



## NEWS RELEASE

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

**Enhanced limited benefit medical plan available to smaller groups, priced better when employer pays premiums, waives pre-existing conditions in some cases**

**COLUMBIA, S.C. (Oct. 2, 2008)** — Employees without any major medical coverage now have easier access to limited benefit health care coverage from Colonial Life & Accident Insurance Company.

Colonial Life created its Colonial Health Advantage<sub>SM</sub> limited benefit medical plan last year to 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. The Colonial Health Advantage product now meets this need for even more employers with three important enhancements:

- **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 size of 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.
- **No pre-existing condition exclusion for takeovers.** The pre-existing condition exclusion can be waived for many groups when at least 10 insured employees move from a competitor's plan to Colonial Life's plan.

The Colonial Health Advantage product is an insurance product 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

“The need for this type of coverage is strong and growing,” says Justin Laughlin, Colonial Life’s assistant vice president for health products. “Uninsured Americans are heavily concentrated in the 18-34 age group, when workers may be most likely to have young families to take care of.”<sup>3</sup>

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>4</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.”

Colonial Health Advantage 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.

For more information about Colonial Health Advantage or Colonial Life’s other products and services, call Colonial Life at (803) 798-7000 or visit [www.coloniallife.com](http://www.coloniallife.com).

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. “Colonial Health Advantage” is a service mark of Colonial Life & Accident Insurance Company.

*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.*

1 Henry J. Kaiser Family Foundation, 2006

2 California Health Care Foundation, 2005.

3 “Income, Poverty, and Health Insurance Coverage in the United States: 2005,” U.S. Census Bureau.

4 “Growth Potential of Small Business Markets,” LIMRA, 2006.

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