



NEWS RELEASE

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Half of full-time employees surveyed don't understand health insurance coverage for cancer-related medical expenses

COLUMBIA, S.C. (Jan. 12, 2009) — Half of working Americans with health insurance surveyed say they don't have a clear understanding of what their health insurance covers for medical expenses related to cancer treatment. According to a recent nationwide survey of 1,067 full-time employees covered by health insurance conducted online by Harris Interactive on behalf of Colonial Life & Accident Insurance Company*:

- 51 percent of employees surveyed say they don't have a clear understanding of what their health insurance covers for cancer-related treatment.
- When asked if their health insurance would cover most of the expenses if they or a family member were diagnosed with cancer, 6 percent say no and 40 percent report they don't know.

“These responses point out the confusion employees have when it comes to understanding what their health insurance covers,” says Tom Gilligan, Colonial Life's senior vice president of marketing and branding. “People like to think they're covered, but when cancer gets personal, no one's really 100 percent sure.”

Do you feel you have a clear understanding of what your health insurance covers when it comes to cancer treatment? According to the survey results, only about half of employees, regardless of gender, age and region of the country, say they understand what their health insurance covers for cancer treatment:

- **Gender.** 53 percent of women and 49 percent of men say they don't have a clear understanding.
- **Age groups.** 59 percent of employees age 35- 44 say they don't have a clear understanding, followed by employees age 18-34 (56 percent), employees age 45-54 (43 percent) and employees age 55 and older (38 percent).
- **Geographic regions.** 56 percent of employees responding to the survey from the Northeast don't have a clear understanding, followed by employees in the West (53 percent), Midwest (49 percent) and South (47 percent).

Would your health insurance cover most of the expenses if you or a family member were diagnosed with cancer? The survey reports similar responses across gender, age and region of the country:

- **Gender.** Among men, 35 percent say they don't know if their health insurance covers cancer-related expenses and 6 percent say it wouldn't. Among women, 46 percent say they don't know and 7 percent say it wouldn't.
- **Age groups.** The highest percentage of respondents who don't know if their health insurance would cover cancer-related expenses is in the 18-34 age group with 47 percent saying they don't know and 6 percent saying no. Among age groups: 35-44, 43 percent don't know and 5 percent say no; 45-54, 32 percent don't know and 9 percent say no; and 55 and older, 29 percent don't know and 4 percent say no.

- **Geographic regions.** Responses among geographic regions don't show big variances: Northeast, 42 percent say they don't know and 5 percent say no; Midwest, 38 percent say they don't know and 5 percent say no; South, 36 percent say they don't know and 9 percent say no; and West, 43 percent say they don't know and 4 percent say no.

“These answers show that most employees don't have an accurate understanding of what their benefits will cover, since statistics show more than half of cancer treatment costs are not covered by health insurance,” Gilligan continues. In fact, cancer costs the American public more than \$219 billion a year, and only 41 percent of these costs are direct costs covered by most major medical plans, such as hospital and doctors' charges and medications. The remaining 59 percent of costs are indirect costs the consumer pays for things like lost wages or salary, deductibles, travel expenses to and from treatment centers, child care, and lodging and meals. (*Source: Cancer Facts & Figures, American Cancer Society, 2008*).

“In today's environment of double-digit health care cost increases, group health insurance plans at work aren't as comprehensive as they used to be, which means employees are on the hook for more out-of-pocket expenses not covered by their health plan, as well as indirect costs related to cancer treatment,” Gilligan says. “A growing number of employees may be interested in purchasing a personal cancer plan at work, particularly if cancer runs in their families, and paying for the policy themselves.”

Businesses that offer personal cancer insurance plans at work to complement their group health insurance can help employees minimize financial risk if they or a family member are diagnosed with cancer. “It's all about choice,” Gilligan adds. “Adding a cancer plan to the company benefits program gives them another option to protect themselves from unexpected medical costs.”

Survey Methodology

Harris Interactive® fielded the study on behalf of Colonial Life from July 31 through Aug. 4, 2008, via its QuickQuerySM online omnibus service, interviewing a nationwide sample of 2,889 U.S. adults aged 18 years and older, of which 1,067 were employed full-time and enrolled in an employer-provided/spouses' health insurance plan. Data were weighted using propensity score weighting to be representative of the total U.S. adult population on the basis of region, age within gender, education, household income, race/ethnicity, and propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

* Survey, Harris Interactive and Colonial Life & Accident Insurance Company, July 31 – Aug. 4, 2008.

About Colonial Life

Colonial Life & Accident Insurance Company is a market leader in providing insurance benefits for employees and their families through their workplace, along with individual benefits education, advanced yet simple-to-use enrollment technology and quality personal service. Colonial Life offers disability, life and supplemental accident and health insurance policies in 49 states and the District of Columbia. Similar policies, if approved, are underwritten in New York by a Colonial Life affiliate, The Paul Revere Life Insurance Company. Colonial Life is based in Columbia, S.C., and is a subsidiary of Unum Group.

For more information about supplemental insurance, call Colonial Life at (803) 798-7000 or visit www.coloniallife.com.

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