

Colonial Life®

More than
just voluntary
benefits



What are voluntary benefits?

Sometimes called “supplemental insurance,” these employee-paid benefits can stand alone or help fill gaps in major medical and other insurance coverage.

Employees use them for:



CO-INSURANCE
OR CO-PAYS



REPLACING WAGES
OR SAVINGS



HOUSEHOLD
BILLS



TRAVEL
EXPENSES



VOLUNTARY BENEFITS

Choice matters.

Voluntary benefits are simply a customized package of additional insurance products and other group programs, presented to employees on a menu from which they can pick what they want and leave the rest.



91%

Of employees feel
companies should offer
customized benefits
packages



Rising cost of health care

Most Americans obtain medical insurance through their employers.

However, cradle to grave benefits are a thing of the past because the expense is not sustainable.

For a typical U.S. employer, healthcare often represents the second largest operating expense after employee wages.

And for the vast majority of employers, it represents the fastest-growing operating expense — one that they may have little or no control in managing.

Collective Health, Employer Driven Healthcare, February 2018



From 2006 to 2018,
the total cost of
healthcare per
employee
increased 75%
from \$8,079 to
\$14,156 a year.

*Collective Health, Employer Driven
Healthcare, February 2018*



How voluntary benefits can help

As these business expenses are passed down to the employee, there is a need to help with the rising costs of deductibles and out of pocket exposures.

Sometimes called “supplemental insurance,” these employee-paid benefits help fill gaps in major medical and other insurance coverage. They can even be used for:



**CO-INSURANCE
OR CO-PAYS**



**REPLACING
WAGES OR
SAVINGS**



**HOUSEHOLD
BILLS**



**TRAVEL
EXPENSES**



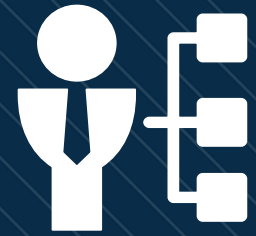
VOLUNTARY BENEFITS

One size doesn't fit all.

Today's employee expects every element of their job, from work to development to benefit options, to be customized based on their unique motivations, expectations, and lifestyles.

Voluntary benefits help do just that.

Illness | Injury | Dental | Vision | Life



80%

Of employees value
benefits customized for
their age and
circumstances



Value of voluntary benefits to your client



AFFORDABLE

Little to no direct cost to the employer.



FINANCIAL WELL-BEING

Help pay for unexpected out-of-pocket expenses.



PERSONALIZE

Whether generational, cultural or economic needs, options can fit personal preferences.



ATTRACTIVE

Personalized benefits translate to higher employee engagement and greater satisfaction which can impact recruitment and retention efforts.



PORTABLE

Take from job to job without interruption in coverage or loss of funding.



Why consider?

CLIENT RECRUITMENT

Adding VB as a new line of coverage will enhance your overall value proposition in attracting new clients.

