

**Small Employer Group Benefits Underwriting Guidelines**  
from Nippon Life Insurance Company of America®



**FINDING  
ANSWERS**



# SMALL EMPLOYER GROUP BENEFITS UNDERWRITING GUIDELINES

## Table of Contents

### Life Underwriting Guidelines

(2-49 Lives) for Employee and Dependent Coverage

- Basic Life Guidelines.....2-3
- Voluntary Life Guidelines .....4-5
- Supplement Life Guidelines .....6-7

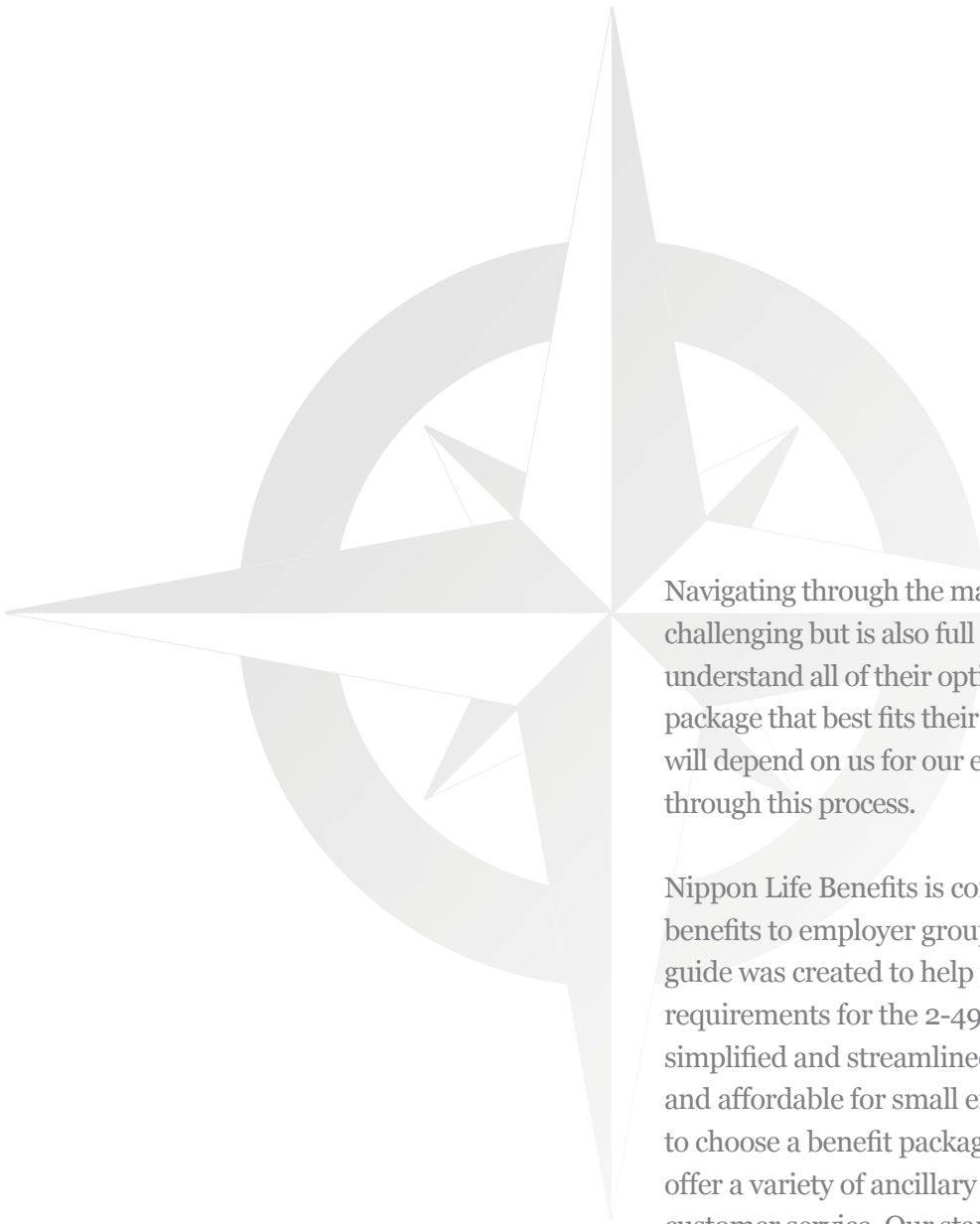
### Disability Underwriting Guidelines

(2-49 Lives) for Employee Coverage

- Short Term Disability Guidelines .....8-9
- Long Term Disability Guidelines .....10-12

### Dental Underwriting Guidelines.....13-14

(2-49 Lives) for Employee and Dependent Coverage



Navigating through the many employee benefit options can be challenging but is also full of opportunity. We must help clients understand all of their options so they can choose a benefits package that best fits their needs. Now, more than ever, clients will depend on us for our experience and knowledge to help them through this process.

