

Introduction to Combined Worksite Solutions

Combined Worksite Expertise



Combined Insurance - History

- 1922** Combined Insurance founded by W. Clement Stone
- 1959** Global expansion begins
- 1982** Combined Insurance merges with The Ryan Group ultimately becoming Aon Corporation
- 1996** Combined Insurance launches Worksite Solutions focused exclusively on worksite marketing
- 2008** Combined Insurance is purchased by the ACE Group of Companies, a global leader in insurance and reinsurance
- 2016** ACE Group acquires Chubb, creating the world's largest multi-line insurer

Combined Insurance – Key Facts

Global Supplemental Insurance Leader

- ❖ *Providing insurance for over 90 years*
- ❖ *Operating in 11 countries*
- ❖ *Employing more than 7,000 people worldwide – 3,200 in North America*
- ❖ *Insuring over 3.8 million people worldwide*
- ❖ *Collecting over \$1 billion of gross annual premium in North America*
- ❖ *Achieving Best-in-Class Service Metrics*
 - ❖ ***Customer Service: Answered over 1 million calls***
 - ❖ ***Policyholder Service: Handled over 440,000 communications***
 - ❖ ***Retention: Skilled specialists promote policyholder persistency***
 - ❖ ***Claims: Processed 254,000 claims with average service time of 5 days or less***

Chubb – Key Facts

World's Largest Multi-line Insurer

- ❖ *Market Capitalization of \$35 Billion*
- ❖ *Employing 30,000 People*
- ❖ *Local Operations in 54 Countries*
- ❖ *Reporting \$150 Billion in Assets*
- ❖ *Collecting \$37 Billion in Gross Premiums*
 - ❖ *Rated “AA” (Very Strong) by Standard & Poors*
 - ❖ *Rated “A++” (Superior) by AM Best*
 - ❖ *Approximately 40% of premium is transacted outside the United States*
 - ❖ *More than 200 distinct insurance and re-insurance products and services*
 - ❖ *Supplemental Health*
 - ❖ *Life Insurance*
 - ❖ *Personal Accident*
 - ❖ *Personal & Commercial Property Casualty*
 - ❖ *Re-insurance*

Combined Worksite Solutions – Overview

A Full Service Voluntary Benefits Organization

- ❖ *More than 17 years of exclusive worksite marketing experience*
- ❖ *More than 5,200 client companies throughout the United States*
- ❖ *Suite of products underwritten by Combined Insurance and ACE American Insurance*
- ❖ *Comprehensive administration support and enrollment services*
- ❖ *Launched growth initiative in 2012 to grow business through expanded product and distribution capabilities*

Combined Worksite Solutions – Products

Champion Product Series

- ❖ Accident Champion
- ❖ Critical Illness Champion
- ❖ High Deductible Buffer
- ❖ Lifetime Benefit Term

Group Hybrid Products Developed Specifically for Broker Market

- Innovative
- Flexible
- Affordable
- Competitive

Protector Product Series

- ❖ Accident Protector
- ❖ Critical Care Protector
- ❖ Disability Income Protector
- ❖ Universal Life Protector
- ❖ Term Life Protector

Individual Products Developed to Protect Families Nationwide

- Solid Benefit Protection
- Associations & Employers
- Direct Bill & Payroll Deduction
- Affordable

Combined Worksite Solutions

Administration

- ❖ *All worksite business is administered out of Glenview, IL*
 - ❖ *New Business processing*
 - ❖ *Commission set-up*
 - ❖ *Client set-up and billing*
 - ❖ *Client services*
- ❖ *Policyholder Services are supported in Downtown Chicago*
 - ❖ *Policyholder services – mail, phone, emails, web-based requests*
 - ❖ *Claims – mail, phone, emails, web-based requests*
- ❖ *Personalized service for the agent and client*
- ❖ *Expansive range of support services for policyholder*

Combined Worksite Solutions

BENCHMARK

2015 RESULTS BY QUARTER

First rate service is key to our business success

When our customers buy our products, they are also purchasing a promise. The promise is that Combined Insurance will be there when our customers need us most. Knowing this helps give our customers some financial peace of mind.