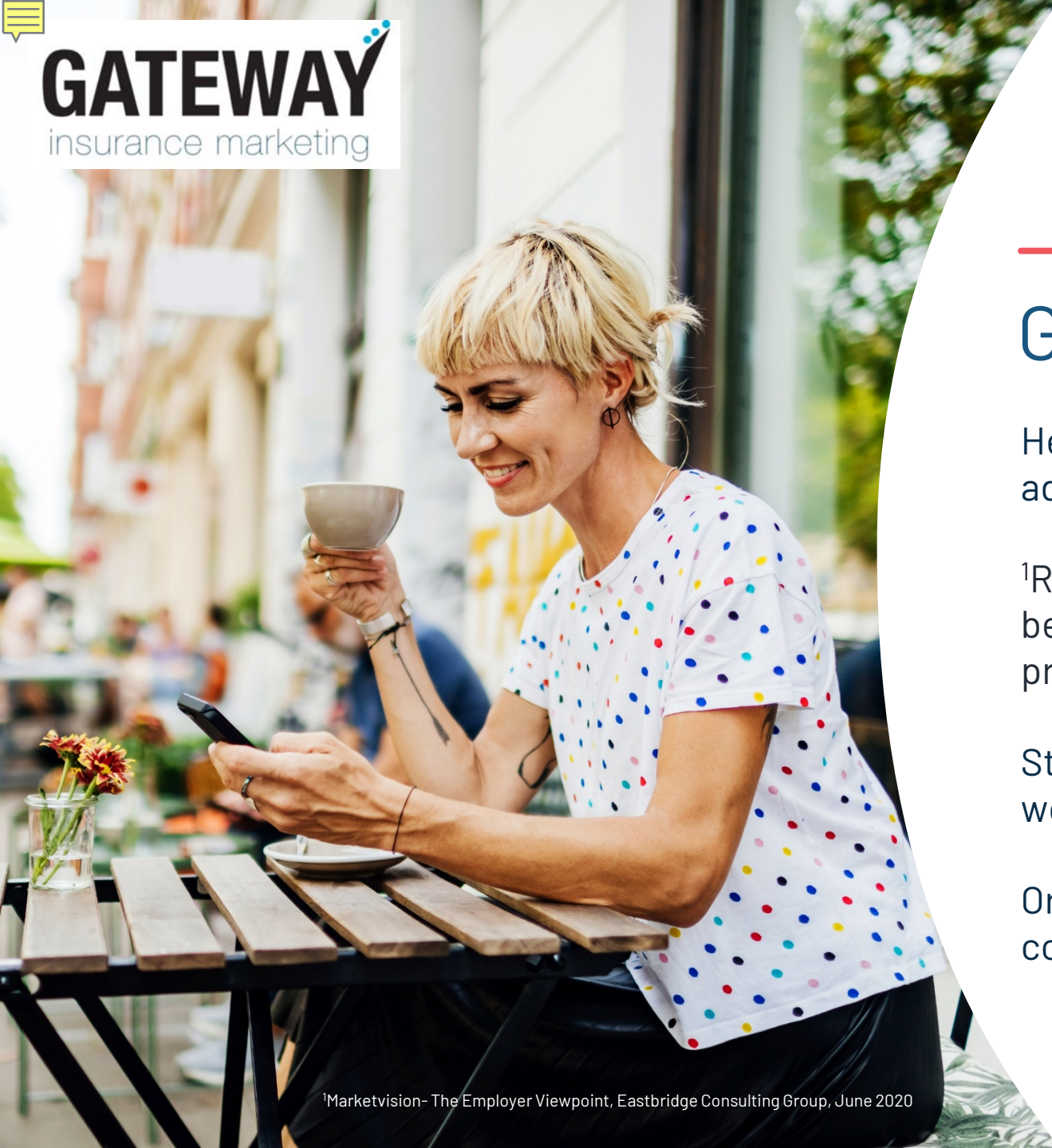
CLIENT RETENTION

Offering VB to your clients is a way to increase the value/cost savings you bring to them.

INCREASE REVENUE

Excellent way to add an additional revenue stream using our “plug-and-play” approach





Growth opportunity

Help your clients manage their health benefit costs by adding voluntary benefits to your product offering.

¹Research shows that about 70% of all employers (with between 10 and 500 employees) offer at least one voluntary product.

Start by leveraging accident insurance to help reduce worker's comp claims.



Or position hospital indemnity insurance to help offset the costs of a high deductible plan.



Increased revenue potential

Cross-selling voluntary benefits can have a big impact on your bottom line:

- Improve client retention through existing personal and commercial lines
- Increase opportunities to prospect for new customers.
- Add a revenue stream.
 - 40% of brokers write more than 10 voluntary cases a year.
 - 57% of brokers sell or cross-sell voluntary benefits to their accounts.



**Voluntary benefits
sales can boost your
income by**

11 – 25%
of your total revenue.

Voluntary Benefits: An Essential Guide for
Employers and Brokers, Arcuro, 2019



CASE STUDY

Boost revenue

Needed turn-key enrollment for a shipping company with 50 employees.

Used digital pre-enrollment communications and on-line appointment setting to schedule 1-to-1 benefits counseling sessions.

Call center was used for consultation and enrollment of 48 employees.

80% of the employees purchased a voluntary benefits product.



- 95% attendance
- 80% participation
- \$600 average annualized premium
- \$22,800 total sales
- \$4,788 broker commissions



BENEFITS + HR TECHNOLOGY = SMALL/MEDIUM-SIZED BUSINESS SOLUTION

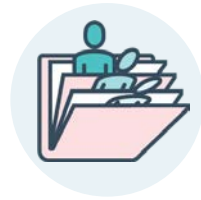
Premium add-on features

- Payroll integration
- Embedded payroll
- Custom workflows
- Time tracking
- Time off
- Feedback and performance



Benefits enrollment & administration

- Enroll in core medical, group, voluntary, dental and vision benefits on one platform
- Enable employees to view benefits or change elections during qualified life events
- Reduce time spent on benefits with an intuitive dashboard



Employee records

- Collect and keep track of all employee records in one secure place
- Secure document sharing and storage capabilities



Onboarding

- Deliver a modern onboarding experience
- Create customized, digitally signed documents
- Collect customized information from your employees



Payroll sync checklist

- Keep payroll up to date and accurate with a digital checklist
- Track changes and calculate amounts affecting paychecks

Payroll services are not included in Gathr. Integration and embedded options are available via partners. Additional fees apply. Core benefits are offered by third parties.