Nippon Life Benefits is committed to providing quality ancillary benefits to employer groups across the country. This underwriting guide was created to help you understand our products and the requirements for the 2-49 market place. Nippon Life Benefits has simplified and streamlined our ancillary products to make it easy and affordable for small employers and their valued employees to choose a benefit package. Not only does Nippon Life Benefits offer a variety of ancillary products but we deliver exceptional customer service. Our standard of value is grounded in our Japanese heritage. Respect, Honor, and Dignity are hallmarks of our business. Thank you for your partnership.

# **A GUIDE** **TO NAVIGATING** **LIFE.** [AS WELL AS **DISABILITY AND DENTAL**]

# BASIC LIFE UNDERWRITING GUIDELINES

(2-49 Lives) for Employee and Dependent Coverage



General Guidelines	
<b>Lives</b>	2-49 enrolled lives Standalone 5+ enrolled lives Under 5 must be bundled with another product
<b>Minimum number of hours</b>	Minimum of 30 hours per week
<b>Rate Guarantee</b>	2 years
<b>Participation Requirements</b>	75% participation 100% participation required if the benefit is entirely employer paid
<b>Minimum Benefit</b>	\$15,000
<b>Maximum Benefit</b>	\$300,000
<b>Guarantee Issue Amounts</b>	2-9 lives \$50,000 10-49 lives \$100,000
<b>Employer Contribution Requirements</b>	50% employer contribution
<b>Carve Outs</b>	2 lives or more
<b>Eligible Groups</b>	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship. Multiple Employer Trust, Multiple Employer Welfare Associations, Associations, Taft Hartley Welfare Funds, Employee Leasing Firms, and Professional Employee Organizations (PEO) are not eligible for Life coverage with Nippon Life Benefits.
<b>Eligible Employees</b>	Owners, sole proprietors, partners, officers, trustees, and directors are eligible only if they qualify as full-time employees (30 hours). Part-time, temporary, 1099 employees and seasonal employees are not eligible for coverage
<b>Accidental Death and Dismemberment Benefit</b>	May be provided in an amount equal to the Basic Life Benefit

<p><b>Available Plan Designs</b></p>	<p>Flat schedules covering all employees for the same benefit in any \$5,000 increment from \$15,000 up until the maximum amount permitted for the number of employees covered. Scheduled plans based on class. (I.e. Salaried/Hourly, Management/non-Management). The occupational classes should be clearly defined and the amounts of insurance should be smoothly graded. Benefits must be proportionate to income levels. No benefit in any one class should be any higher than 2.5 times the next lowest class. Schedule requires Home Office approval.</p> <p>Benefits based on annual earnings can be determined on base salary or include bonuses and commissions, etc.</p>				
<p><b>Dependent Life Benefit</b></p>	<p>Eligible dependents are a lawful spouse and unmarried children from 14 days to age 19 (or age 25 if a full-time student at an accredited school, college, or university) The employee must be enrolled for a dependent to have coverage.</p>				
<p><b>Dependent Participation Requirement</b></p>	<p>There is no participation requirement for Basic Dependent Life</p>				
<p><b>Minimum Dependent Spouse Benefit</b></p>	<p>\$2,500</p>				
<p><b>Maximum Dependent Spouse Benefit</b></p>	<table border="0"> <tr> <td>2-9 lives</td> <td>Lesser of \$10,000 or 50% of employee benefit</td> </tr> <tr> <td>10-49 lives</td> <td>Lesser of \$20,000 or 50% of employee benefit</td> </tr> </table>	2-9 lives	Lesser of \$10,000 or 50% of employee benefit	10-49 lives	Lesser of \$20,000 or 50% of employee benefit
2-9 lives	Lesser of \$10,000 or 50% of employee benefit				
10-49 lives	Lesser of \$20,000 or 50% of employee benefit				
<p><b>Guarantee Issue Amount for Spouse</b></p>	<table border="0"> <tr> <td>2-9 lives</td> <td>\$10,000</td> </tr> <tr> <td>10-49 lives</td> <td>\$20,000</td> </tr> </table> <p>For dependents age 70 or over, the GI will be \$5,000 for groups of 25 or less and \$10,000 over 25 lives. Any requests for exception need to be referred to the Home Office.</p>	2-9 lives	\$10,000	10-49 lives	\$20,000
2-9 lives	\$10,000				
10-49 lives	\$20,000				
<p><b>Dependent Child Benefit</b></p>	<p>2-49 lives 50% of spouse amount If no spouse to cover, then child benefit is 25% of employee (Minimum of \$1,250) Subject to state requirements.</p>				
<p><b>Maximum Benefit Limitation</b></p>	<p>Spouse benefit may not exceed 50% of the employee benefit. Child benefit may not exceed 50% of spouse benefit.</p>				