Fulfilling this promise is most tangible when making a claim. Whether the coverage is for life, disability, critical illness or accident, our desire is to provide prompt, courteous claim service to help customers through those rough situations.

However, our service commitment starts long before the claim process. Actually it is rooted in the principles of W. Clement Stone who founded Combined Insurance more than 90 years ago. He understood the need to join vision and action—and he was a firm proponent of striving to achieve more. One of his more famous quotes is: "Success is achieved and maintained by those who try and keep trying."

One way we attempt to demonstrate our service commitment is to regularly perform service audits and publish the results. The standards you see listed on the following page (Case Set-up, Application Processing, Premium Processing, Service Calls, Claims Processing and Enrollment) are some of the key standards that show how well we are achieving our service goals.

Our desire is to meet or exceed these



Combined Worksite Solutions Employee of the Quarter, Yvonne Douglas

service goals. We continually review all of our workflows to identify further improvement opportunities. Our pledge to our customers is to always look for ways to improve our service. That improvement could be centered on the current goals or aligned with a new capability to make the customer experience more satisfying. It's our heritage and our commitment to you.

THE COMBINED INSURANCE MISSION

As a leading supplemental insurance provider, our mission is to provide personal service and exceptional products tailored to help protect our policyholders.

Combined Worksite Solutions

BENCHMARK

SERVICE STANDARDS	2014 AVG.	1Q 2015	2Q 2015	3Q 2015	4Q 2015
CASE SET-UP					
Case set-up timeliness and accuracy is comprised of contacting the new client (initial call), setting up the billing, providing the confirmation, and setting up the case in the system. Objective: 95% complete within 5 days	99%	98%	99%	98%	98%
APPLICATION PROCESSING					
The receiving of clean applications, system data entry, underwriting, issuing and mailing of policies timely and accurately. Objective: 90% within 10 days	92%	95%	94%	97%	93%
PREMIUM PROCESSING					
Entails timely and accurate processing and reconciliation of premiums received. Objective: 90% within 5 days	93%	93%	92%	92%	92%
SERVICE CALLS					
Answer all client and policyholder telephone inquiries quickly and provide accurate resolution.					
Abandon Rate—Client Calls Objective: Abandon rate of 6% or less (12-month rolling average)	4.6%	4.5%	5.0%	5.8%	4.6%
Abandon Rate—Policyholder Calls Objective: Abandon rate of 6% or less (12-month rolling average)	5.7%	5.0%	4.6%	4.3%	3.1%
CLAIMS PROCESSING					
Speed of service is the average time elapsed from the date we receive proof of claim to the date of payment.					
All Claims Objective: 5 day average speed of service	4.4 DAYS	4.4 DAYS	3.7 DAYS	4.4 DAYS	4.5 DAYS
ENROLLMENT					
Educate employees and enroll them in voluntary benefits based on their needs and budget.					
Policy Cancellation Rate Objective: 15% or lower cancellation rate by the first premium deduction	8.2%	11.4%	10.3%	10.8%	14.2%



Combined Worksite Solutions is a division of Combined Insurance Company of America, Chicago, IL and in New York, Combined Life Insurance Company of New York, Latham, NY

CIS-666-B

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Combined Accident Champion



Accident Champion

Champion Product Series

- ❖ *Innovative Benefits Better Serve the Needs of Families*
- ❖ *Flexible – Consultant Driven Plan Designs*
- ❖ *Affordable Comprehensive Coverage*
- ❖ *Competitive Rates*

Innovative Benefits

- ❖ *First Accident Benefit*
- ❖ *Sports Package Benefit*
- ❖ *Rehabilitation Package*
- ❖ *Specialty Benefits Package*

Accident Champion

Innovative Benefits

❖ *First Accident Benefit*

Most people don't know how to file a claim. And when the time comes to file a claim, policyholders are often at their most vulnerable.

How can we help?

First Accident Benefit

The first time a policyholder submits a claim for accident benefits, Combined will provide a **\$100** benefit to let the policyholder feel appreciated and heard.

\$100 First Accident Benefit is paid in addition to all other benefits.

Accident Champion

Innovative Benefits

❖ *Sports Package*

Why do people buy Accident Insurance?

