



Group Disability Claims

Frequently Asked Questions

How can I reach the claims department?

Disability and Life claims are administered by Principal Life Insurance Company's home office in Des Moines, Iowa. The claim area is staffed 7 a.m. to 5 p.m. Central Time. The Life & Disability Claim department has both a toll-free phone number, 800-245-1522, and a 24/7 toll-free fax number, 800-255-6609. All staff have voice mail, allowing messages to be left 24 hours a day, 7 days a week.

When should a Short-Term Disability (STD) or Long-Term Disability (LTD) claim be filed?

Encourage employees to file the STD claim as soon as you are aware they will be off work beyond the elimination period. LTD claims are recommended to be filed no later than halfway through the LTD elimination period.

There are many advantages to filing a claim early. Early notification helps us be proactive in obtaining additional information that may be needed to make the initial claim decision. It also assists in making timely decisions. Once the claim is filed, a claim manager is assigned to the claim and will be your point of contact for claim questions that may arise.

There are four sections to the claim form: the HIPAA Authorization, the Employer Section, the Employee section and the Physician section. All four sections must be completed. Note: If you have both STD and LTD coverages with Principal Life, and you already filed an STD claim for your employee, you do not need to file a separate form for LTD coverage.

4 WAYS TO FILE A DISABILITY CLAIM

- **Online:** claim form from the Forms Library
- **Fax:** 1-800-255-6609
- **Mail:** Principal Life Insurance Company
Attn: Group Life & Disability Claims Department
Des Moines, IA 50392-0002
- Telephonic claim submission available upon employer request.

Once I have submitted the claim, will additional information be needed?

Having the claim form completed in its entirety will assist in our claim evaluation, and reduce our need to contact you for additional information.

If company benefits are based on W-2 earnings and an employee has been employed for more than one calendar year, employers need to provide a copy of the prior year's W-2. For those employed less than one calendar year, we need earnings for all completed months. If the claim is filed for an owner, make sure to specify this on the form and we will be in contact with what is needed for this situation.

To determine eligibility, we also request job descriptions. We need to know the physical demands of the occupation to compare them to the restrictions and limitations provided by the claimant's physician.

For customers who have contributory coverage and are self-accounting groups, we request a copy of their enrollment form. This form assists us in verifying that an employee enrolled for coverage on a timely basis. It also shows us what coverage the insured elected.

What is the timing goal for STD claim determinations?

Our goal for adjudicating STD claims is ten days from claim receipt. In circumstances where additional information is needed to make a decision, the claim will be pended until the information is received.

How often are STD benefit checks issued?

We issue STD benefits on a weekly basis. For routine maternities and some routine surgeries, we offer a lump sum payout for the approved duration period.

How do employees access their Explanation of Benefits (EOBs)?

EOBs are available electronically on www.principal.com. Employees establish a username/password and can be confident their personal and financial information is protected behind a secure site – and take care of the environment. When new EOBs are available, employees receive automatic email notifications.

Why do you sometimes need additional information before making a claim decision?

To be eligible for benefits, a person must meet the definition of disability according to the insurance contract. Objective documentation such as physician's office notes, treatment records, hospital records or a physician statement may be required. If we are waiting for information from an outside source, the decision time will depend on when the information is received.

Are benefits guaranteed once a disability claim is filed?

No. The employee must meet the definition of disability as defined by the contract. Medical information submitted must support the definition of disability and cannot be based simply on a physician's opinion. Each claim is reviewed to determine if it meets the contractual requirements for benefit payment.

What is the timing goal for LTD claim determinations?

The claimant will be contacted with an acknowledgement letter within five business days of receipt of the LTD claim. A follow-up phone interview will be made to gather additional information. LTD decisions are made by the later of 45 days from the receipt of the claim or by the completion of the elimination period.

If we have both STD and LTD coverage, will we need to file a second claim form for the LTD?

A new claim form is not required when moving from STD to LTD when you have an integrated disability program. Integrated claim processing provides streamlined claim administration. Some of our integrated process features include: single notification of claim, one claim form, smooth and timely transition from STD to LTD, early intervention and case management.