# EMPLOYEE AND DEPENDENT VOLUNTARY LIFE UNDERWRITING GUIDELINES

(5-49 Lives) for Employee and Dependent Coverage

General Guidelines	
<b>Lives</b>	5-49 enrolled lives
<b>Minimum number of hours</b>	Minimum of 30 hours per week
<b>Rate Guarantee</b>	2 years
<b>Participation Requirements</b>	Greater of 5 enrolled lives or 25% participation required
<b>Minimum Benefit</b>	\$20,000
<b>Maximum Benefit</b>	\$300,000 Not to exceed four times salary
<b>Guarantee Issue Amounts</b>	5-9 lives \$50,000 10-49 lives \$100,000
<b>Employer Contribution Requirements</b>	Employee pays 50% or more of the premium
<b>Carve Outs</b>	5 lives or more
<b>Eligible Groups</b>	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship. Multiple Employer Trust, Multiple Employer Welfare Associations, Associations, Taft Hartley Welfare Funds, Employee Leasing Firms, and Professional Employee Organizations (PEO) are not eligible for Life coverage with Nippon Life Benefits.
<b>Eligible Employees</b>	Owners, sole proprietors, partners, officers, trustees, and directors are eligible only if they qualify as full-time employees (30 hours). Part-time, temporary, 1099 employees and seasonal employees are not eligible for coverage.
<b>Accidental Death and Dismemberment Benefit</b>	May be provided in an amount equal to the Voluntary Life Benefit.



<b>Available Plan Designs</b>	Employer can elect either a flat schedule or a multiple of earnings plan at one, two or three times salary. Benefit will be calculated exclusive of overtime pay, bonuses, commissions, etc. Increments of \$10,000 between a minimum and maximum level (increments of \$20,000 and \$25,000 also available)
<b>Dependent Life Benefit</b>	Eligible dependents are a lawful spouse and unmarried children from 14 days to age 19 (or age 25 if a full-time student at an accredited school, college, or university) The employee must be enrolled for a dependent to have coverage.
<b>Dependent Participation Requirement</b>	There is no participation requirement for Voluntary Dependent Life; however, the employee must purchase Voluntary Life
<b>Minimum Dependent Spouse Benefit</b>	\$7,500
<b>Maximum Dependent Spouse Benefit</b>	Lesser of \$50,000 or 50% of employee benefit
<b>Guarantee Issue Amount for Spouse</b>	\$20,000 For dependents age 70 or over, the GI is \$10,000 lives
<b>Dependent Child Benefit</b>	Lesser of \$10,000 or 50% of spouse (Minimum of \$2,000) If no spouse to cover, then child benefit limited to 25% of employee benefit. Subject to state requirements. Dependent Child benefit is guarantee issued.

# EMPLOYEE AND DEPENDENT SUPPLEMENTAL LIFE UNDERWRITING GUIDELINES

(5-49 Lives) for Employee and Dependent Coverage



<b>General Guidelines</b>	
<b>Lives</b>	5-49 enrolled lives (requires purchase of Basic Life coverage)
<b>Minimum number of hours</b>	Minimum of 30 hours per week
<b>Rate Guarantee</b>	2 years
<b>Participation Requirements</b>	Greater of 5 enrolled lives or 25% participation
<b>Minimum Benefit</b>	\$20,000
<b>Maximum Benefit</b>	\$300,000 Not to exceed three times salary
<b>Guarantee Issue Amounts</b>	5-9 lives \$50,000 10-49 lives \$100,000
<b>Employer Contribution Requirements</b>	No employer contribution requirement
<b>Carve Outs</b>	5 lives or more
<b>Eligible Groups</b>	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship. Multiple Employer Trust, Multiple Employer Welfare Associations, Associations, Taft Hartley Welfare Funds, Employee Leasing Firms, and Professional Employee Organizations (PEO) are not eligible for Life coverage with Nippon Life Benefits.
<b>Eligible Employees</b>	Owners, sole proprietors, partners, officers, trustees, and directors are eligible only if they qualify as full-time employees (30 hours). Part-time, temporary, 1099 employees and seasonal employees are not eligible for coverage
<b>Accidental Death and Dismemberment Benefit</b>	May be provided in an amount equal to the Supplemental Life Benefit



