



## NEWS RELEASE

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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 Colonial Life's products and services or opportunities with the company, call (803) 798-7000 or visit [www.coloniallife.com](http://www.coloniallife.com).

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

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## Colonial Life Offers New Health Coverage Plans for Uninsured Workers

### New limited benefit medical plan versions offer higher benefits, more affordable rates

**COLUMBIA, S.C. (Jan. 26, 2009)** — Employers unable to offer their workers major medical insurance now have access to four new limited benefit health care plans from Colonial Life & Accident Insurance Company.

The Colonial Health Advantage<sub>SM</sub> limited benefit medical plans are designed to help meet the growing demand for basic health coverage for employees with no major medical insurance. Research shows 47 million people don't have health insurance<sup>1</sup> — and the vast majority of them belong to a family with at least one working member.<sup>2</sup> Employers and their employees are increasingly finding a limited benefit medical plan offers an affordable solution for basic, noncatastrophic health care coverage.

Colonial Health Advantage is now available in four streamlined plan designs that incorporate the best features of Colonial Life's previous limited benefit medical products: Standard, Standard Plus, Enhanced and Premier. The new portfolio also offers two key advantages:

- **Higher benefits.** Benefits for the most-demanded services — doctor's office visits and preventive care visits — have been increased in several of the new plans.
- **Affordable rates.** Rates for voluntary (employee-paid) coverage start at less than \$50 a month, and even less for employer-paid coverage.

“The need for this type of coverage is strong and growing,” says Justin Laughlin, Colonial Life's assistant vice president for health products. “Our new Colonial Health Advantage plans allow us to offer coverage that is even easier to explain and understand while still providing great value to employers and their employees.”

In addition to the new plans, the Colonial Health Advantage product still includes two important enhancements announced late last year:

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- **Smaller group size.** Workplaces with as few as three employees enrolling in the plan can qualify for coverage. Minimum group sizes vary depending on the number of eligible employees in the account, whether the pre-existing condition exclusion is waived and whether the employer is paying the premiums.
- **Better employer-paid option.** Discounted rates when the employer is paying the premiums are available for groups as small as 25 eligible employees.

The Colonial Health Advantage product is insurance to help pay for noncatastrophic medical expenses. It's not major medical insurance and isn't a substitute for major medical coverage, but it does pay for a limited set of benefits with a fixed benefit amount. Depending on the plan selected and state availability, it offers the following five basic components:

- benefits for doctor's office visits
- preventive care
- diagnostic tests and x-rays
- hospital confinement
- prescription drugs

Although a majority of private businesses offer medical care benefits to their employees, barely half of small businesses with fewer than 100 employees do.<sup>3</sup> And the need doesn't end there, Laughlin says. "Even many larger businesses have groups of part-time employees who don't qualify for the company's major medical plan."

The Colonial Health Advantage plan premiums can be employer- or employee-paid, or a combination of both. Offered through payroll deduction at the workplace at group rates, these plans can meet the need for more affordable, limited and clearly defined health benefits for full-time and part-time workers who don't have access to major medical insurance and need some coverage for basic, routine medical expenses.

*The Colonial Health Advantage<sub>SM</sub> plan is a group limited benefit hospital confinement indemnity and accidental death and dismemberment plan. It is not designed to replace a major medical, other comprehensive and/or catastrophic plan. This is limited coverage that may not provide a reimbursement for all medical expenses a certificate holder may incur. In Georgia and Texas, this product is a hospital confinement indemnity plan. Certificates have exclusions and limitations that may affect benefits payable. Benefits vary by state and may not be available in all states. "Colonial Health Advantage" is a service mark of Colonial Life & Accident Insurance Company.*

1 Henry J. Kaiser Family Foundation, 2006

2 California Health Care Foundation, 2005.

3 "Growth Potential of Small Business Markets," LIMRA, 2006.