *Participation Requirements* are met.



Note: *Participation Requirements* may vary by coverage and state. Use the provisions in your *Group Policy* to determine your *Participation Requirements*.

In some situations an employee can waive a *Contributory Coverage* and it does not count against participation (e.g., a waiver of coverage due to spouse's group or a waiver of child coverage due to the other parent's plan).

Call our administration area with questions on participation or waivers.

EXAMPLE OF PARTICIPATION REQUIREMENTS		
Both Employers A & B offer Contributory Life, STD, LTD, Dental and Vision Coverage.		
 Must Participate  Allowed to Waive	Life, STD, LTD, Dental	Vision
Employer A Has 10 Eligible Employees	 	 
Employer B Has 5 Eligible Employees	 	

Effective Dates

RESPONSIBILITIES	DETAILS
Determine effective dates	<p>The date coverage begins or ends is based on:</p> <ul style="list-style-type: none">• The type of coverage you offer and if it is <i>Contributory</i>, <i>Non-Contributory</i> or <i>Voluntary</i>.• If your <i>Group Policy</i> has <i>Standard</i> or <i>First of the Insurance Month Effective Dates</i>.• The type of event (<i>new Member</i>, <i>Late Entrant</i>, birth, adoption, court order, marriage, etc.).• State or Federal regulations. <p>Check the Effective Date Section of your <i>Group Policy</i> for details.</p>

Refer to the following page for an example of effective dates.

These examples give you a general idea of how to determine when coverage is effective and when coverage ends.



Use your *Group Policy* to determine the actual effective dates of coverage as these vary by coverage type and provisions.

Effective Date Examples

IF:	AND YOUR GROUP POLICY HAS:	THEN COVERAGE IS EFFECTIVE ON:
All necessary forms were submitted during the <i>Waiting Period</i> , and the employee's eligibility date is May 23rd	<i>Standard Effective Dates</i>	May 23rd
	<i>First of the Insurance Month Effective Dates</i>	June 1st*

Termination Effective Date Examples

IF THE MEMBER IS:	AND YOUR GROUP POLICY HAS:	THEN COVERAGE IS EFFECTIVE ON:
Terminated on May 23rd	<i>Standard Termination Dates</i>	May 23rd
	<i>First of the Insurance Month Termination Dates</i>	May 31st*

MAY 2012						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE 2012						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

* Examples shown are for a group with a billing cycle running from the first to the end of the month.

Premium Rates and Contributions

RESPONSIBILITIES	DETAILS
Determine premium rates	To estimate the premium for a new <i>Member</i> or dependent, you may be able to use the information on a previous billing statement or renewal letter. Our administration area is also available to help with premium estimates.
Contribute to the <i>Member's</i> premium	<p>Since these are employer-sponsored benefits, you are required to contribute at least 50% of the <i>Member's</i> premium. Refer to your <i>Group Policy</i> for specific details.</p> <ul style="list-style-type: none"> • You pay 100% of the premium for <i>Non-Contributory Coverage</i>. • The <i>Member</i> pays a portion of the premium for <i>Contributory Coverage</i>. <p>Note: A <i>Member</i> is required to pay 100% of the premium for voluntary coverage (e.g., supplemental or voluntary term life).</p>
Collect Member's premium	Use the effective date to determine when premium should begin or end. Partial month adjustments are not made.

Refer to the following page for examples of premium rates and contributions.

These examples give you a general idea of when premium contributions should begin and end.

Examples of When Premium Contributions Begin

IF A NEW MEMBER IS:	AND YOUR <i>GROUP POLICY</i> HAS A BILLING CYCLE RUNNING FROM THE:	THEN PREMIUM BEGINS ON:
Effective on May 23rd	First to end of the same month	June 1st*
	Fifteenth of the month to the fourteenth of the next month	June 15th

Examples of When Premium Contributions End

IF A MEMBER IS:	AND YOUR <i>GROUP POLICY</i> HAS A BILLING CYCLE RUNNING FROM THE:	THEN PREMIUM ENDS ON:
Terminated on May 23rd	First to end of the same month	May 31st
	Fifteenth of the month to the fourteenth of the next month	June 14th

MAY 2012						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE 2012						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Reporting *Member* Changes

The following provides an overview of your administrative responsibilities, while the Employee and Dependent Administration Section gives detailed instructions on employee and dependent changes.

RESPONSIBILITIES	DETAILS
Administer the <i>Group Policy</i> for your employees	<p>As the Administrator of this <i>Group Policy</i>, you should assist the employees and their dependents with all the following:</p> <ul style="list-style-type: none"> • Enrolling a New <i>Member</i> • Adding a New Dependent • Cancelling a Dependent • Adding a Coverage • Cancelling a Coverage • Changing a <i>Member's</i> or Dependent's information.
Report all employment related changes	<p>As the <i>Policyholder</i>, you are to report all of the following employment related changes:</p> <ul style="list-style-type: none"> • <i>Member</i> Termination • <i>Member</i> No Longer Actively at Work • <i>Member Reinstatement</i> • <i>Member's</i> Salary or Job Class/Occupation • <i>Member</i> Transfers <p>Changes may be reported by submitting completed forms or through our web site at www.principal.com</p>
Submit all changes promptly	<p>Submit all the changes listed above as they occur (or as defined in your <i>Group Policy</i>).</p> <p>Consequences of late reporting could include:</p> <ul style="list-style-type: none"> • A full back charge or limited amount of credit • Benefits denied, deferred or imposition of a benefit waiting period • Proof of good health • Interference with claim services
Verify changes	<p>Check your billing statement each month to confirm <i>Member</i> and dependent information, effective dates and premium amounts.</p>

Providing Information to *Members*

RESPONSIBILITIES	DETAILS
Inform your <i>Members</i> and dependents* of their options for continued coverage	<p>A <i>Member</i> or dependent may (if applicable) continue coverage(s) under:</p> <ul style="list-style-type: none"> • COBRA • State Continuation • FMLA • USERRA • Individual Purchase Rights (Conversion) <p>See the Legislative Section for more details.</p>
Distribute materials*	<p>Materials such as <i>Member</i> booklet-certificates, provider directories, ID cards, the HIPAA Privacy Notice entitled “Notice of Privacy Practices for Personal Health Information,” an authorization form for anyone who requests that we disclose PHI, and brochures shown on the ‘List of Materials’. These materials can be obtained online.</p> <p>Note: The provider directories are also available on our web site at www.principal.com.</p>
Spanish speaking <i>Members</i> *	<p><i>Members</i> who speak Spanish and need additional assistance can call 1-800-243-1404.</p>
*Qualified Medical Child Support Order or National Medical Support Notice	<p>If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, material and correspondence to the custodial parent or legal guardian that you would provide to your <i>Members</i>.</p>