<b>Available Plan Designs</b>	Employer can elect either a flat schedule or a multiple of earnings plan at one two or three times salary. Benefits based on annual earnings can be determined on base salary or include bonuses and commissions, etc. Increments of \$10,000 between a minimum and maximum level (increments of \$20,000 and \$25,000 also available)
<b>Dependent Life Benefit</b>	Eligible dependents are a lawful spouse and unmarried children from 14 days to age 19 (or age 25 if a full-time student at an accredited school, college, or university) The employee must be enrolled for a dependent to have coverage.
<b>Dependent Participation Requirement</b>	There is no participation requirement for Supplemental Dependent Life; however, the employee must purchase Supplemental Life
<b>Minimum Dependent Spouse Benefit</b>	\$7,500
<b>Maximum Dependent Spouse Benefit</b>	Lesser of \$50,000 or 50% of employee benefit
<b>Guarantee Issue Amount for Spouse</b>	\$20,000 For dependents age 70 or over, the GI is \$10,000 lives.
<b>Dependent Child Benefit</b>	Lesser of \$10,000 or 50% of spouse (Minimum of \$2,000) If no spouse to cover, then child is limited to 25% of employee benefit. Subject to state requirements. Dependent Child benefit is guarantee issued

# SHORT TERM DISABILITY PRODUCT UNDERWRITING GUIDELINES

(2-49 Lives) for Employee Coverage



General Guidelines	
<b>Lives</b>	2-49 enrolled lives
<b>Years in Business</b>	2 year requirement
<b>Minimum number of hours</b>	30 hours per week required year round
<b>Participation Requirements</b>	Noncontributory 100% of eligible employees Contributory 75% of eligible employees Voluntary greater of 5 enrolled or 25% of eligible employees
<b>Participation in Workers' Compensation and SSDI</b>	Required
<b>Benefit Percent</b>	50%, 60%, 66 2/3%
<b>Maximum Weekly Benefit</b>	2-49 \$2500 GI Amount of \$1500 for groups with less than 10 lives Option to include Commissions/Bonuses
<b>Minimum Benefit Percent for SDI States</b>	20% with no offsets
<b>Integration</b>	Family Social Security plus all other eligible policy other income offsets.
<b>Elimination Period</b>	2-49 lives 0/7, 7/7, 7/14, 14/14 or 29/29-day EP options
<b>Definition of Disability</b>	Partial with an 80% earnings test
<b>Benefit Duration</b>	2-9 lives 13 or 26-week options 10-49 lives 13, 26 or 52-week options
<b>Pre-Ex</b>	3/12 (may vary depending on state requirements)
<b>Carve outs</b>	2 lives or more
<b>Rate Guarantee</b>	2 years
<b>Ineligible employees</b>	Contract or 1099 employees, seasonal employees and temporary employees

<b>Eligible Groups</b>	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.
<b>Ineligible Groups</b>	Multiple Employer Trust, Multiple Employer Welfare Associations, Associations, Taft Hartley Welfare Funds, Employee Leasing Firms, Religious Organizations, Professional Sports Teams, Franchise Groups, and Professional Employee Organizations (PEOs) are not eligible for coverage with Nippon Life Benefits. Not-for-profits require Home Office approval.

### Ineligible Industries

3-Digit SIC	4-Digit SIC Range		Industry Description
	Begin	End	
102 - 104	1021	1049	Copper, Lead, Zinc, Gold, Silver, Ores
106	1061	1069	Ferrous Alloy Ores, Except Vanadium
108 - 109	1081	1099	Metal / Misc Mining Services
122	1221	1249	Bituminous Coal & Lignite Mining
241 - 242	2411	2429	Logging, Sawmill, Planing mills
401	4011	4019	Railroad Transportation
431	4311	4319	U.S. Postal Service
441 - 444	4411	4449	Deep Sea Foreign Transportation of Freight/Water Transportation
448 - 449	4481	4489	Water Transportation of Passengers & Services
451 - 452	4511	4529	Air Transportation, Scheduled & Nonscheduled
458	4581	4589	Airports, Flying Fields, & Services
881	8811	8819	Private Households
999	9999	9999	Nonclassifiable Establishments