Product portfolio

| SUPPORT THE EMPLOYER HEALTH CARE OFFERING | | | | FINANCIAL PROTECTION | | |
|---|---|--|--|--|---|--|
| | ACCIDENT | SUPPLEMENTAL HEALTH | SPECIAL RISK | DENTAL | DISABILITY | LIFE |
| | Benefits for unexpected injuries | Lump-sum hospital confinement | Treatment and recovery from serious illness | Preventive and major dental coverage | Income protection | Family financial protection |
| INDIVIDUAL | <ul style="list-style-type: none">• Individual Accident (IAC4000)• Gunshot Wound | <ul style="list-style-type: none">• Individual Medical BridgeSM (IMB7000) | <ul style="list-style-type: none">• Critical Illness 1.0• Cancer Assist• Cancer 1000 | <ul style="list-style-type: none">• Individual Dental PPO (IDN8000)• Individual Dental Fee Schedule | <ul style="list-style-type: none">• Individual Short Term Disability (ISTD3000) | <ul style="list-style-type: none">• Term Life (ITL5000)• Whole Life (IWL5000) |
| GROUP | <ul style="list-style-type: none">• Group Accident (GAC4000) | <ul style="list-style-type: none">• Group Medical BridgeSM (GMB7000) | <ul style="list-style-type: none">• Group Critical Illness (GCI6000)• Group Critical Care• Group Cancer 1000 | N/A | <ul style="list-style-type: none">• Group Disability | <ul style="list-style-type: none">• Group Term Life |

Group Term Life Insurance

Basic with Supplemental Coverage

Group Term Life:

- Guarantee Issue (GI) for the employee under employer-paid \$10,000 Basic Group Term Life Only.
- **Guarantee Issue** voluntary buy-up; employee up to \$75,000, spouse term rider up to \$25,000 and child term rider up to \$10,000.
- Voluntary buy-up requires 20% participation, or 10 enrolled lives (whichever is greater) during the initial offering to issue the group contract as GI.
- Requires access to at least 70% of the actively working eligible employees.

Built-in Benefits:

- Includes LifeWorks Employee Assistance Program and Life Planning Financial and Legal Services.
- Portability
- Conversion
- Accelerated Death Benefit

| Coverage | Monthly Rate | Benefit Amount |
|------------|--------------|----------------|
| Basic Life | \$2.00 | \$10,000 |



Value-added programs

Increase participation while enriching benefit options at no additional cost.

HEALTH

- Complementary AD&D coverage
- Telemedicine
- Health and services discount card
- Health advocacy program

WEALTH

- Student loan debt repayment
- Employee financial wellness program
- Identity theft protection

PLAN ADMINISTRATOR

- Dependent verification
- Dependent audit
- Premium-only plan administration

LEGAL AND HR

- Legal document preparation
- Customized benefits learning website
- HR resource website

PUBLIC SECTOR

- Cooperative purchasing
- Funded flex program





VOLUNTARY BENEFITS

Can I really make money?



Case Study

- 50 life group
- 95% attendance
- 50% participation
- \$600 average annualized premium
- Total sales - \$14,400
- Commissions - **\$2,880**

**Average
\$50-\$60
per eligible
employee in
annual
commissions**



- No additional overhead/investment
- No need to become a voluntary benefits expert
- Simply plug into a turnkey voluntary benefits solution

Target Market Industries

-
- City and County Government (small to midsize)
 - Pharmacies
 - Banks and Savings Institutions
 - Plastering & Drywall Contractors
 - Sporting Good Stores
 - Retail Stores (department stores, jewelry stores, computers, TV's and electronic components, farm supply)
 - Real Estate Firms
 - Manufacturing (clothing, apparel, plastics, milk products, sewing machine, tool & die, trophy, medical & dental instruments, industrial machinery, games & toys, clocks & watches, jewelry, and electronic components)
 - Wholesale Distributors (beer & wine, clothing, appliances, furniture, hardware, paper products, computer equipment, commercial equipment, plumbing equipment, heating & air equipment, refrigeration equipment, industrial machinery & supplies, pharmaceuticals and farm supplies)
 - Computer Services, Programming and Consulting
 - Engineering Firms
 - Architectural Firms
 - Accounting Firms
 - Advertising Firms and Consulting
 - Management Consulting
 - Public Relations Firms
 - Business Consulting Companies
 - Printing & Publishing Companies
 - Auto Body Shops
 - Beverage Bottling Companies
 - Building Supply Companies
 - Cabinet Manufacturing & Installation
 - Grocery Stores
 - Heating & Air Contractors
 - Plumbing Contractors
 - Pest Control Companies
 - Tire & Battery Dealers



Let's get started. Together.

- No additional overhead/investment.
- No need to become a voluntary benefits expert.
- Plug into our turnkey voluntary benefits delivery solutions.

Learn more about how we can help you maximize your income potential with voluntary benefits.



Colonial Life®

ColonialLife.com

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