Replenishing Your Forms Supply

RESPONSIBILITIES	DETAILS
Locate forms	Always keep a supply of forms available so there are no delays in <i>Member</i> or dependent administration.
Look for the form number	Every form, including envelopes, <i>Member</i> booklet-certificates, and riders, has a form number in the bottom left corner. It usually consists of two letters followed by three to six numbers (e.g., GP12345, VV507, etc.).
Ordering Forms	<p>Forms are available on our web site at www.principal.com. Forms can also be ordered by calling us at 1-800-554-3392, Monday through Friday, 7 a.m. to 6 p.m., Central Standard Time.</p> <p>Have the following information ready when calling to place your order:</p> <ul style="list-style-type: none"> • Your account number • Form numbers • Quantity needed <p>To check on your order at a later date, use the confirmation number you are given.</p>
Ordering ID Cards 	<p>If you need to order replacement ID cards, call the telephone number printed on the bottom of your billing statement or visit our web site at www.principal.com.</p>

Responsibilities for Maintaining your *Group Policy*

This section contains information that will help you determine how to report policy related changes.

Policyholder Changes

RESPONSIBILITIES	DETAILS
Report change of company address, telephone or FAX number	<p>If you or any of your locations has a change in address, telephone or FAX number, report these immediately, as it may affect:</p> <ul style="list-style-type: none"> Your <i>Group Policy</i> benefits and provisions. Your provider network, if you offer medical or dental coverage to your employees. <p>You can report these changes by calling our administration area or completing the Employer Change Form.</p>
Report company name or ownership changes	You must send a written notice (signed by an owner/officer) informing us when your company's name or ownership is changed.
Remain eligible for group insurance	You must remain actively engaged in business as stated in your <i>Group Policy</i> .
Report contact name changes	If your group has a specific person we need to contact to obtain or relay information, report this change by completing the Employer Change Form.
Amend your <i>Group Policy</i>	<p>Contact your local agent or representative for an Amendment to your <i>Group Policy</i>.</p> <p>Your <i>Group Policy</i> may be changed through mutual written agreement between you and us.</p> <p>Note: If you are obligated under a Qualified Medical Child or National Medical Support Notice, you must provide the same information, materials and correspondence to the custodial parent or legal guardian that you would provide to your <i>Members</i>.</p>
Notify us when cancelling your <i>Group Policy</i>	<ol style="list-style-type: none"> Advanced written notice must be received as stated in your <i>Group Policy</i>. If you have replaced your <i>Group Policy</i>, let us know the effective date of your other carrier. Premium is due through the cancellation date. We will confirm cancellation in writing. Notify each <i>Member</i> of the <i>Group Policy</i> cancellation date and refund any contributions collected beyond the cancellation date. <p>Note: If you are obligated under a Qualified Medical Child or National Medical Support Notice, you must provide the same information, materials and correspondence to the custodial parent or legal guardian that you would provide to your <i>Members</i>.</p>

Section 3

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As the *Policyholder*, it is your responsibility to follow all provisions as explained in your *Group Policy*.

- Verify eligibility prior to enrolling any new *Members* and their dependents (including stepchildren, foster children, etc.).
- Provide *Members* the necessary administrative forms along with instructions to complete them timely and accurately. Due to the HIPAA Privacy Rule, if a Health Statement is required, you should not review the completed form, not even for accuracy or completeness. Provide the *Member* with a return envelope shown on the 'List of Materials', which can be obtained online along with instructions to submit the complete forms directly to us.
- Check your billing statement each month to confirm the accuracy of *Member* and dependent Information, effective dates, and premium amounts.
- Make sure *Members* file their claims as soon as possible and within the time limit as stated in your *Group Policy*.
- If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*



Note: If the provisions in this Administration Guide or your *Group Policy* differ with any state or federal requirements, we apply the state or federal requirements instead.

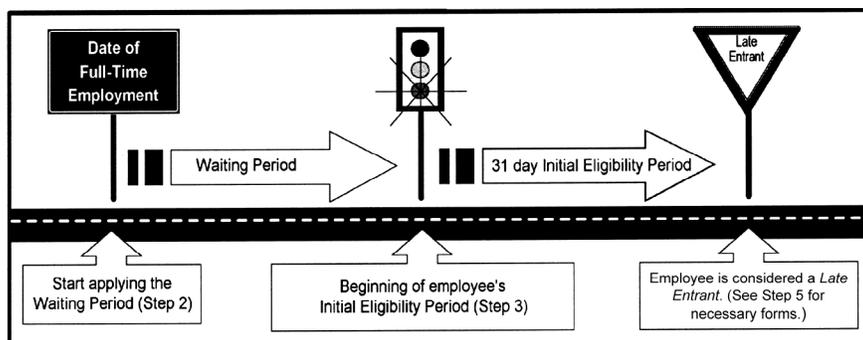
Enrolling a New *Member*

STEP	ACTION	DETAILS
1	Determine the date your employee started full-time employment	This may be the date of hire, date an existing employee started working the required number of hours, or date an existing employee transferred to an eligible <i>Job Class</i> .
2	Apply the <i>Waiting Period</i>	The <i>Waiting Period</i> you selected is defined in your <i>Group Policy</i> .
3	Figure the date your employee is eligible for coverage	<p>If your group has:</p> <ul style="list-style-type: none"> • <i>Standard Effective Dates</i>, the initial eligibility period starts the day immediately following the final day of the <i>Waiting Period</i>. • <i>First of the Insurance Month Effective Dates</i>, the initial eligibility period starts the first day of the <i>Insurance Month</i> following the final day of the <i>Waiting Period</i>. <p>Use the following example as a tool to help determine this date.</p>

This example gives you a general idea of when an employee is eligible to enroll as a new *Member*. For effective date examples, refer to the Employer Section.



