



The Value of Voluntary Benefits

Betty Jorgensen knows the value first-hand...

While going to the grocery store one wintry morning, Betty Jorgensen slipped and fell on a patch of ice. At the emergency room, she learned she had broken her ankle and would need surgery. Because she had voluntary coverage from Unum, Betty knew she was protected.

Financial protection when employees need it most

Unum's Voluntary Benefits Portfolio
Supplemental Health · Disability · Life

unum[®]
Better benefits at work.



Unum’s coverage made a horrible situation much more bearable...

Betty Jorgensen, a customer service representative from South Dakota, didn’t think she needed voluntary benefits. When she met with a Unum benefits consultant to discuss voluntary protection, she initially said no. Betty felt she had enough insurance coverage, and did not want to pay additional premiums.

But then Betty changed her mind. After thinking more about the advantages these benefits could offer, she signed up for two voluntary coverage plans from Unum — **accident insurance** and **individual short term disability**.

It was a smart decision, as she later found out. Betty’s voluntary coverage was there to provide financial support while she dealt with her injury.

We helped Betty get back on her feet

Betty knew she would miss work and that her medical bills would begin to stack up. She spoke with a Unum claims representative who helped Betty understand the benefits that would be coming her way.

Her accident policy provided a lump-sum payment she could use to manage the impact of unexpected expenses and keep her budget on track.

Her individual short term disability plan provided essential income, which was extremely important since Betty was unable to return to work right away.

Here’s an example of how accident and short term disability coverage could help someone like Betty:

Accident benefits paid	Disability benefits paid*	Total benefit received
\$ 850 Ambulance, ER, surgery	4 weeks of benefits	Unum paid 83% of Betty’s financial exposure
\$ 300 Crutches, doctor visits, physical therapy		
\$ 1,150 Hospital admission (2 days)		
\$2,300	\$1,773	\$4,073

*Sample benefit payouts are for illustrative purposes only. See back for details.

While Betty may not have realized she was eligible for multiple claims, Unum did. Through our triage claims process, our benefits professionals consider every coverage an employee has. This allows us to serve our customers better, since it reduces the time and effort needed to file a claim and limits the need for duplicate documentation.

Caring customer service and a quick claims turnaround made all the difference

As a customer service representative herself, Betty appreciated the smooth experience with Unum’s customer service team.

“Everyone treated me with respect,” she said. “I didn’t need to track anything down or follow up on the progress of my claim.” In fact, Betty said she often received her claims checks ahead of schedule. As Betty summed it up, “I was very pleased.”

“It truly was a financially rewarding experience and probably saved me from a long road ahead of collection calls.”

4

reasons

voluntary benefits from Unum make sense for employers:

- Coverage options appeal to a diverse workforce
- Educational materials can support the learning and lifestyle needs of your specific workforce
- Thorough implementation and administrative support allow for easier management
- A great way to boost employee satisfaction and retention

Benefits are a top motivator of employee satisfaction³

There is a strong relationship between benefits, job satisfaction and employee retention, which is why so many employers are focusing on the quality of their benefits plans.

Today, 77% of employers with 10 or more employees offer at least one voluntary benefit.⁴



Why voluntary benefits matter in today's economy

Betty Jorgensen was happy to have Unum coverage when she was unable to work. Your employees may feel the same. Even though the economy is showing signs of improvement, many Americans still do not have the savings to make up for missed wages or unexpected expenses. 40% of American workers report they always or usually live paycheck to paycheck.¹ Voluntary benefits can help employees protect themselves from financial setbacks.

Since Unum's voluntary benefits are **employee-paid**, you can offer these plans to employees without impacting your benefits costs. Plus, they are designed to complement other benefits in your program.

5 top reasons why employers offer voluntary benefits:²



As employers gain familiarity with voluntary benefits, they are also seeing value for their companies. Since employees are interested in these benefits, more employers are offering them for recruitment and retention.

Since 2009, we've seen a **21-point** increase in this category alone.

How voluntary benefits help employees:

Supplemental health insurance

In the event of an accident or illness, these coverages can provide extra money employees can use as they choose — to cover bills or to offset the financial impact of deductibles or co-payments. Some plans also offer a wellness benefit to encourage preventive care.

Accident insurance pays a lump-sum benefit amount based on a schedule for the type of accident, injury and treatment received.

Critical illness insurance** pays a lump-sum benefit upon diagnosis of a covered serious illness, such as heart attack, stroke or cancer.

