

5 REASONS TO SAY 'YES' TO VOLUNTARY INSURANCE

With so many options during benefits open enrollment, here are five good reasons not to overlook voluntary insurance plans such as accident, disability, hospital indemnity and cancer insurance, just to name a few.

1

Voluntary insurance helps protect your hard-earned savings.

No matter your stage in life, there's already a lot to save for, including:



College for yourself or children: Estimated average U.S. undergraduate college costs for four-year institutions during the 2015-2016 school year, including tuition, fees, and room and board: **\$19,548 to \$43,921.**¹

Down payment for a home: 20 percent of the home cost.

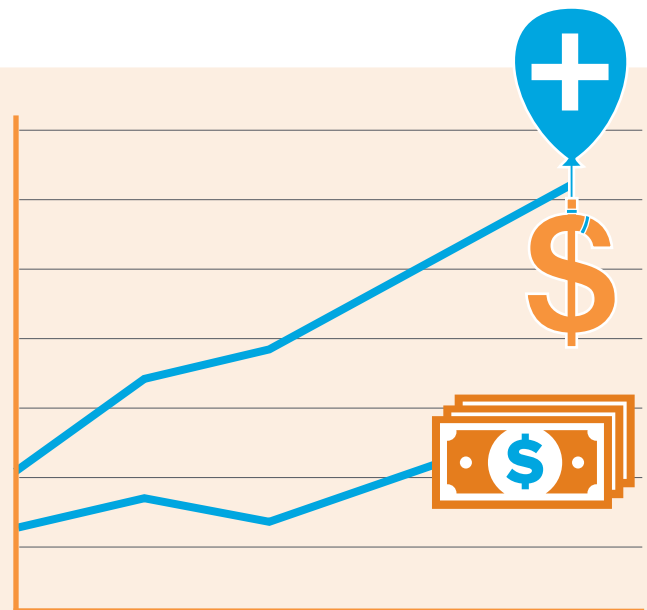
Emergency fund: three to nine months living expenses.

Retirement: eight times their salary level by age 67.

2

Unfortunately, pay raises aren't keeping up with rising health care costs.

Perhaps you've been lucky enough to earn a pay increase this year. Still, health care costs are increasingly taking a larger share of take-home pay. Even with slowing rate increases for health insurance premiums compared to 10 or 15 years ago, they continue to outpace inflation and wages.²



3

Even with major medical insurance, potential out-of-pocket costs associated with illness or injury can be considerably high. For example:



Out-of-pocket limits for 2016:²

Individual - **\$6,850**; Family - **\$13,700**.

Cancer treatment: The average out-of-pocket cost among older cancer patients insured privately, through Medicare or both is **\$1,266 monthly**.⁴

Hospital stay and related costs due to heart attack:

Estimated cost is **\$21,500**. Individuals with insurance can expect to be responsible for **10 to 20 percent** or **\$2,150-\$4,300**.⁵

4

Many employees admit they aren't prepared for the financial cost.⁶



Nearly 3 in 5 (59 percent) say they **wouldn't be able to adjust** to the large financial costs associated with a serious injury or illness.

65 percent of employees **have less than \$1,000 to pay out-of-pocket expenses** associated with an unexpected serious illness or accident that occurred today.

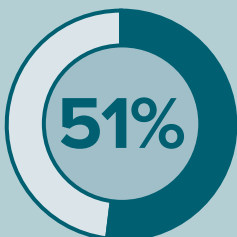


37 percent of employees **would use a credit card to pay for out-of-pocket expenses** associated with an unexpected serious illness or accident if it occurred today; **19 percent would borrow or withdraw money from their 401(k) or other retirement account**.

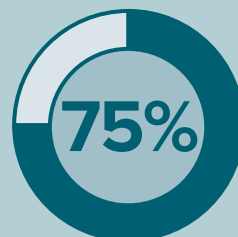
5

Voluntary insurance gives a boost to your major medical coverage.

Unlike major medical insurance, voluntary insurance policies pay the policyholder cash directly when they are sick or injured to help pay for unexpected out-of-pocket costs. Since you choose how to spend your insurance claim, these policies give many individuals financial peace of mind. In fact, individuals enrolled in voluntary benefits are more likely to say they're extremely or very:⁶



Prepared for unexpected out-of-pocket expenses not covered by major medical/health insurance (**51 percent**) compared to those who aren't offered voluntary insurance by their employers (21 percent).



Satisfied with their overall benefits packages (75 percent) compared to those who aren't offered voluntary insurance by their employers (46 percent).

To learn more about voluntary insurance, visit Aflac.com.

Resources:

¹College Board's 2014. Trends in College Pricing. Accessed March 30, 2016. <http://trends.collegeboard.org/sites/default/files/trends-college-pricing-web-final-508-2.pdf>.

²Henry J. Kaiser Foundation. "2015 Employer Health Benefits Survey." Accessed March 3, 2016. <http://kff.org/report-section/ehbs-2015-summary-of-findings/>.

³This is the most an individual or family will pay for covered essential health benefits before their plan begins to pay 100 percent of the costs.

⁴Clear Health Care Costs. "By the numbers: Out-of-pocket costs for cancer treatment." Accessed Feb. 11, 2016. <http://clearhealth-costs.com/blog/2011/08/by-the-numbers-out-of-pocket-costs-for-cancer-treatment/>.

⁵Health cost helper. "Heart attack treatment cost." Accessed on March 3, 2016. <http://health.costhelper.com/heart-attack-treatment-cost.html#extres5>.

⁶2016 Aflac WorkForces Report. Accessed April 29, 2016. <https://www.aflac.com/business/resources/aflac-workforces-report/default.aspx>.