Use your *Group Policy* to determine the actual effective dates of coverage as these vary by coverage type and provisions.



Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

STEP	ACTION	DETAILS											
4	Provide the Employee Enrollment & Waiver Form and Notice of Privacy Practices for Personal Health Information to the <i>Member</i>	<p>Have the <i>Member</i> complete the Employee Enrollment and Waiver Form.</p> <p>If a form is received without a date signed, we use the date received to determine if the request is timely.</p> <p>Inform <i>Members</i> that all necessary forms must be accurate, complete, and submitted to Principal Life before they can be considered for coverage.</p>											
5	Report new <i>Members</i>	<p>New <i>Members</i> can be reported by:</p> <ul style="list-style-type: none"> Submitting the completed Employee Enrollment and Waiver Form, or Submitting this information through our web site at www.principal.com 											
6	Determine if additional forms are needed	Use the following chart to determine if additional forms are needed:											
		<table border="1"> <thead> <tr> <th>Submit this form:</th> <th>When your employee enrolls for:</th> <th>And any of the following apply:</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Health Statement</td> <td>Life or Disability Coverage</td> <td> <ul style="list-style-type: none"> Is enrolling after the 31-day initial eligibility period, or The benefits exceed the maximum guaranteed amount as defined in your <i>Group Policy</i>. </td> </tr> <tr> <td>Disability Coverage</td> <td> <ul style="list-style-type: none"> LTD benefits exceed the maximum guaranteed amount, or Your group has 5 or less lives insured. Except groups in PA, SC, and FL. </td> </tr> <tr> <td>Employee Change Form</td> <td>Dental Coverage</td> <td> <ul style="list-style-type: none"> Your employee has a qualifying event, and Is enrolling after the 31-day initial eligibility period. </td> </tr> </tbody> </table>	Submit this form:	When your employee enrolls for:	And any of the following apply:	Health Statement	Life or Disability Coverage	<ul style="list-style-type: none"> Is enrolling after the 31-day initial eligibility period, or The benefits exceed the maximum guaranteed amount as defined in your <i>Group Policy</i>. 	Disability Coverage	<ul style="list-style-type: none"> LTD benefits exceed the maximum guaranteed amount, or Your group has 5 or less lives insured. Except groups in PA, SC, and FL. 	Employee Change Form	Dental Coverage	<ul style="list-style-type: none"> Your employee has a qualifying event, and Is enrolling after the 31-day initial eligibility period.
		Submit this form:	When your employee enrolls for:	And any of the following apply:									
		Health Statement	Life or Disability Coverage	<ul style="list-style-type: none"> Is enrolling after the 31-day initial eligibility period, or The benefits exceed the maximum guaranteed amount as defined in your <i>Group Policy</i>. 									
Disability Coverage	<ul style="list-style-type: none"> LTD benefits exceed the maximum guaranteed amount, or Your group has 5 or less lives insured. Except groups in PA, SC, and FL. 												
Employee Change Form	Dental Coverage	<ul style="list-style-type: none"> Your employee has a qualifying event, and Is enrolling after the 31-day initial eligibility period. 											
7	Submit all necessary forms	<p>Do not delay as this could have a negative impact on your employee's coverage!</p> <p>Note: Due to the HIPAA Privacy Rule, if a Health Statement is required, you should not review the completed form, not even for accuracy or completeness. Provide the <i>Member</i> with a return envelope shown on the 'List of Materials,' which can be obtained online along with instructions to submit the completed forms directly to us.</p>											



New *Members* enrolled for dental or vision will receive an ID Card.

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Adding a New Dependent

STEP	ACTION	DETAILS				
1	Confirm the date the dependent first became eligible	This may be the date of birth, adoption, court order, marriage, etc. Refer to your <i>Group Policy</i> for specific details.				
2	Provide the Employee Change Form to the <i>Member</i>	<p>Have the <i>Member</i> complete the Employee Change Form.</p> <p>If a form is received without a date signed, we use the date received to determine if the request is timely.</p> <p>Inform the <i>Member</i> that all necessary forms <u>must</u> be accurate, complete, and submitted to Principal Life before they can be considered for coverage.</p> <p>Adding dependents can be reported through our web site, www.principal.com</p>				
3	Determine if additional forms are needed	Use the following chart to determine if additional forms are needed:				
		<table border="1"> <thead> <tr> <th>Submit this form:</th> <th>When a dependent enrolls for:</th> <th>And any of the following apply:</th> </tr> </thead> <tbody> <tr> <td>Health Statement</td> <td>Life Coverage</td> <td> <ul style="list-style-type: none"> Is enrolling after the 31-day initial eligibility period. </td> </tr> </tbody> </table>	Submit this form:	When a dependent enrolls for:	And any of the following apply:	Health Statement
Submit this form:	When a dependent enrolls for:	And any of the following apply:				
Health Statement	Life Coverage	<ul style="list-style-type: none"> Is enrolling after the 31-day initial eligibility period. 				
4	Submit all necessary forms	<p>Do not delay as this could have a negative impact on your employee's coverage!</p> <p>Note: Due to the HIPAA Privacy Rule, if a Health Statement is required, you should not review the completed form, not even for accuracy or completeness. Provide the <i>Member</i> with a return envelope shown on the 'List of Materials', which can be obtained online along with instructions to submit the complete forms directly to us.</p>				



A second ID card is issued when a *Member* adds his/her first dependent (dental or vision only).

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Cancelling a Dependent

Determine if the dependent is still eligible. Refer to your *Group Policy* for specific details.

Eligible

STEP	ACTION	DETAILS
1	Provide the Employee Change Form to the <i>Member</i>	If the dependent is still eligible for coverage, have the <i>Member</i> complete the Employee Change Form. The effective date of the change will be determined by the actual date the form is received.
2	Report dependent changes	The changes can be reported by: <ul style="list-style-type: none"> • Submitting the completed Employee Change Form, or • Submitting this information through our web site at www.principal.com

Ineligible

STEP	ACTION	DETAILS
1	Report dependent ineligibility	Ineligible dependents can be reported by: <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com All requests must include the date and reason for ineligibility. Do not delay, as you may only receive up to two months premium credit or as allowed by state law.
2	Provide the <i>Member</i> or dependent with any appropriate information	The dependent may be eligible for continuation of coverage. See the Legislative Section for details.