Many people buy Accident Insurance because they know playing sports leads to accidental injuries, and trips to the Emergency Room are expensive.

How can we help?

Sports Package Benefit

When an insured gets injured during organized sports, Combined will **increase** the total benefit **payment 25%** up to **\$1,000**.

Accident Champion

Here's How Accident Insurance Works

If a child gets injured at soccer practice and she breaks her leg, here's how benefits may stack up. Sport Package Increases Benefits **\$553**

First Accident	\$ 100
Ambulance	\$ 200
Emergency Room Visit	\$ 125
X-Ray	\$ 40
Fracture	\$ 1,000
Crutches	\$ 100
Physical Therapy	\$ 500
Follow-up Visits	\$ 150
<i>Subtotal</i>	\$ 2,215
PLUS Sports Package	\$ 553
Total Payment	\$ 2,768

Innovative Benefits

Accident Champion

❖ *Rehabilitation Package*

Out of the Hospital into Rehab? Recovery?

Hospital stays are getting shorter and shorter. People leaving the hospital typically need additional care.

How can we help?

With Combined Accident Insurance policyholders get **Rehab Admission**, Daily **Rehab Confinement** & Daily **Recovery** benefits.

If an insured chooses to go straight home from the hospital, instead of going to a Rehab Center, they will be paid a Daily **Recovery** Benefit to help with their transition.

	Gold	Platinum	Diamond
Rehab Admission	\$500	\$1,000	\$1,250
Rehab Confinement	\$90/day	\$135/day	\$150/day
Recovery	\$50/day	\$75/day	\$100/day

Champion Product Series

Accident Champion

❖ **Flexible Consultant – Driven Plan Designs**

- ❖ *Choose from 3 Base Plan Designs*
 - ❖ *Gold, Platinum & Diamond*
 - ❖ *All available as both 24 Hour and Non-Occupational*
 - ❖ *Use Two Plans –*
 - ❖ *And Let Employees Choose the Plan that Meets their Needs*

❖ **All Base Plans include**

- ❖ **Date of Application Coverage**
- ❖ **No Pre-X Exclusions**
- ❖ **Guaranteed Issue for *Everyone***
- ❖ **Fully Portable**
- ❖ **Level Premiums**
- ❖ **HSA Compatibility**
- ❖ **Group Situs**

Accident Champion

Affordable Comprehensive Coverage

First Accident Benefit

Hospital Admission
 Hospital ICU Admission
 Hospital Confinement
 Hospital ICU Confinement

Rehab Admission

Rehab Confinement

Recovery

Emergency Room
 Urgent Care
 Initial Doctor's Office Visit

Sports Package

Abdominal/Thoracic Surgery
 Accidental Death
 Air Ambulance

Ambulance
 Appliance
 Blood
 Burns
 Catastrophic Accident

Chiropractic Care

Coma

Concussion
 Dislocations
 Emergency Dental
 Eye Injuries

Family Care

Fractures
 Follow-ups
 Herniated Disc

Knee Cartilage Torn
 Lacerations
 Lodging
 Loss of hand, foot, finger, toe

Major Diagnostic Exams

Non-Occupational Disability

Organ Loss

Outpatient Surgery Facility

Physical Therapy
 Prosthetic
 Skin Graft
 Tendon, Ligament, Rotator Cuff
 Transportation
 Wellness

X-Ray

Green = Innovative Benefits Specific to Combined Insurance Worksite Solutions

Accident Champion

Features

- ❖ **Choose from 3 Plan Designs**
 - ❖ *Gold, Platinum & Diamond*
- ❖ **Competitive Rates**
- ❖ **Date Of Application Coverage**
- ❖ **No Pre-X Exclusions**
- ❖ **Guaranteed Issue for Everyone**
- ❖ **Fully Portable**
- ❖ **Level Premiums**
- ❖ **Guaranteed Renewable for Life**
- ❖ **24 Hour and Non-Occupational Plans**
- ❖ **Issue Ages for Entire Employee Population**
 - ❖ *Employee & Spouse – Ages 18 and Older*
 - ❖ *Dependents – Ages 0 thru 26*
- ❖ **HSA Compatible**
- ❖ **Group Situs**