Group hospital indemnity insurance pays a lump-sum benefit whenever a covered individual is admitted to the hospital.

Disability insurance

Individual short term disability helps employees replace a portion of their income if they can't work when they're ill, injured or have a baby.

Life insurance

These policies complement a base term offering and pay a lump-sum benefit when an insured individual dies or has a terminal illness.† Other features:

- **Whole life** offers paid-up policy options and premiums are guaranteed level.
- **Individual universal life** offers an adjustable coverage level if needs change.
- **Renewable term life** provides a steady premium amount for set time periods.

4 reasons

voluntary benefits are an easy choice for employees:

- Benefits are conveniently offered through the workplace
- Payments are payroll deducted and easy to budget
- Education is provided so employees understand the value
- Policies are individually owned or can be ported, so coverage can stay with employees if employment changes

Top financial concerns for employees:⁵

- Paying for medical expenses
- Supporting self if disabled and unable to work
- Money for retirement

About 38 million Americans suffer injuries and seek medical help each year.⁶

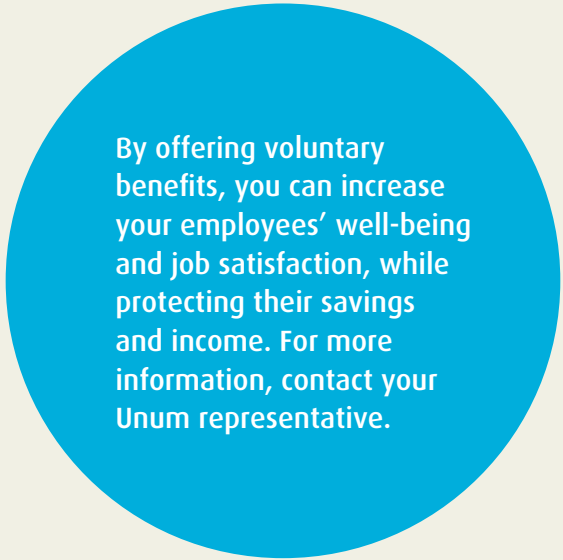
For more information about the value these and other Unum benefits can provide you and your workforce, contact your Unum representative.

Why offer Unum voluntary benefits to your employees?

Unum voluntary benefits provide a choice of coverage options to meet the changing needs of your diverse workforce.

They can provide financial protection if an employee is faced with an injury, illness or loss of life. And since employees choose and pay for the benefits themselves, these plans can be added at little or no cost to you. Employees are asking for voluntary benefits, because they appreciate the value and choice.

Whether provided as a complement to your existing portfolio, or as standalone offerings, voluntary benefits show you care about your employees. And, benefit enrollments can include a package of HR tools and services that can save you time and money.



By offering voluntary benefits, you can increase your employees' well-being and job satisfaction, while protecting their savings and income. For more information, contact your Unum representative.

ACCIDENT, CRITICAL ILLNESS, AND GROUP HOSPITAL INDEMNITY INSURANCE PROVIDE LIMITED BENEFITS

* Sample benefit payouts are for illustrative purposes only. Costs of treatment and benefit amounts may vary. Disability income example based on 7/7/3 plan design, AA risk class, \$37,000 annual income based on salary.com median CSIII salary for Rapid City, SD.

** In New York and North Carolina, the products are called Specified Disease insurance.

† Included Living Benefit option provides a payment to the policyholder when diagnosed with a terminal illness limiting life expectancy to 12 months or less (may vary by state). See policy for details.

1,3 CareerBuilder.com, "Percentage of U.S. Workers Living Paycheck to Paycheck Reaches Recession-Era Low, Finds CareerBuilder Survey" (Aug. 15, 2012; accessed Oct. 30, 2012), <http://www.careerbuilder.com/share/aboutus/pressreleasesdetail.aspx?sd=8%2f15%2f2012&id=pr711&ed=12%2f31%2f2012>.

2,4 Eastbridge, *MarketVision: The Employer Viewpoint After PPACA* (2012).

5 LIMRA, *2011 Insurance Barometer Study* (2011).

6 National Safety Council, *Injury Facts* (2012).

The policies or their provisions may vary or be unavailable in some states. The policies have exclusions and limitations which may affect any benefits available. See the actual policy or your Unum representative for specific provisions and details of availability.

Group products are underwritten by Unum Life Insurance Company of America, Portland, Maine

Individual products are underwritten by Provident Life and Accident Insurance Company, Chattanooga, Tennessee

In New York, products are underwritten by First Unum Life Insurance Company, New York, New York

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