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Adding a Coverage

STEP	ACTION	DETAILS								
1	Provide the Employee Change Form to the <i>Member</i>	<p>Have the <i>Member</i> complete the Employee Change Form.</p> <p>If a form is received without a date signed, we use the date received to determine if the request is timely.</p> <p>Inform the <i>Member</i> that all necessary forms <u>must</u> be accurate, complete, and submitted to Principal Life before they can be considered for coverage.</p>								
2	Report coverage changes	<p>The changes can be reported by:</p> <ul style="list-style-type: none"> Submitting the completed Employer Change Form, or Submitting this information through our web site at www.principal.com 								
3	Determine if additional forms are needed	Use the following chart to determine if additional forms are needed:								
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Submit this form:</th> <th style="text-align: center;">When your employee enrolls for:</th> <th style="text-align: center;">And any of the following apply:</th> </tr> </thead> <tbody> <tr> <td rowspan="2" style="text-align: center; vertical-align: middle;">Health Statement</td> <td style="text-align: center; vertical-align: middle;">Life or Disability Coverage</td> <td> <ul style="list-style-type: none"> It's after the 31-day initial eligibility period, or For life coverage only, if the benefits exceed the maximum guaranteed amount as defined in your <i>Group Policy</i>. </td> </tr> <tr> <td style="text-align: center; vertical-align: middle;">Disability Coverage</td> <td> <ul style="list-style-type: none"> LTD benefits exceed the maximum guaranteed amount and all increases once over this amount, or Your group has less than 5 lives insured. Except for groups in SC, PA, and FL. </td> </tr> </tbody> </table>	Submit this form:	When your employee enrolls for:	And any of the following apply:	Health Statement	Life or Disability Coverage	<ul style="list-style-type: none"> It's after the 31-day initial eligibility period, or For life coverage only, if the benefits exceed the maximum guaranteed amount as defined in your <i>Group Policy</i>. 	Disability Coverage	<ul style="list-style-type: none"> LTD benefits exceed the maximum guaranteed amount and all increases once over this amount, or Your group has less than 5 lives insured. Except for groups in SC, PA, and FL.
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4	Submit all necessary forms	<p>Do not delay as this could have a negative impact on your employee's coverage!</p> <p>Note: Due to the HIPAA Privacy Rule, if a Health Statement is required, you should not review the completed form, not even for accuracy or completeness. Provide the <i>Member</i> with a return envelope shown on the 'List of Materials', which can be obtained online along with instructions to submit the complete forms directly to us.</p>								



If adding dental or vision coverage, an ID card is issued.

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Cancelling a Coverage

Determine if the *Member* is still eligible for the coverage. Refer to your Group Policy for specific details.

Eligible

STEP	ACTION	DETAILS
1	Provide the Employee Change Form to the <i>Member</i>	<p>If the <i>Member</i> is still eligible for coverage, have him/her complete the Employee Change Form. The effective date of the change will be determined by the actual date the form is received.</p> <p>If this is a <i>Non-Contributory Coverage</i>, the <i>Member</i> may not be allowed to cancel.</p>
2	Report coverage changes	<p>The changes can be reported by:</p> <ul style="list-style-type: none"> • Submitting the completed Employee Change Form, or • Submitting this information through our web site at www.principal.com

Ineligible

If the *Member* is no longer considered eligible for any coverage, go to “*Member Termination*” in this section.

STEP	ACTION	DETAILS
1	Report <i>Member</i> ineligibility	<p><i>Member</i> ineligibility can be reported by:</p> <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com <p>All requests must include the date and reason for ineligibility.</p> <p>Do not delay, as you may only receive up to two months premium credit.</p>
2	Provide the <i>Member</i> or dependent with any appropriate information	The <i>Member</i> or dependent may be eligible for continuation of coverage. See the Legislative Section for details.

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Changes to *Member*/Dependent Information

MEMBER RESPONSIBILITIES	DETAILS
Provide the Employee Change Form to the <i>Member</i>	<p>Have the <i>Member</i> complete the Employee Change Form.</p> <p>If the <i>Member</i> has dental or vision coverage, a name change will result in the issue of new ID cards.</p> <p>An address change is only needed when the <i>Member</i> has medical, dental, vision coverage, or as required by state laws.</p> <p>Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, please notify us if the custodial parent or legal guardian's address changes so that our records may be updated.</p> <p>A Guide for Common Beneficiary Designations is available at the end of this section.</p>
Report name and address changes	<p>The changes can be reported by:</p> <ul style="list-style-type: none"> • Submitting the completed Employee Change Form, or • Submitting this information through our web site at www.principal.com
Report developmentally disabled or physically handicapped dependents who no longer qualify as a dependent	<p>If the <i>Member</i> has a dependent child who is developmentally disabled or physically handicapped, submit an Application to Continue Disabled Child Form no later than 31 days after the child reaches maximum age.</p> <p>Refer to your <i>Group Policy</i> for specific details.</p>
Beneficiary change	<p>Have the <i>Member</i> complete and submit a Beneficiary Designation/Change Form.</p>

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Member Termination

STEP	ACTION	DETAILS
1	Determine the date <i>Member</i> is no longer eligible	<p>This may be the date employment ends, or when an employee is laid off, goes on strike, or is deceased.</p> <p>Refer to your <i>Group Policy</i> for specific details.</p>
2	Report <i>Member</i> termination	<p>Terminations can be reported by:</p> <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com <p>All requests must include the reason for termination.</p> <p>Do not delay, as you may only receive up to two months premium credit, or as allowed by state law.</p>
3	Provide the <i>Member</i> or dependent with any appropriate information	<p><i>Members</i> and their dependents may be eligible for continuation of coverage. See the Legislative Section for details.</p>

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Member No Longer Actively at Work (Disability or FMLA)