Accident Champion

Highlights

Innovative Benefits

- ❖ *First Accident*
- ❖ *Sports Package*
- ❖ *Rehabilitation Package*
- ❖ *Specialty Benefits*

Affordable Comprehensive Coverage

- ❖ *Beginning on Date of Application*

Highly Competitive Rates

- ❖ *Perfect for Group Replacements, Takeovers*

Approved in all
states except: MN,
MT, NH, WA

Champion Critical Illness

Critical Illness Champion

Champion Product Series

- ❖ *Innovative Benefits Better Serve the Needs of Families*
- ❖ *Flexible Consultant – Driven Plan Designs*
- ❖ *Affordable Comprehensive Coverage*
- ❖ *Competitive Rates*

Innovative Benefits

- ❖ ***Mortgage & Rent Helper***
- ❖ ***Critical Illness Hospital Admission Benefit***
- ❖ ***Childhood Conditions & Family Care***
- ❖ ***Occupational Conditions***
- ❖ ***Advocacy Benefits***
 - *Medical Advocacy*
 - *Claims Assistance*
 - *Financial Advocacy*
 - *Travel Assistance*

Critical Illness Champion

Innovative Benefits

❖ *Mortgage & Rent Helper*

More than 50% of personal bankruptcies in America are due to illness. No one should have to choose between their health and their home.

Would an extra \$250 per month help?

Or perhaps an extra \$500 per month?

With the financial consequence of missing work, employees may need some extra help making mortgage and rents payments.

Mortgage and Rent Helper pays an extra **benefit** per month **each month** the employee misses 5 or more days of work due to a critical illness for **up to 6 months**.

Critical Illness Champion

Innovative Benefits

❖ *Hospital Re-Admission Benefit*

Once someone has had a Critical Illness, their condition may lead to future hospital stays. With a high deductible medical plan, out-of-pocket costs can be a financial burden.

Would a benefit that helped pay a high deductible help?

How about \$1,500 each year for the rest of your life due to hospitalization from a critical illness?

Hospital Re-Admission Benefit pays an extra **benefit** per admission **each time** the employee is hospitalized due to a critical illness beginning 6 months after their diagnosis, **paid up to 2x each year.**

Critical Illness Champion

Innovative Benefits

❖ **Mortgage & Rent Helper**

- ❖ *With the financial consequences of missing work, employees may need some extra help making mortgage and rent payments*
- ❖ *Pays when employee misses 5 or more days of work in a calendar month due to a critical illness—days do not need to be consecutive*

❖ **CI Hospital Admission Benefits**

- ❖ *Just in case an employee ever needs to get re-admitted to the hospital for the same critical illness, they can get up to 2 hospital admission benefits each year.*

❖ **Family Care**

- ❖ *Helps pay for Childcare when employee is hospitalized*
- ❖ **\$25 per day per child in day care *can help!***
- ❖ *Pays daily for up to 30 days*

Critical Illness Champion

Innovative Benefits

❖ **Medical Advocacy Benefits**

- ❖ *Find Best Doc*
- ❖ *Ask the Expert Hotline*
- ❖ *InterConsultation – Expert Round Table for help with Diagnosis & Treatment*

❖ **Claims Advocacy**

- ❖ *Review of Provider Bill and Charges*
- ❖ *Review of Benefits*

❖ **Financial Advocacy**

- ❖ *Help with Balancing Budgets, Bills and Benefits*

❖ **Medical Travel Assistance**

- ❖ *Easy answers for –*
 - ❖ *How do I get there? Where do I stay?*
 - ❖ *What if I'm not healthy enough to travel? How do I cancel?*

Critical Illness Champion

Comprehensive Coverage

- ❖ **Triple Benefit** creates a pool of money employees can use during their lifetime call a Maximum Benefit

Triple Benefit = 3x Face Amount

- ❖ **Example**

- ❖ *If Face Amount = \$20,000*
- ❖ *Triple Benefit = 3 x \$20,000 = \$60,000 Maximum Benefit*

Maximum Benefit	\$ 60,000
Heart Attack	\$ 20,000 <i>payment</i>
Stroke (1 st)	\$ 20,000 <i>payment</i>
Stroke Recurrence	\$ 5,000 <i>payment</i>
Benefits Paid	\$ 45,000
Remaining Benefit	\$ 15,000