What options do employees have for receiving their LTD benefits?

Principal Life offers two monthly LTD payments options:

- Regular check – We will mail a check to the employee's address. LTD payments are made on the 10th of the month.
- Electronic Funds Transfer (EFT) – Employees can elect to transfer their LTD benefit to a bank account they designate.

How do you figure the employee's disability benefit?

The contract dictates the percent of benefit or defines a flat benefit the employee is entitled to. The benefit is calculated by multiplying the employee's pre-disability income by the benefit percent, less income from other sources as identified in the contract. The contract may also contain a maximum and minimum benefit payable.

What is integration with other income sources?

Our contract supports the integration of other income sources with the benefit the employee is eligible for. This means the employee's benefit is reduced by the amount of income received from other income sources, such as (see the contract for full details):

- Social Security, Employee and Family
- State Disability Benefits
- Worker's Compensation
- Salary Continuance

If returning to work on a part-time basis, how are part-time earnings provided?

We must receive part-time earnings information on a weekly basis for STD and a monthly basis for LTD. We need the number of hours worked each week per month and the rate of pay. We can calculate the partial benefit once we receive this information. This information can be faxed or emailed.

What are benefit duration guidelines?

Principal Life uses several common industry resources to evaluate the length of disability, as well as our in-house nurses, physicians and outside consultants. We consider each claim to be unique and evaluate every claim individually. Additional factors are taken into consideration when applying duration guidelines, including the employee's age, occupation and possible secondary diagnosis.

How are phone calls handled?

We have a trained, dedicated Call Center to assist with general questions. More specific questions are transferred directly to the claim examiner. This ensures that the person talking to the employee will have the most knowledge concerning the claim. Callers also have the ability to direct dial the specific claim examiner assigned to his or her claim.

Who screens claims for case management?

We prioritize and develop an action plan on all claims, except for normal pregnancy and claims where the employee returns to work within the expected duration guidelines. The claim analyst, and nurse, vocational and Social Security consultants participate in this process. We believe this team approach allows us to identify the appropriate case management resources for each claim as early as possible.

Do you have a formal rehabilitation program?

We have qualified rehabilitation professionals on staff to provide rehabilitation services to our claimants. We prefer to use our in-house professionals, rather than outside vendors, as it gives us greater control over the quality of services and better outcomes on cases. We do utilize vendors when there are geographical issues best handled by someone locally.

Our primary goal is to help employees return to work at their regular occupation with their employer. If this is not possible, we work with the employee to find alternate placement through a full spectrum of vocational and outplacement services.

Do you help disabled employees apply for Social Security disability benefits?

We emphasize referrals to our Social Security Coordinators as early as possible. If a claim has been identified as one that might meet the eligibility requirements for Social Security, our coordinators begin working immediately to refer the file to a highly respected Social Security vendor. Our vendor works directly with employees to assist with gathering information and submitting the application. They can explain the benefits of Social Security, including Medicare coverage, retirement savings protection, cost of living increases and other benefits. Even after receiving a Social Security denial, the vendor will work with the employee on the appeal process.

What information is needed when the employee returns to work?

We ask that we be notified as soon as possible once the employee returns to work to avoid overpayment. You may reach us at 800-245-1522. We will need the employee's name, the date he/she returned to work, and whether the employee returned to full- or part-time work.

If working ceases for disability or any other reason, do I need to notify Principal Life?

When an employee ceases to work for any reason, it is important to review the Continuation section of the applicable STD, LTD or Life insurance products you have with us. This will assist you in determining how long premiums are allowed to be continued for the employee's benefits. With regards to Life coverage, the employer should determine if they are responsible for offering the employee the right to convert their policy to an individual policy when appropriate.



WE'LL GIVE YOU AN EDGESM

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

This overview of the claim process is not a guarantee of payment or complete statement of the guidelines and requirements of the claim process. Timing goals are not guaranteed.