STEP	ACTION	DETAILS
1	Determine which, if any, benefits should be continued during the <i>Member's</i> absence	<p>If the <i>Member</i> is absent due to FMLA, you may be required to continue coverage.</p> <p>See the Legislative Section for more details.</p> <p>If the <i>Member</i> is absent due to a disability, you may continue coverage as outlined in your <i>Group Policy</i>.</p> <p>If you choose not to continue any coverage(s), refer to "<i>Member Termination</i>" in this section.</p> <p>Refer to "Filing Claims" for information on how to file a waiver of life premium or disability claim.</p>
2	Report any benefit change resulting from the <i>Member's</i> absence	<p>Changes can be reported by:</p> <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com <p>Calling the toll-free number at the bottom of your billing statement, or</p>

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Member Reinstatement

STEP	ACTION	DETAILS
1	Determine the date your employee returned to work	This may be the date your employee returned from a disability, strike, layoff, or leave of absence. Refer to your <i>Group Policy</i> for details.
2	Determine if your request for <i>Reinstatement</i> is within the period of time allowed, as stated in your <i>Group Policy</i>	<p>If the request is:</p> <ul style="list-style-type: none"> • Received within the period of time allowed, go to step 3. • After the period of time allowed, the employee must enroll as a new <i>Member</i>. Go to “Enrolling a New <i>Member</i>” in this section.
3	Report <i>Member Reinstatement</i>	<p><i>Reinstatements</i> can be reported by:</p> <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Member Salary or Job Class/Occupation Change

Only report these changes when benefits are based on the *Member's* salary, *Job Class*, or occupation.

STEP	ACTION	DETAILS								
1	Determine the date of change	These should be reported as soon as they occur unless your <i>Group Policy</i> indicates otherwise.								
2	Report the change	Salary, <i>Job Class</i> , and occupation changes can be submitted by: <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com 								
3	Compensation Reporting Needs	<p>Your group term life insurance and/or group disability coverage is based on compensation. It is crucial that any changes in status or compensation be reported to our company so appropriate enrollment records can be maintained and coverage amounts kept up-to-date. Maintaining accurate records helps ensure an expedient claims process if an employee needs the benefits provided by your group term life and/or disability policies.</p> <p>To ensure our records remain accurate, salary changes should be reported as they occur unless your benefits are based on W2 earnings; those changes should be reported in January.</p> <p>You will also receive a salary update notice annually based on your policy's compensation definition. For policies with benefits based on percent of salary, this notice will be sent four months prior to your policy anniversary. For policies with benefits based on W2 earnings, the notice will be sent in January of each year.</p>								
4	Determine how the <i>Member's</i> benefits are affected	<p>If the change results in:</p> <ul style="list-style-type: none"> • A <i>Member</i> being eligible for a new benefit, go to "Adding a Coverage" in this section. • An increased benefit, go to step 4. 								
5	Determine if additional forms are needed	<p>All necessary forms must be accurate, complete, and submitted to us before we can increase the <i>Member's</i> benefits.</p> <p>Use the following chart to determine if additional forms are needed:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Submit this form:</th> <th style="text-align: center;">If the <i>Member</i> has:</th> <th style="text-align: center;">And any increase results in any of the following:</th> </tr> </thead> <tbody> <tr> <td rowspan="2" style="text-align: center; vertical-align: middle;">Health Statement</td> <td style="text-align: center;">Life Coverage</td> <td> <ul style="list-style-type: none"> • Life benefits exceed the maximum guaranteed amount for the first time and each increase of 10% or more thereafter. For increments, this applies to any increase after the initial enrollment. </td> </tr> <tr> <td style="text-align: center;">Disability Coverage</td> <td> <ul style="list-style-type: none"> • LTD benefits exceed the maximum guaranteed amount. </td> </tr> </tbody> </table>	Submit this form:	If the <i>Member</i> has:	And any increase results in any of the following:	Health Statement	Life Coverage	<ul style="list-style-type: none"> • Life benefits exceed the maximum guaranteed amount for the first time and each increase of 10% or more thereafter. For increments, this applies to any increase after the initial enrollment. 	Disability Coverage	<ul style="list-style-type: none"> • LTD benefits exceed the maximum guaranteed amount.
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	Disability Coverage	<ul style="list-style-type: none"> • LTD benefits exceed the maximum guaranteed amount. 								
6	Submit all necessary forms	Do not delay as this could have a negative impact on your <i>Member's</i> coverage!								

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Member Transfer (Division, Unit, or Location Change)

STEP	ACTION	DETAILS								
1	Determine the date of change	These should be reported as soon as they occur unless your <i>Group Policy</i> indicates otherwise.								
2	Report the change	Division, unit, or location changes can be submitted by: <ul style="list-style-type: none"> • Completing the Employer Change Form, • Calling the toll-free number at the bottom of your billing statement, or • Going to our web site at www.principal.com 								
3	Determine how the <i>Member's</i> benefits are affected	If the change results in: <ul style="list-style-type: none"> • A <i>Member</i> being eligible for a new benefit, go to "Adding a Coverage" in this section. • An increased benefit, go to step 4. 								
4	Determine if additional forms are needed	All necessary forms must be accurate, complete, and submitted to us before we can increase the <i>Member's</i> benefits. Use the following chart to determine if additional forms are needed:								
		<table border="1"> <thead> <tr> <th>Submit this form:</th> <th>If the <i>Member</i> has:</th> <th>And any increase results in any of the following:</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Health Statement</td> <td>Life Coverage</td> <td> <ul style="list-style-type: none"> • Life benefits exceed the maximum guaranteed amount for the first time and each increase of 10% or more thereafter. </td> </tr> <tr> <td>Disability Coverage</td> <td> <ul style="list-style-type: none"> • LTD benefits exceed the maximum guaranteed amount. </td> </tr> </tbody> </table>	Submit this form:	If the <i>Member</i> has:	And any increase results in any of the following:	Health Statement	Life Coverage	<ul style="list-style-type: none"> • Life benefits exceed the maximum guaranteed amount for the first time and each increase of 10% or more thereafter. 	Disability Coverage	<ul style="list-style-type: none"> • LTD benefits exceed the maximum guaranteed amount.
		Submit this form:	If the <i>Member</i> has:	And any increase results in any of the following:						
Health Statement	Life Coverage	<ul style="list-style-type: none"> • Life benefits exceed the maximum guaranteed amount for the first time and each increase of 10% or more thereafter. 								
	Disability Coverage	<ul style="list-style-type: none"> • LTD benefits exceed the maximum guaranteed amount. 								
5	Submit all necessary forms	Do not delay as this could have a negative impact on your <i>Member's</i> coverage!								

