

# Hospital Confinement Indemnity Insurance

## Is the Health Insurance You Provide Your Employees Enough?

Health insurance costs are rising. Your premiums are rising. And unfortunately, when it comes to their health insurance, you now must offer your employees options that usually provide less value for the money.

*As a result your employees must cope with higher co-payments, higher deductibles and more provider restrictions.*

### The gaps are widening.

- 75% of all individuals declaring personal bankruptcy for medical reasons were insured at the onset of their illness.

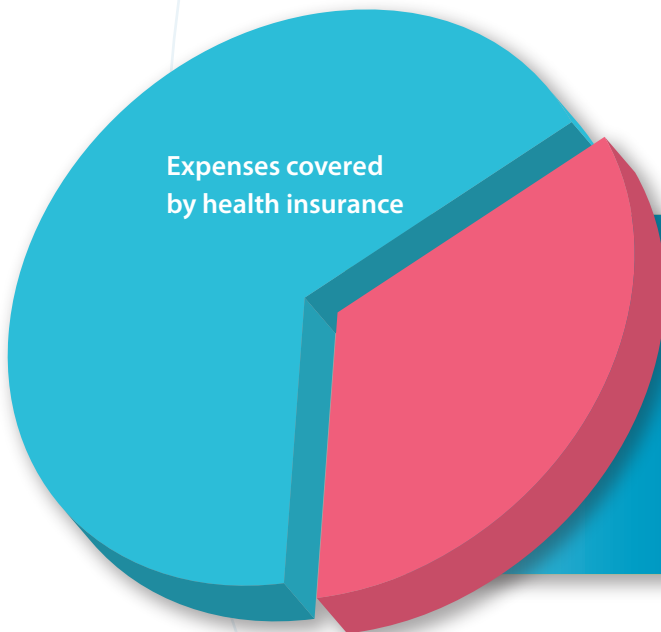
*"Illness and injury as Contributors to Bankruptcy,"  
February 2005 Issue of Health Affairs*

- The United States spent nearly \$2 trillion on healthcare in 2005. Spread over the population, this amounts to about \$6,697 per person.

*Health Care Costs, Kaiser Family Foundation, 2007*

**While hospital stays are less frequent, medical treatment is increasingly trending toward outpatient services such as:**

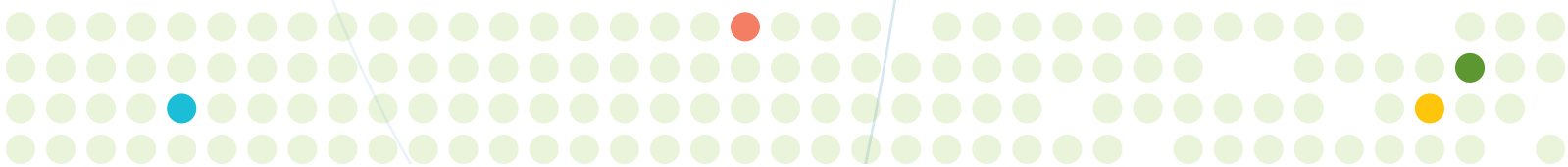
- Diagnostic testing
- Outpatient surgeries



Our products offer choices to help fill in the gaps

- Co-pay
- Deductibles
- Over-the-counter medications/supplies
- Non-medical expenses

*For illustrative purposes only.*



Employers need an affordable solution to protect employees, stay competitive in attracting and retaining quality workers, and remain profitable. Employees need more benefits choices than ever before.

Colonial Life's Hospital Confinement Indemnity products can provide your employees the benefits they need without hurting your organization's bottom line. And if you have or are considering a Health Savings Account (HSA) Colonial Life has plans that are HSA-compliant which can help you and your employees stretch benefit dollars, at no direct cost to you.

## Features of Colonial Life's Supplemental Health Products

- Hospitalization benefits
- Most products include a health screening benefit to encourage early detection  
*This benefit may be an optional rider with additional premium in some products*
- Spouse and/or family coverage options
- Choice of benefit levels to fit the employee's need and budget
- Most benefits are paid directly to insured, unless specified otherwise, to use as they see fit
- Many benefits paid regardless of any other insurance insured may have with other insurance companies
- Some products are HSA-compliant
- Available through convenient payroll deduction with Colonial Life's hassle-free administration
- May be pre-taxed through Section 125 to provide tax savings and make coverage more affordable

## The Health Insurance Protection Gap

Employees are less prepared than ever for unexpected expenses from illnesses.

- More than three-fourths — 77 percent — of uninsured Americans reported feeling “not too confident” or “not at all confident” in having enough money or health insurance to pay for the usual medical costs a family requires.
- In the past year, 29 percent of Americans say they or a family member have either skipped recommended medical tests or treatment, not filled a prescription, cut pills or skipped doses of medicine because of cost. Among those, more than half of them stated their condition got worse as a result.

*<sup>1</sup>USA Today/Kaiser Family Foundation/Harvard School of Public Health Health Care Costs survey, conducted April 25-June 9, 2005*

***You can't stop medical costs from rising. You can't prevent gaps in coverage from occurring. You can help employees manage those costs and cover those gaps by providing them with additional protection to help them in the areas where they need it the most.***

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*Colonial Life products are underwritten by Colonial Life & Accident Insurance Company, for which Colonial Life is the marketing brand.*

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