# LONG TERM DISABILITY PRODUCT UNDERWRITING GUIDELINES

(2-49 Lives) for Employee Coverage

General Guidelines	
<b>Lives</b>	2-49 enrolled lives
<b>Minimum number of hours</b>	30 hours per week required year round
<b>Years in Business</b>	2 year requirement
<b>Minimum Employer Contribution %</b>	None
<b>Participation in Workers' Compensation and SSDI</b>	Required
<b>Participation Requirements</b>	2-5 lives 100% 6-9 lives 75% 10+ Voluntary greater of 10 enrolled or 25% eligible
<b>Carve Outs</b>	Down to 2 lives
<b>Benefit Percent</b>	50%, 60%, 66 2/3%
<b>Maximum Monthly Benefit</b>	\$7,500 Highest available maximum based on top 3 salaries
<b>Minimum Monthly Benefit</b>	Greater of 10% of gross monthly benefit and \$100
<b>Integration</b>	Family Social Security plus all other eligible policy income offsets.
<b>Elimination Period</b>	90 day or 180 day options
<b>Definition of Disability Earnings Test</b>	24 month with residual and 80/60 earnings test
<b>Partial/Residual</b>	Both options available
<b>Work Incentive Benefit</b>	12 month only
<b>Benefit Duration</b>	2 year / RBD, 5 year / RBD, or SSNRA options
<b>Pre-Ex</b>	3/12 (may vary depending on state requirements)
<b>Worksite Modification Benefit</b>	100% of employer costs up to \$5,000 maximum benefit
<b>Occupations</b>	Required for 10+ 'true groups'



<b>Waiver of Premium</b>	Included
<b>Mental Illness/Substance Abuse / Special Conditions</b>	24 months Lifetime only
<b>Survivor Benefit</b>	3 months only
<b>Low Participation Plan (10-49 lives) &amp; select High Risk Industries</b>	60%, 180 day EP, 2 Year/RBD plan up to \$3,000 per month
<b>Indexation</b>	Available as an option
<b>Rate Guarantee</b>	2 Years
<b>Eligible Groups</b>	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.
<b>Ineligible Groups</b>	Multiple Employer Trust, Multiple Employer and Welfare Associations, Associations, Taft Hartley Welfare Funds, Employee Leasing Firms, Religious Organizations, Professional Sports Teams, Franchise Groups, and Professional Employee Organizations (PEOs) are not eligible for coverage with Nippon Life Benefits. Not-for-Profits require prior Home Office approval. Foreign nationals can be covered if they are less than 10% of the group.
<b>Ineligible Employees</b>	Contract or 1099 employees, seasonal employees and temporary employees.

# LONG TERM DISABILITY PRODUCT UNDERWRITING GUIDELINES CONT.

(2-49 Lives) for Employee Coverage

<b>Ineligible Industries</b>			
<b>3-Digit SIC</b>	<b>4-Digit SIC Range</b>		<b>Industry Description</b>
	<b>Begin</b>	<b>End</b>	
102 - 104	1021	1049	Copper, Lead, Zinc, Gold, Silver, Ores
106	1061	1069	Ferrous Alloy Ores, Except Vanadium
108 - 109	1081	1099	Metal / Misc Mining Services
122	1221	1249	Bituminous Coal & Lignite Mining
241 - 242	2411	2429	Logging, Sawmill, Planing mills
401	4011	4019	Railroad Transportation
431	4311	4319	U.S. Postal Service
441 - 444	4411	4449	Deep Sea Foreign Transportation of Freight/Water Transportation
448 - 449	4481	4489	Water Transportation of Passengers & Services
451 - 452	4511	4529	Air Transportation, Scheduled & Nonscheduled
458	4581	4589	Airports, Flying Fields, & Services
881	8811	8819	Private Households
999	9999	9999	Nonclassifiable Establishments