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Filing Claims

Most of the forms needed for filing claims are located on our web site at www.principal.com. Each form gives detailed instructions on how to complete and where to mail.

Claim forms completed by *Members* or dependents may contain PHI and, therefore, should not be reviewed by you, not even for accuracy or completeness. Provide the *Members* with a return envelope shown on the 'List of Materials', which can be obtained online and instruct them to submit the completed claim form directly to us.

WHERE TO MAIL CLAIMS	TELEPHONE NUMBERS FOR QUESTIONS ABOUT:
<p>Instruct the <i>Member</i> or dependent to include the <i>Member's</i> name and account number on all claims and information submitted.</p> <p>Life or Disability Claims</p> <p>Principal Life Insurance Company Attn: Group Claim Life & Disability Des Moines, IA 50392-0002</p> <p>Dental or Vision Claims</p> <p>Refer the <i>Member</i> to the address located on his/her ID card.</p>	<p>Life or Disability Claims</p> <p>Call Principal Life Insurance Company at 1-800-245-1522, Monday through Friday.</p> <p>Dental Claims</p> <p>Refer the <i>Member</i> to the telephone number on his/her ID card.</p>

Refer to the table on the following page to determine which Claim form the *Member* should use.

CLAIMS REPORTING AVAILABLE ONLINE	
<p>Claims Reports Available to Print or Download</p> <p>For full details on how to access reports, refer to form number GP 53882-05 in the forms library at www.principal.com or by calling 1-800-554-3392.</p>	

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Use this table to identify the correct Claim form:

COVERAGE	TYPE OF CLAIM	CLAIM FORM
Dental	Dental	Dental Claim Form
Disability	Short Term Disability	Disability Claim Form
	Long Term Disability	This form should be filed as soon as it appears the <i>Member</i> will be off work due to a disability.
Life	Group Life Insurance & Accidental Death	Life Claim Form
	Waiver of Group Term Life Premium during a disability	Disability Claim Form This form should be filed as soon as it appears the <i>Member</i> will be off work due to a disability.
	<i>Accelerated Life Benefit</i>	Accelerated Group Life Claim Form
	Accidental Dismemberment	Dismemberment Claim Form
Vision	Vision Care	Vision Care Claim Form

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.

Common Beneficiary Designations

Use of the example wording does not guarantee the legal sufficiency of the designation. Any specific questions should be referred to the *Member's* personal attorney. Beneficiary designation must be legible and concise to be administered.

PROPOSED BENEFICIARY	EXAMPLE WORDING
Estate	My Estate
One Beneficiary	Anna L. Doe, wife
Two Beneficiaries, equally	John A. Doe, father, and Mary L. Doe, mother, equally or to the survivor
Three or more Beneficiaries, equally	John A. Doe, father, and Mary L. Doe, mother, and Henry J. Doe, son, equally or to the survivor or survivors
Two Beneficiaries, in succession	Anna L. Doe, wife, if living; otherwise, Henry J. Doe, son
Three or more Beneficiaries, in succession	Anna L. Doe, wife, if living; otherwise, Henry J. Doe, son, if living; otherwise, Mary L. Doe, mother
One Beneficiary and two Contingent Beneficiaries	Anna L. Doe, wife, if living; otherwise, Henry J. Doe, son, and Alice G. Doe, daughter, equally or to the survivor
Two Beneficiaries and three or more Contingent Beneficiaries	Mary L. Doe, mother, and John A. Doe, father, if living, equally or to the survivor; otherwise Henry J. Doe, Alice G. Doe, and Charles B. Doe, children, equally or to the survivor or survivors
Three or more Beneficiaries in equal shares	Henry J. Doe, Alice G. Doe, and Charles B. Doe, children, or to the survivor or survivors. However, if any of my children precede me in death and leave issue who survive me, the issue of the deceased child will receive their parent's share in equal shares.

Note: If *Members* wish to name a minor child as a beneficiary, they should use the Beneficiary with UTMA (Uniform Transfers to Minor Act) Custodian Form.

Section 4

Billing Statement

This billing statement is explained in four different topics that correspond to specific parts of the statement:

TOPIC	PAGE NUMBER
Review Messages	4-3
Review <i>Member</i> Information	4-4
Review the Premium Totals	4-5
Prepare for Payment	4-6
Electronic Funds Transfer (EFT)	4-6
Payment by Check	4-7



As the *Policyholder*, it is your responsibility to review your billing statement thoroughly. Each month, shortly before the premium due date, you will receive your Premium Statement. The lower part of the Premium Statement is a payment stub. The Premium Statement lists the *Members* currently covered plus summary benefit and rate information for each. Please keep this Premium Statement for your permanent records.

- Pay as billed.
- Review our messages to you.
- Review the *Member* information for accuracy.
- Report changes to our administration area. Changes should not be sent to the same address as your payment.
- Return bottom portion of premium statement and keep the top for your records.
- Include your group account number on the face of the check as an additional form of identification.

Review Messages

We may include important messages with your billing statement, which can be viewed on our web site at www.principal.com. Messages can include administrative information about your *Group Policy* such as rate changes due to age change or notification that premium payments are past due. Please review your billing statement each month to make sure all information is correct.

Please ensure you are reviewing all members enrolled with Disability and/or Life products for changes in their rates based on age. The new rates will appear either the first of the month following the age change or on the next Policy Anniversary based on the group selection.

NOTICE – TO AVOID DISCONTINUANCE OF YOUR PLAN. PLEASE BE SURE YOUR \$2225.16 BALANCE IS PAID AND RECEIVED IN THIS OFFICE BEFORE THE GRACE PERIOD ENDS ON 05/31/XX. IF YOU HAVE PAID, PLEASE DISREGARD THIS NOTICE.

Note: These messages may vary by statement and will comply with any state specific requirements

Review *Member* Information

Note: Please review your Premium Statement carefully for changes/corrections to confirm member and dependent status, effective dates and premium amounts. Report all changes and terminations promptly to receive the appropriate adjustment. With **late notification** of terminations and changes, you may not receive credits and adjustments back to the date of the termination/change.

