

Nippon Life Insurance Company of America®



Nippon Life Benefits®

Small Employer Group Benefits Underwriting Guidelines



FINDING
ANSWERS

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 2-99 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.

SMALL EMPLOYER GROUP BENEFITS UNDERWRITING GUIDELINES

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

DENTAL UNDERWRITING GUIDELINES

(2-99 Lives) for Employee and Dependent Coverage

General Guidelines

Lives	2-99 enrolled lives
Participation Requirements	Non Contributory: 100% of eligible employees Contributory: 25% of eligible employees Voluntary: Greater of 5 enrolled or 25% of eligible employees
Employer Contribution	Contributory: 50% or more Voluntary: less than 50%
Rate Guarantee	1 and 2 year options available.
Takeover Benefits	Groups with prior dental coverage for at least 12 months qualify for takeover benefits.
Eligible Employees	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
Eligible Groups	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.
Ineligible Groups	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.
Orthodontia	Child and Adult Orthodontia <ul style="list-style-type: none"> ▪ 5 or more enrolled with current orthodontia coverage ▪ 10 or more enrolled without current orthodontia coverage
Dual Option	Minimum case size is 10 enrolled employees. At least one employee must be enrolled in each benefit offering. Both plans must have orthodontia or neither plan have orthodontia. No rate guarantee (over 1 year) on either plan. Plan differential cannot be greater than 50%.
Dependent Coverage	Employees must be enrolled with dental coverage before it is offered to their dependents.
Dependent Age	Our standard plans covers lawful spouses and dependent children to age 26 (per ACA).



General Guidelines

Carve out groups	2 lives or more
COBRA	No more than 20% of the covered lives may be on COBRA
<p>Waiting Period*</p> <p>*Deferred Dental</p>	<p><u>Timely Entrants Waiting Period (Groups with 2+ lives):</u> Employers With Prior Dental Coverage:</p> <ul style="list-style-type: none"> ▪ 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, no waiting periods will apply. <p><u>Employers without Prior Dental Coverage (Groups under 5 lives):</u></p> <ul style="list-style-type: none"> ▪ 12 month waiting period will apply. <p>*may vary by state, please check with your sales representative</p>
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. Not available for groups under 50 lives.

VISION UNDERWRITING GUIDELINES

(2-99 Lives) for Employee and Dependent Coverage

General Guidelines

Lives	2-99 enrolled lives Stand-alone 5+ enrolled lives.
Participation Requirements	Non Contributory: 100% of eligible employees Contributory: 25% of eligible employees Voluntary: Greater of 5 enrolled or 25% of eligible employees
Employer Contribution	Contributory: 50% or more Voluntary: less than 50%
Rate Guarantee	1 and 2 year options available
Eligible Employees	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
Eligible Groups	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.



General Guidelines

Dual Option	Not Allowed
Dependent Coverage	Employees must be enrolled with vision coverage before it is offered to their dependents
Dependent Age	Dependent coverage is to age 26
Carve Out Groups	2 lives
Open Enrollment	Groups will have an annual open enrollment period when employees can enroll if they did not enroll when first eligible. Only new hires can join the plan mid-year. There is no waiting period for benefits for members who enroll at the open enrollment period.
COBRA	No more than 20% of the covered lives may be on COBRA



We have partnered with EyeMed (part of the Luxottica Group portfolio of companies and brands) in order to offer top tier vision care to employers in the 2+ marketplace. As part of this eyewear-industry-leader, EyeMed is the country's fastest-growing vision benefits company with more than 47 million members. That means one in every eight Americans has EyeMed benefits. EyeMed's network includes more than 50,000 independent vision care providers and more than 20,000 retail vision care providers. With EyeMed we are able to offer multiple plan variations (Copay, Allowance and Voluntary). Great plans, great service, great partnership!

BASIC LIFE UNDERWRITING GUIDELINES

(2-99 Lives) for Employee and Dependent Coverage



General Guidelines

Lives	2-99 enrolled lives Standalone 5+ enrolled lives
Rate Guarantee	2 or 3 years available
Participation Requirements	Contributory: 75% participation of eligible employees Non Contributory: 100% participation of eligible employees
Minimum Benefit	\$15,000
Maximum Benefit	\$300,000
Guarantee Issue Amounts	2-9 enrolled lives: \$50,000 10-50 enrolled lives: \$100,000 51-99 enrolled lives: \$150,000 Employees older than 70: \$20,000
Employer Contribution Requirements	50% or more employer contribution
Carve Outs	2 lives or more
Eligible Groups	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.
Eligible Employees	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
Accidental Death and Dismemberment Benefit	May be provided in an amount equal to the Basic Life Benefit