# DENTAL UNDERWRITING GUIDELINES

(2-49 Lives) for Employee and Dependent Coverage

General Guidelines	
<b>Lives</b>	2-49 enrolled lives
<b>Participation</b>	Non Contributory 100% of eligible employees Contributory 25% of eligible employees Voluntary greater of 5 enrolled or 25% eligible
<b>Contribution</b>	Contributory 50% or more Voluntary less than 50%
<b>Rate Guarantee</b>	One and two year options available.
<b>Takeover Benefits</b>	Groups with prior dental coverage for at least 12 months qualify for takeover benefits.
<b>Eligibility</b>	Dental coverage is available to full-time employees actively working a minimum of 30 hours per week. With Underwriting approval, the number of hours may be modified to coordinate with the Medical Plan.
<b>Eligible Groups</b>	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.
<b>Ineligible Groups</b>	Multiple Employer Trust, Multiple Employer and Welfare Associations, Associations, Taft Hartley Welfare Funds, Employee Leasing Firms, Religious Organizations, Professional Sports Teams, Franchise Groups, and Professional Employee Organizations (PEOs) are not eligible for coverage with Nippon Life Benefits. Not-for-Profits require prior Home Office approval.
<b>Ineligible employees</b>	Contract or 1099 employees, seasonal employees and temporary employees.
<b>Orthodontia</b>	Child and Adult Orthodontia <ul style="list-style-type: none"> <li>• 5 or more enrolled with current orthodontia coverage</li> <li>• 10 or more enrolled without current current orthodontia coverage</li> </ul>
<b>Dual Option</b>	Minimum case size is 10 enrolled employees. At least one employee must be enrolled in each benefit offering.
<b>Dependent Coverage</b>	Employees must be enrolled with dental coverage before it is offered to their dependents.
<b>Dependent Age</b>	Our standard plans covers lawful spouses and dependent children to age 26 (per ACA). With Underwriting approval, the definition may be modified to coordinate with the Medical Plan.
<b>COBRA</b>	No more than 20% of the covered lives may be on COBRA



## General Guidelines

### Waiting Period\*

\*Deferred Dental

#### Late Entrant Benefits Waiting Period:

Applies to employees who enroll more than 31 days after the date eligible:

- Preventive/Unit I: 0 months
- Basic/Unit II: 12 months
- Major/Unit III: 24 months

Options are available to reduce waiting period.

#### Timely Entrants Waiting Period:

Employers With Prior Dental Coverage:

- For persons who were covered under the company's prior dental plan, full coverage is provided and no waiting periods will apply
- For all new timely entrants and persons who did not have coverage under the company's prior dental plan, Major/Unit III services are deferred for 12 months

Options are available to reduce or remove waiting period.

Employers without Prior Dental Coverage:

- Major/Unit III services are deferred for 24 months
- After the deferral period no waiting periods will apply for members on the plan at the time deferral period ends
- For all new timely entrants Major/Unit III services are deferred for 12 months

Options are available to reduce or remove waiting period.

### Accumulation credit

Subject to appropriate documentation provided by the insured, in take-over situations, Nippon Life Benefits will provide credit for deductible accumulation, and subject to certain conditions, for accumulated dental rollover maximums.



Life Policy Series ICC15 NP1100, et al, and Booklet-Certificate Series ICC15 NBL1100, et al/ Policy Series NP1100 CA, et al, and Booklet-Certificate Series NBL1100 CA, et al/ Policy Series NP1100 DE, et al, and Booklet-Certificate Series NBL1100 DE, et al/ Policy Series NP1100 FL, et al, and Booklet-Certificate Series NBL1100 FL, et al/ Policy Series NP1100 NY, et al, and Booklet-Certificate Series NBL1100 NY, et al/NBL1101 NY, et al, Disability Policy Series NP400-1, et al, and Booklet-Certificate Series NB100-1 and NBS100-1, et al, Dental Policy Series NP700 – 1 (J), et al, and Booklet Certificate Series NBD100-1 (J), et al is underwritten by Nippon Life Insurance Company of America® - marketing name Nippon Life Benefits®, NAIC number 81264, licensed & authorized in all states plus DC, except not ME, NH or WY, domiciled in Iowa, with a principal place of business at 655 Third Avenue, 16th floor, NY, NY 10017-9113, member company of Nippon Life Insurance Company of Japan (“Nissay”). Nippon Life Benefits is responsible for its own financial condition and contractual obligations. Nothing herein is a guarantee of benefits or eligibility. All terms, provisions, conditions, limitations and exclusions shown in your Nippon Life Insurance Company of America certificate booklet and master policy will govern.

The Nippon Life Insurance Company of America® Small Employer Group Benefits Underwriting Guidelines are being provided for informational purposes only. These guidelines are subject to change by us without notice, and may vary by state and/or market-segment. Additional underwriting rules and/or policies may also apply.



A Tradition of Value, Humanity and Service  
Nippon Life Insurance Company of America®  
[www.nipponlifebenefits.com](http://www.nipponlifebenefits.com)