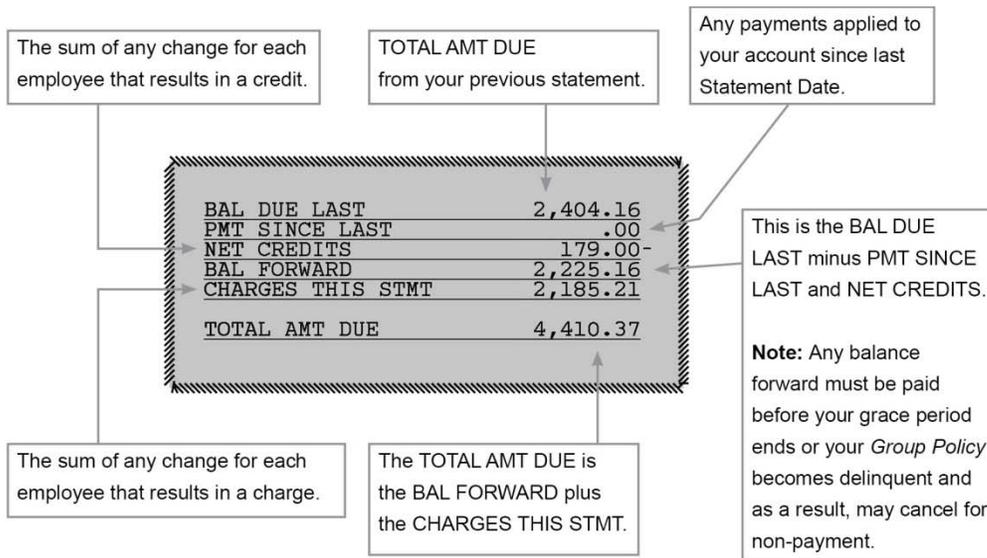
ID NUMBER	NAME	A G	BILL MONTH	LIFE BNFT PREM	AD&D BNFT PREM	STD BNFT PREM	DEP STATUS ++	DENTAL EMP DEP	CHARGE/ CREDIT
xxxxxxxxx	BERGLUND A	40	0901XX	10000 1.95	10000 .32	500 14.50	FAM	57.16 .01	73.94
xxxxxxxxx	BEUNING BR	EE	CHANGE SUMMARY : NEW ENROLLMENT 08/01/XXXX						
		41	0901XX	10000 1.95	10000 .32	500 14.50	FAM	57.16 .01	73.94
		41	0801XX	10000 1.95	10000 .32	500 14.50	FAM	57.16 .01	73.94
xxxxxxxxx	DANZL SAND	60	0901XX	10000 1.95	10000 .32	500 14.50	FAM	57.16 .01	73.94
xxxxxxxxx	DINGMANN D	EE	CHANGE SUMMARY : TERMINATION 05/01/XXXX						
		64	0801XX	10000 1.95	10000 .32	500 14.50	FAM	57.16 .01	73.94
xxxxxxxxx	EGGERT JAM	EE	CHANGE SUMMARY : ADD A BENEFIT 08/01/XXXX						
		49	0901XX	10000 1.95	10000 .32	473 13.72	EMP	57.16 .00	73.15
		49	0801XX	10000 1.95	10000 .32	473 13.72	EMP	57.16 .00	70.88
xxxxxxxxx	FISCHER BR	EE	CHANGE SUMMARY : ADD A BENEFIT 08/01/XXXX						

++ DENT PLAN DESCRIPTIONS: EMP = EMPLOYEE, DEP = DEPENDENT, FAM = FAMILY

Review the Premium Totals

Current balance and payment information is available by calling the toll free number listed at the bottom of your billing statement or by visiting our web site at www.principal.com. Up to three months' prior billing information is also available to you on our web site.

Total Amount Due: This is the total premium for the current period plus any balance forward less payments received and is the amount you should pay. It is very important to **pay the total premium due. DO NOT** take credits for terminated *Members* by reducing this premium amount as it may cause your group's coverage to lapse. We will make premium adjustments for you on your next month's statement, as long as we receive your changes by the reporting date.



Prepare for Payment

Billing statements are generally produced and mailed the same day each month.

STEP	ACTION	DETAILS
1	Watch for your billing statement	Your billing statement is available electronically on our internet site: <ul style="list-style-type: none"> • the day after it is produced each month; • from the past three months; and • when you order a preliminary bill so you can verify changes made on your account.
2	Review your billing statement	Report all changes and terminations promptly to receive appropriate adjustments.
3	Make your premium payment	It is important that premium payments are made timely, so there is no interruption in claims service. If the premium payment is not received within the grace period, your account will cancel due to non-payment of premium. Payments can be made by: <ul style="list-style-type: none"> • check • Electronic Funds Transfer (EFT)

Electronic Funds Transfer (EFT)

This is an electronic method where your premium payments are automatically withdrawn from your bank account.

STEP	ACTION	DETAILS
1	Authorize EFT Payment	You can authorize Principal Financial Group to draft your monthly premium payment from your account by: <ul style="list-style-type: none"> • Accessing our website at www.principal.com and signing up for either a one-time payment or recurring payments. <ul style="list-style-type: none"> ○ Prior to doing this you will need to obtain a PIN to log into your customer account by calling 800-621-6280.
2	Prepare for premium withdrawal	You will have the option of selecting the date you wish to have your payment withdrawn from your account.



Notify us immediately if you change banks or bank accounts.

Payment by Check

Detach the billing statement stub and return it with your payment in the envelope provided each month.

Principal
Financial Group

Principal Financial Group
Des Moines, IA 50392-0001

0000123456 10XXXXX10001 000000001234\$678 9

Principal Life Insurance Company

This statement in no way changes the contract or waives any overdue payment

RETURN THIS PORTION WITH YOUR PAYMENT

ABC CORP
ATTN GEORGE SMITH
9999 INDUSTRIAL DRIVE
HUNTLEY IL 60142

Make check payable and mail to:

PLIC – SBD GRAND ISLAND
P O BOX 10372
DES MOINES IA 50306-0372



Account Number 10XXXXX-10001 **Lb. No.** 10XXXXX 10001

Due Date 01/01/XX **Stmnt Date** 01/22/XX **Billing Period** 01/01/XX – 01/31/XX

PREMIUM MUST BE RECEIVED WITHIN 30 DAYS OF 01/01/XX

Please Pay Balance Due

\$ 3,285.50

Use your account number when making phone calls and write it on any payments or correspondence.

