



NEWS RELEASE

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Top Voluntary Products Health Care Workers Are Buying

Colonial Life & Accident Insurance Company identifies voluntary benefits buying trends in the health care industry

COLUMBIA, S.C. (April 17, 2007) — Short-term disability, life and accident insurance are the top three voluntary products workers in the health care industry are buying, according to an analysis of employee buying trends in the health care industry. Colonial's study looked at voluntary product sales in 6,500 health care businesses—hospitals, doctor's offices, dentists, nursing homes and assisted-living facilities—and included nearly half a million policies bought by employees who work in this industry.

"Health care workers are showing strong interest in voluntary coverage in addition to what their employer provides," says Tom Gilligan, Colonial's senior vice president of marketing and branding. "Health care companies that don't provide voluntary coverage options may not be meeting their employees' benefits needs."

When it comes to managing employee benefits programs, the health care industry has some unique issues to deal with:

- **Higher health risks.** Managing occupational injury and illness with health care workers is a big challenge in this industry. The U.S. Department of Labor reports that nursing care facilities and hospitals have rates of 12.6 and 9.7 cases respectively per 100 full-time workers, compared with an average of 5.3 for private industry overall. 1 "Voluntary products can help these workers pay for medical and nonmedical out-of-pocket costs without affecting the company's bottom line or increasing its benefits costs," Gilligan says.
- **Shortage of workers.** More than 1 million new and replacement nurses will be needed overall in the medical field by 2012, according to the U.S. Bureau of Labor Statistics.² "One way health care companies can attract and retain quality workers is by offering a competitive benefits package that includes a variety of voluntary products workers can choose from," Gilligan says.
- **Cost containment.** Technological and medical advances can lead to higher treatment costs, which typically drive up out-of-pocket expenses

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for patients. “Health care workers see first-hand the strain these costs can place on a family, so it’s easier for them to understand the advantage of having voluntary benefits to help cover out-of pocket expenses,” Gilligan says.

“We’re seeing interest for voluntary short-term disability, life and accident coverage among employees in health care companies, and our study shows that workers are willing to purchase voluntary products to fill any coverage gaps,” Gilligan says. “When health care employers know the voluntary products their workers want and need, they can make smarter, more strategic decisions regarding their benefits programs.”

¹ U.S. Department of Labor, Career Guide to Industries, 2004-05 Edition

² U.S. Department of Labor Bureau of Labor Statistics, <http://stats.bls.gov/oco/cg/cgs035.htm>, viewed October 2006

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