General Guidelines

Available Plan Designs	<ul style="list-style-type: none"> ▪ 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 4 times the next lowest class. Schedule requires Home Office approval. ▪ Benefits based on annual earnings can be determined on base salary or include bonuses and commissions, etc.
Dependent Life Benefit	<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)</p> <p>The employee must be enrolled for a dependent to have coverage.</p>
Dependent Participation Requirement	There is no participation requirement for Basic Dependent Life
Minimum Dependent Spouse Benefit	\$2,500
Maximum Dependent Spouse Benefit	<p>2-9 enrolled lives: Lesser of \$10,000 or 50% of employee benefit</p> <p>10-99 enrolled lives: Lesser of \$20,000 or 50% of employee benefit</p>
Guarantee Issue Amount for Spouse	<p>2-9 lives: \$10,000</p> <p>10-99 enrolled lives: Lesser of \$20,000 or 50% of employee benefit</p> <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>
Dependent Child Benefit	<p>2-99 enrolled lives 50% of spouse amount</p> <p>If no spouse to cover, then child benefit is 25% of employee (Minimum of \$1,250) Subject to state requirements.</p>
Maximum Benefit Limitation	<p>Spouse benefit may not exceed 50% of the employee benefit.</p> <p>Child benefit may not exceed 50% of spouse benefit.</p>

SUPPLEMENTAL AND VOLUNTARY LIFE UNDERWRITING GUIDELINES

(5-99 Lives) for Employee and Dependent Coverage

General Guidelines

Lives	5-99 enrolled lives
Rate Guarantee	2 years
Participation Requirements	Greater of 5 enrolled lives or 25% participation required
Minimum Benefit	\$20,000
Maximum Benefit	\$300,000 Not to exceed four times salary
Guarantee Issue Amounts	5-9 enrolled lives: \$50,000 10-99 enrolled lives: \$100,000 Employees Older than 70: \$10,000
Employer Contribution Requirements	Employer pays less than 50% of the premium
Carve Outs	5 lives or more
Eligible Groups	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.
Eligible Employees	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.
Accidental Death and Dismemberment Benefit	May be provided in an amount equal to the Voluntary Life Benefit.
Other Requirements	Supplemental Life requires purchase of Basic Life coverage

General Guidelines

Available Plan Designs	<ul style="list-style-type: none"> ▪ Employer can elect either a flat schedule or a multiple of earnings plan at one, two, three, or four times salary. Benefits based on annual earnings which 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)
Dependent Life Benefit	<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)</p> <p>The employee must be enrolled for a dependent to have coverage.</p>
Dependent Participation Requirement	There is no participation requirement for Voluntary Dependent Life; however, the employee must purchase Voluntary Life
Minimum Dependent Spouse Benefit	\$7,500
Maximum Dependent Spouse Benefit	Lesser of \$50,000 or 50% of employee benefit
Guarantee Issue Amount for Spouse	<p>\$25,000</p> <p>For dependents age 70 or over, the GI is \$10,000</p>
Dependent Child Benefit	<p>Lesser of \$10,000 or 50% of spouse (Minimum of \$2,000)</p> <p>If no spouse to cover, then child benefit limited to 25% of employee benefit. Subject to state requirements.</p> <p>Dependent Child benefit is guarantee issued.</p>



SHORT TERM DISABILITY PRODUCT UNDERWRITING GUIDELINES

(2-99 Lives) for Employee Coverage



General Guidelines

Lives	2-99 enrolled lives (Standalone 5+ enrolled)
Years in Business	2 year requirement
Participation Requirements	Noncontributory 100% of eligible employees Contributory 75% of eligible employees Voluntary greater of 5 enrolled or 25% of eligible employees
Participation in Workers' Compensation and SSDI	Required
Benefit Percent	40%, 50%, 60%, 66 2/3%, 70%, 20% with no offset
Maximum Weekly Benefit	2-9 enrolled lives: <ul style="list-style-type: none"> ▪ Coverage up to \$2500 weekly ▪ Guarantee Issue: \$1500 weekly 10-99 enrolled lives: <ul style="list-style-type: none"> ▪ Coverage up to \$2500 weekly ▪ Guarantee Issue: \$2500 weekly
Minimum Benefit Percent for SDI States	20% with no offsets
Integration	Family Social Security plus all other eligible policy other income offsets.
Elimination Period	2-99 enrolled lives: 0/7, 7/7, 7/14, 14/14 or 29/29-day EP options
Definition of Disability	Partial with an 80% earnings test
Benefit Duration	2-9 enrolled lives: 13 or 26 week options 10-99 enrolled lives: 13, 26, or 52 week options
Pre-Ex	3/12 (may vary depending on state requirements)
Carve outs	2 lives or more
Rate Guarantee	2 years
Eligible Employees	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
Eligible Groups	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.
Familial Exclusions	Family members cannot comprise more than 50% of the insured employee