Your payment goes directly to our bank at the address listed on your actual statement stub.

This statement is generally produced the same day each month and is mailed so you receive it by the due date.

Pay the total amount due.

Your current month's premium must be made within the billing period (grace period) following the due date.

Your group coverage will cancel for nonpayment of premium on the last day of the Insurance Month if the current premium due is not received within the grace period.



Note: Self-adjustments to the balance due may cause your account to go delinquent and your group coverage to lapse.

IMPORTANT: Do not send any changes with your premium payment. Please report any new hire information, employee terminations, salary changes or changes in dependent status to our web site.

Section 5

Legislative Information

TOPIC	PAGE NUMBER
Summary of Legislation	5-3
Producer Compensation	5-5
Continuation of Coverage	5-6



As the *Policyholder*, it is your responsibility to seek your own legal advice as to how state and federal regulations affect you and your employees.

This section provides a Summary of Legislation referred to throughout this guide. Detailed information is available on our web site at www.principal.com.

Information on laws impacting your administration of employee benefits is provided for educational purposes only and with the understanding that Principal Life, its employees, or representatives are not rendering legal, accounting or tax advice or services. You should consult your own legal, tax, and accounting professionals if additional assistance is needed.

Summary of Legislation

LEGISLATION	SUMMARY
<p>COBRA The Consolidated Omnibus Budget Reconciliation Act</p>	<p>COBRA is a federal mandate and applies to employers who employed 20 or more employees (full-time and full-time equivalent for part-time employees) on at least 50% of the working days in the prior calendar year. The federal government and some religious organizations are exempt from this law.</p> <p>COBRA requires that continuation of health coverage be made available to employees and dependents for a specified period of time at their own expense.</p> <p>COBRA regulations have specific requirements relating to premium rates, duration of coverage, qualifying events, eligibility requirements, notification requirements and terms of payment.</p> <ul style="list-style-type: none"> • Group billed COBRA plans – refer to the COBRA Supplemental Administrative Instructions (GP 32100) • Individual billed COBRA plans – please refer to the COBRA Supplemental Administrative Instructions (GP 26626) <p> www.dol.gov/ebsa/COBRA.html</p>
<p>FMLA The Federal Family and Medical Leave Act of 1993</p>	<p>FMLA requires certain employers to provide 12 weeks (varies by state) of unpaid leave for an employee with a qualifying event.</p> <p>Employers are required to maintain health coverage during the leave and upon return from leave, to place the employee in the same or an equivalent job with equivalent benefits.</p> <p>An employer is subject to this law if they employ over 50 employees for each working day during 20 or more weeks in the current or prior calendar year.</p> <p> www.dol.gov/whd/fmla/</p>

LEGISLATION	SUMMARY
<p>HIPAA Health Insurance Portability and Accountability Act</p>	<p>HIPAA is a federal legislation that impacts medical coverage only and does not pertain to dental, vision, life, or disability coverage.</p> <p> www.cms.gov/home/regsguidance.asp</p>
<p>HIPAA Privacy Rule</p>	<p>The “Standards of Privacy for Individually Identifiable Health Information” (the HIPAA Privacy Rule), as required by the Health Insurance Portability and Accountability Act (HIPAA), protects the privacy and confidentiality of personal health information. A health plan (or insurance carrier) is not permitted to use or disclose PHI without permission from the individual unless the use or disclosure falls within one of the HIPAA Privacy Rule’s permitted uses and disclosures.</p> <p>Refer to section 2 of this Guide for additional information.</p>
<p>Individual Purchase Rights (Conversion)</p>	<p>Some states require insurers to offer an individual conversion policy (through the employer) when a person’s group insurance, or State Continuation ends. Persons who are eligible for similar benefits, which would result in over-insurance, may not purchase conversion coverage.</p> <p>Applications for a conversion policy and payment of the required premium typically must be made within 31 days after the continued coverage ends.</p> <p>Note: Some benefits may not be available for conversion policies.</p>
<p>Qualified Medical Child Support Order or National Medical Support Notice</p>	<p>Eligible children identified under a court or administrative order are required to be covered under the non-custodial parent’s employer-sponsored group plan.</p>
<p>State Continuation</p>	<p>Continuation of group coverage for qualified persons may be available at the state level. Many, but not all states, have continuation requirements. The qualifying events, the coverage(s) that may be continued, and the maximum continuation period vary by state.</p>
<p>USERRA The Uniformed Services Employment and Reemployment Rights Act of 1994</p>	<p>A <i>Member</i> or dependent may continue health coverage for up to 18 months when the <i>Member</i> is called to active duty in the military service. A call to active duty may also qualify a person for COBRA or State Continuation.</p>

Producer Compensation

Renewal Rates	<p>As a result of a renewal, your broker may receive commissions, administrative service fees, other compensation including non-cash compensation, and bonuses based on factors such as total premium volume and persistency or profitability of the business. The cost of this compensation may be directly or indirectly reflected in the premium or fee for this product. This compensation is in addition to any compensation your broker may receive from you. Contact your broker for further details.</p>
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Continuation of Coverage

This table identifies the continuation options for a *Member* or dependent who is no longer eligible for coverage.

TERMINATION OF COVERAGE DUE TO:	COBRA	STATE CONTINUATION	INDIVIDUAL PURCHASE RIGHTS (CONVERSION)	USERRA
Layoff or Strike	X	X	X	
End of employment other than gross misconduct	X	X	X	
A reduction in scheduled work hours	X	X	X	
A <i>Member</i> called to active duty in the military service			X	X
The exhaustion of COBRA or state continuation			X	
A legal separation/divorce	X	X	X	
The death of a <i>Member</i>	X	X	X	
The marriage of a dependent child	X	X		
A dependent child reaching maximum age	X	X	X	

Note: If you are obligated under a Qualified Medical Child Support Order or National Medical Support Notice, you must provide the same information, materials, and correspondence to the custodial parent or legal guardian that you would provide to your *Members*.



WE'LL GIVE YOU AN EDGE[®]

Principal Life Insurance Company, Des Moines, Iowa 50392-0002, www.principal.com