



## Why Aflac Voluntary Insurance?

### Overview

When employees experience a serious health event, they can be impacted financially in many ways. Here are three examples\*:

- Out-of-pocket medical costs that are not covered by major medical insurance.
- Reduced income from going on disability or taking off work to care for a sick or injured loved one.
- Nonmedical costs associated with the event, such as travel, eating out more, and hiring help around the home.

So, at a time when the family should be focusing on recovering from the event, increased expenses and reduced income can create a strain on the family budget as the monthly bills continue.

- With Aflac, the family receives cash benefits paid directly to the employee (unless they choose otherwise).
- They can use those funds for any need they have.
- Further, 65 percent of employees have less than \$1,000 to be able to pay for out-of-pocket expenses associated with an unexpected serious illness or accident.
- Additionally, 16 percent of workers would have to borrow from their 401(k), friends and family to pay for out-of-pocket expenses associated with an unexpected serious illness or accident; 35 percent would have to use a credit card.

\* *Aflac WorkForces Report, 2016.*

# The Differences Between Aflac and Major Medical Insurance

## Aflac Helps Pay Expenses Major Medical Leaves Behind\*

Aflac isn't major medical insurance—it pays cash benefits insured's can use to help with out-of-pocket medical costs, household bills, and other expenses traditional insurance doesn't cover.

Aflac voluntary plans	Major medical plans
Let Aflac do the heavy lifting by administering enrollments, reconciling billing, and offering assistance to help your employees file claims.	Involve your benefits department in plan administration and must regularly review claims experience.
Pay cash benefits directly to the named insured (unless otherwise designated), regardless of any other insurance in place.	Pay benefits to medical providers, not to insureds.
Provide coverage that is portable, if the plan contains a portability provision (as long as the master policy remains in force. Certain stipulations apply).	Cause employees to possibly lose coverage if they are laid off or retire. At a minimum, they may be forced to pay higher rates.
Individual policies let applicants choose how much coverage they desire or can afford. Group products contain variation to suit a group's needs.*	Usually offer one-size-fits-all coverage within each plan offering.

## Just the Facts – Aflac Workforces Report

### Managing Benefit Costs

According to Aflac's 2016 WorkForces Report, conducted by Lightspeed/GMI, offering robust benefits while staying within budget/cost constraints is a top benefits challenge for business of all sizes. Forty percent of large businesses, 48 percent of medium-sized businesses, and 47 percent of small businesses all say that offering benefits while controlling costs is difficult. As a result, companies are continuing to shift health care costs to their employees/looking for ways to keep costs in line. Aflac's voluntary plans ease this challenge by offering plans that are one hundred percent employee paid, while paying cash benefits fast to your employees in their time of need.

### Satisfies Employees' Need for More Benefit Options\*\*

Only 16 percent of workers today feel the current benefits package offered by their employer meets their current family needs extremely well and only seven percent of employees say they completely agree that they are protected by their current insurance coverage. When asked if they would purchase voluntary insurance 60 percent of employees say they would be at least somewhat likely to purchase voluntary insurance plans if their employer offered them.



## **Increases Employee Satisfaction, Loyalty, and Retention \*\***

Benefits packages are a unique aspect of the employer-employee contract, because they simultaneously move the dial on worker productivity, retention, and recruitment. Voluntary products are a major factor in whether or not you are offering your employees a strong benefit package.

- 79 percent of workers say they would be less likely to leave if they had a well-communicated benefits program
- 59 percent of employees say they are likely to accept a job offer with slightly lower compensation but better benefits
- 84 percent of workers say their overall benefits package is at least somewhat influential over their job satisfaction
- 68 percent of workers who are extremely/very satisfied with their overall benefits package are also extremely/very satisfied with their job

Employees with voluntary benefits are also more likely to score higher on multiple job satisfaction indicators, including the belief their employer is known as a great place to work, that their employer takes care of its employees, and the likelihood they will recommend their workplace to friends.

## **Gain Productivity \*\***

More than one-quarter of workers who have experienced a personal issue that impacted their ability to get their work done, said it was due to a health issue specifically. More than half (56 percent) of those said it decreased their productivity at work. Sixty-seven percent of employees say that a benefit package offering is important to their work productivity. Aflac can help close this productivity gap by offering your employees and their families the safety net of Aflac coverage. Aflac helps them in their time of need and helps provide peace of mind for them and their families.

*\*\*Individual policies are underwritten by American Family Life Assurance Company of Columbus. Group coverage is underwritten by Continental American Insurance Company (CAIC), a wholly owned subsidiary of Aflac Incorporated. CAIC is not licensed to solicit business in New York, Guam, Puerto Rico, or the Virgin Islands. For groups situated in California, group coverage is underwritten by Continental American Life Insurance Company. For individual coverage in New York or coverage for groups situated in New York, coverage is underwritten by American Family Life Assurance Company of New York.*

**SCHEDULE YOUR OWN CONFIDENTIAL MEETING  
TO RECEIVE YOUR COMPLIMENTARY  
FEDERAL BENEFIT ANALYSIS**



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