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	Ferroalloy 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

(2-99 Lives) for Employee Coverage

General Guidelines

Lives	2-99 enrolled lives (Standalone 5+ enrolled)
Years in Business	2 year requirement
Minimum Employer Contribution %	None
Participation in Workers' Compensation and SSDI	Required
Participation Requirements	2-5 enrolled lives: 100% 6 enrolled lives and up: 75% Voluntary: Greater of 10 enrolled or 25% of eligible employees
Carve Outs	2 lives or more
Benefit Percent	40% 50%, 60%, 66 2/3%
Maximum Monthly Benefit Highest monthly maximums available with underwriting approval; highest available maximum based on top 3 salaries.	<ul style="list-style-type: none"> ▪ Coverage up to \$6,000 monthly for 2-9 enrolled ▪ Guarantee Issue: \$6,000 monthly for 2-9 enrolled ▪ Coverage up to \$8,000 monthly for 10+ enrolled ▪ Guarantee Issue: \$8,000 monthly for 10+ enrolled
Minimum Monthly Benefit	Greater of 10% of gross monthly benefit and \$100
Integration	Family Social Security plus all other eligible policy income offsets.
Elimination Period	90 day or 180 day options
Definition of Disability	24 month regular occupation with residual
Earnings Test	80 (Regular OCC) /60 (Any OCC)
Residual	Standard



General Guidelines

Benefit Duration	2 year / RBD, 5 year / RBD, or SSNRA options
Pre-Ex	3/12 (may vary depending on state requirements)
Worksite Modification Benefit	100% of employer costs up to \$5,000 maximum benefit
Occupations	Required for 10+
Waiver of Premium	Included
Mental Illness/Substance Abuse / Special Conditions	24 months Lifetime only
Survivor Benefit	3 months only
Limited Plan (10-49 lives) for High Risk Industries	60%, 180 day EP, 2 Year/RBD plan up to \$3,000 per month
Indexation	Available as an option
Rate Guarantee	2 Years
Eligible Groups	Eligible Groups are corporations, partnerships and sole proprietorships where there is a clear employee/employer relationship.
Eligible Employees	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
Familial Exclusions	Family members cannot comprise more than 50% of the insured employee

LONG TERM DISABILITY CONT.

(2-99 Lives) for Employee Coverage

Ineligible Industries

Industry	SIC Code
Agricultural Production Crops, Livestock, Agriculture Services	01XX-07XX
Forestry	08XX
Fishing, Hunting, and Trapping	09XX
Metal Mining	10XX
Coal Mining	12XX
Oil and Gas Extraction	13XX
Mining and Quarrying of Non-Metallic Minerals, Except Fuel	14XX
Logging, Sawmills and Wood Related Manufacturing	24XX
Asbestos Manufacturing	3292
Ammunition and Ordinance Manufacturing	348X
Oil and Gas Field Machinery and Equipment Manufacturing	3533
Railroad Transportation	40XX
United States Postal Service	43XX
Water Transportation	44XX
Transportation by Air	45XX
Oil Royalty Trading	6792
Private Households	88XX
Non-Classifiable Establishments	99XX
Cannabis Dispensary and Crop Production	N/A

Requires Occupation Information

Holding Offices	6712, 6719
Personnel Supply Services	7361, 7363
Business Services, Not Elsewhere Classified	7389
Public Administration	9111-9721

Vision Policy Series NP 600-1 (J), et al and Booklet-Certificate Series NBV 100-1 (J), 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/NBL 1101 NY, et al, Disability Policy Series NP 400-1, et al, and Booklet-Certificate Series NB 100-1 and NBS 100-1, 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.

EXCEPTIONS

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.

The following groups or individuals are unable to receive coverage under Nippon Life Benefits; 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). For a detailed list of ineligible industries, turn to page 16.

These guidelines are subject to change by us without notice, and may vary by state and/or market-segment. Additional underwriting rules and/

