

Ameritas Increase Options – Fact Sheet and FAQ’s



<p>Acronyms</p>	<p>FIO: Future Increase Option Rider</p> <ul style="list-style-type: none"> • Rider that allows insured to increase monthly benefit without providing evidence of medical insurability. The maximum pool available depends by product type <ul style="list-style-type: none"> ○ Individual Disability: 3 times the base benefit, not to exceed I&P limits ○ Business Overhead: 2 times the base benefit, not to exceed I&P limits <p>GI: Guaranteed Insurance</p> <ul style="list-style-type: none"> • The pool from which the FIO increase can be exercised. The pool amount is determined at time of application/policy issue. <p>AIR: Automatic Increase Rider</p> <ul style="list-style-type: none"> • Increases benefit by 4% each year up to 5 years. After 5 years, this rider must be applied for to be renewed.
<p>Quotes</p>	<p><i>Can Truluma run an Increase quote?</i></p> <ul style="list-style-type: none"> • Yes, if Truluma has access to the original policy then a quote can be generated. If the agent is not listed under Truluma or the client was not originally written in a policy under Truluma, then Truluma will reach out to Ameritas for a quote. <p><i>Approximately how long will it take to receive a quote?</i></p> <ul style="list-style-type: none"> • For a quote from the carrier, it typically takes between 3 to 8 business days. <p><i>What do I need to provide?</i></p> <ul style="list-style-type: none"> • Please provide current annual income figure, the client’s current occupation, and any other Group Long Term Disability (LTD) or DI coverage inforce.
<p>How often does this option to increase occur?</p>	<p>FIO and GI: Annually, up to and including age 55.</p>
<p>When is the insured/broker notified?</p>	<p>Client receives a letter from Ameritas 60 days before the policy anniversary date. This letter contains the monthly premium for an additional \$100 benefit and the maximum benefit available based on the remaining FIO pool on the policy. The broker is reminded of the increase option 30 days before the policy anniversary date via an email from Truluma.</p>
<p>When can the insured apply?</p>	<p>31 days before or 31 days after the policy anniversary date</p>
<p>Normal Application Process</p>	<ul style="list-style-type: none"> • The client must sign and submit a <i>state-specific application for the original state</i> in which the policy was issued if they would like to apply for an increase. This state is denoted as a footnote on the application.

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	<ul style="list-style-type: none"> ○ The maximum increase amount is listed as GI coverage on the base policy (also on the producer workbench). ○ The application can be DocuSigned. ● The application must be submitted with financials to Truluma to begin underwriting. <ul style="list-style-type: none"> ○ Most recent tax returns with all schedules is the best financial submission. ● After receiving the application, Ameritas conducts initial review of the materials provided, and will reach out if additional information is needed. ● If no further information is needed, underwriters will review the income and current inforce coverage to determine the maximum increase the client qualifies for. ● When Underwriting makes a decision they will notify the Inforce Policy Coordinator at Truluma with the maximum benefit amount and effective date. <ul style="list-style-type: none"> ○ The client will be asked whether they would prefer PDF or paper policy pages. ● If there are any changes to the original application (such as missing benefit amount or an address change), the client will need to sign an Endorsement to place the policy inforce. <ul style="list-style-type: none"> ○ If there are no changes, the client will be issued policy pages with no Endorsement necessary. ○ This Endorsement includes updated information on premium, benefit, benefit period and elimination period. ● After the endorsement is submitted, or if there are no changes, the client is issued the updated policy pages and must authorize draft of premium to place the increase inforce or provide payment to do so. ● The FIO pool is reduced and the premium for the FIO rider is reduced accordingly on the base policy.
<p>Base Policy Changes</p>	<p><i>Will the policy be on a new policy or layered onto the base?</i></p> <ul style="list-style-type: none"> ● The increase amount is set up as a new policy with a new policy number. The only riders that carry over to this additional policy from the base is COLA (inflation) and Residual. Also if there are exclusions these will carry over to new policy. Each time a client exercises the FIO option a new policy is generated for that increase amount being applied for/approved. <p><i>Is the broker added to the base policy?</i></p> <ul style="list-style-type: none"> ● The submission of the broker of record change triggers a 30-day retention letter that is sent to the servicing agent on file. During this time, the broker can service an FIO option but no other business for the client. Please prepare for this waiting period before submitting business on the client's behalf. <ul style="list-style-type: none"> ○ This is due to the FIO option being placed on a separate policy. The broker is able to submit the broker of record change and become the servicing agent on the base policy after the increase is placed. Please have the Case Manager confirm with the carrier before proceeding.

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Off-Anniversary Qualifications	<ul style="list-style-type: none"> • Insured must be under or at age 45, OR have a policy that was issued in the last 3 years. • One of the following requirements must be fulfilled, and applied for within 90 days of the qualifying event: <ul style="list-style-type: none"> ○ Insured has experienced at least 20% increase of income. <ul style="list-style-type: none"> ▪ 90 Day requirement is not applicable to clients within 2 years of completion of a residency or fellowship program. This timeframe for residents is post-graduation, so they have up to 2 years to apply off-anniversary. ○ Insured has involuntarily lost Group LTD . • The policy must not include the Automatic Increase Rider. • One off-anniversary exercise is allotted per year. • The effective date for an off-anniversary increase <i>must match</i> the base policy effective day if on monthly automatic draft.
State Application to Use	Original policy issue state
Where to find an application	Please request application from Truluma (polycyservices@truluma.com)
Forms	UC 0130 according to the state in which the policy was ISSUED Form 1799 is used to renew the Automatic Increase Rider
Minimum Benefit Available	\$300/month
Maximum Benefit Available	<ul style="list-style-type: none"> • Clients through age 45 can exercise the full FIO pool. • Clients aged 46 through 55 can only exercise half of their original base benefit amount. • For the DInamic 2000 policy series, the ages 46 through 50 can only exercise half of the FIO pool.
When does the rider terminate?	<ul style="list-style-type: none"> • On the policy anniversary after the client is aged 55 • When the entire FIO pool has been exercised. • When the policy terminates. • Date of written request to terminate rider.
AIR Details	<ul style="list-style-type: none"> • Increase benefit by 4% (simple increase rounded up to the next \$10) for 5 years. On the 5th year, the rider must be renewed through financial underwriting. • The increase will occur on the policy anniversary. • Premium based on age at increase • One refusal of the Automatic Increase forfeits remaining options to increase and terminates the rider.

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	<ul style="list-style-type: none">• The AIR must be renewed every 5 years, within 90 days of the option date, subject to financial underwriting.
Quirks	<ul style="list-style-type: none">• Broker of record changes will trigger a 30-day retention period for the client with the original broker. Any broker can write an FIO (if appointed) but the original broker will not be changed on the base policy• The amount of premium for the FIO rider <i>decreases</i> as the rider pool is exercised and reduced.• The Business Overhead dating on increase options follow the base policy anniversary date. Off anniversary dating is not available on BOE policies.