



TheStandardSM
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Medical Resident Discount Q & A

Under the previous rules, resident programs required a letter of endorsement. Does this announcement remove that requirement since residents are now eligible for the multi-life discount?

No. In order to qualify for the multi-life discount the resident program must still be approved by The Standard through a letter of endorsement. In addition, resident programs must still meet the minimum production requirements currently expected of associations. (See Association Guidelines form #7609 for details). These two additional requirements (endorsement and minimum production) must be met in order for resident programs to receive a multi-life discount.

How will The Standard handle pending cases currently in Underwriting?

For resident programs approved by Standard before June 1, 2005 and which are currently in underwriting, males will receive gender distinct rates and females will receive gender neutral rates, subject to the transition rules below.

How will The Standard handle pending cases that have already been issued but have not been put in force?

Females will be reissued with gender neutral rates and males will remain gender distinct as issued, subject to the transition rules below. If a case has already been delivered, but not put in force, new data pages will be mailed to the insured and producer after the case is placed.

How will The Standard handle male cases that have been illustrated as gender distinct but not yet submitted?

Males illustrated as gender distinct on or before June 1, 2005 receive gender distinct rates if the illustration and application are in the home office before the end of business on June 30, 2005.

Is The Standard going to allow existing (in force) policies to be replaced with gender neutral rates?

A policy owner may request replacement of an existing policy. However, replacement will require the completion of a new application. Any reissued policy will be subject to

evidence of insurability and will be offered at the insured's current age. If the insured is no longer a member of an approved resident program at the time of replacement, he or she will not be eligible for the resident discount with gender neutral rates.

How does The Standard handle FPO exercises on in force policies that were issued using gender distinct rates?

Every version of an FPO rider contains language explaining how exercises under that rider are priced. The Standard will follow the language of the rider.

The current association discount in New Jersey is 10% with distinct rates. Will New Jersey applicants now receive the 15% discount with neutral rates?

Yes, they are now eligible for the multi-life discount, subject to the requirements noted above. In New Jersey, as in all states with approved discount programs, that discount is 15%.

Will this announcement apply to dental, pharmaceutical, optometry or veterinary students?

Yes, if part of a medical school program.

How will The Standard handle hospital programs that cover both residents and staff under the same discount?

If residents are any part of the group requesting the multi-life discount, an endorsement and minimum production are required.

Some discount programs for residents were established using gender neutral rates. Can the male residents of these programs receive distinct rates during this transition period?

No, those policies will continue at the rates in effect at the time of issue.

How do I quote this discount?

In Illustration Edge, select **Multi-Life** under the **Discount** menu. The next version to the illustration software will include an option for residents.

Medical Resident Discount Transition Rules

Impact on current association program

- All endorsed and approved resident programs (including dental, pharmaceutical, optometry and veterinary students) will be eligible for gender neutral rates.
- All hospital endorsements that include residents and other staff will be eligible for gender neutral rates.

Deadline for accepting applications with gender distinct pricing for males

The illustration must have been run by June 1, 2005, submitted with the application and received by the home office by June 30, 2005.

Pending cases currently in Underwriting

For applications illustrated on or before June 1st, males will get gender distinct rates and females will get gender neutral rates.

Pending cases mailed, but not yet in force

For females the home office will reissue the policy before it is put in force using neutral rates. If additional premium was sent in by the field, a refund along with a letter explaining the change in rates will be mailed to the policyholder and agent explaining the change. Males will remain gender distinct as issued.

Changes to policies that have been put in force

There will be no changes to policies after they have been put in force.

Future Purchase Options

The new policy set up as a result of the FPO exercise will follow the FPO language of the base policy.

State specific discounts

New Jersey	The multi-life discount is 15% off of gender neutral rates.
Florida	No discount available.

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