CI Champion – Gold Plan

Covered Conditions

- ❖ *Benign Brain Tumor*
- ❖ *Cancer*
- ❖ *Carcinoma in Situ (25%)*
- ❖ *Coma*
- ❖ *Coronary Artery Disease (25%)*
- ❖ *Heart Attack*
- ❖ *Major Organ Failure*
- ❖ *Renal Failure*
- ❖ *Stroke*
- ❖ *Skin Cancer (\$250)*

- ❖ *Triple Benefit*
- ❖ *Recurrence Benefit*
- ❖ *Advocacy Benefits*
- ❖ *\$250 Mortgage & Rent Helper*
- ❖ *Child Coverage is Included*
- ❖ *Automatic Benefit Increase*

CI Champion – Platinum Plan

Covered Conditions

- ❖ *Benign Brain Tumor*
- ❖ *Cancer*
- ❖ *Carcinoma in Situ (25%)*
- ❖ *Coma*
- ❖ *Coronary Artery Disease (25%)*
- ❖ *Heart Attack*
- ❖ *Major Organ Failure*
- ❖ ***Multiple Sclerosis***
- ❖ ***Paralysis & Dismemberment***
- ❖ *Renal Failure*
- ❖ *Stroke*
- ❖ *Skin Cancer (\$250)*

- ❖ ***Triple Benefit***
- ❖ ***Recurrence Benefit***
- ❖ ***Advocacy Benefits***
- ❖ ***\$500 Mortgage & Rent Helper***
- ❖ ***Child Coverage is Included***
- ❖ ***Automatic Benefit Increase***

CI Champion – Diamond Plan

Covered Conditions

- ❖ *Alzheimer's Disease*
- ❖ *Benign Brain Tumor*
- ❖ *Cancer*
- ❖ *Carcinoma in Situ (25%)*
- ❖ *Coma*
- ❖ *Coronary Artery Disease (25%)*
- ❖ *Heart Attack*
- ❖ *Major Organ Failure*
- ❖ *Multiple Sclerosis*
- ❖ *Paralysis & Dismemberment*
- ❖ *Parkinson's Disease*
- ❖ *Renal Failure*
- ❖ *Stroke*

- ❖ *Triple Benefit*
- ❖ *Recurrence Benefit*
- ❖ *Advocacy Benefits*
- ❖ *\$500 Mortgage & Rent Helper*
- ❖ *Child Coverage is Included*
- ❖ *Automatic Benefit Increase*
- ❖ *\$1,500 CI Hospital Benefit*
- ❖ *Childhood Conditions*
 - ❖ *Cerebral Palsy*
 - ❖ *Congenital Birth Defects*
 - ❖ *Cystic Fibrosis*
 - ❖ *Down Syndrome*
 - ❖ *Muscular Dystrophy*
 - ❖ *Type 1 Diabetes*

Critical Illness Champion

Flexible Consultant – Driven Plan Designs

- ❖ **Choose from Gold, Platinum and Diamond Plans**
- ❖ **Multiple Benefit Payments**
 - ❖ *By Condition – Pays up to 3x the Face Amount – 1 payout per Condition*
 - ❖ *By Recurrence – 25%*
- ❖ **Optional Benefits**
 - ❖ *Mortgage & Rent Helper*
 - ❖ *Critical Illness Hospital Admission*
 - ❖ *Childhood Conditions*
 - ❖ *Family Care*
 - ❖ *Wellness*
 - ❖ *Add-A-Buck*

Critical Illness Champion

Features

- ❖ **Full Portability**
- ❖ **Level Premiums**
- ❖ **No Benefit Reduction Due to Age**
- ❖ **Guaranteed Issue**
- ❖ **Guaranteed Renewable For Life**
- ❖ **Issue Ages for Entire Employee Population**
 - ❖ *Employee & Spouse – Ages 18 and Older*
 - ❖ *Dependents – Ages 0 thru 26*
- ❖ **HSA Compatible**
- ❖ **Contribution Options**
- ❖ **Group Situs**
- ❖ **Waiver of Pre-X for Group Replacements, Takeovers**
 - ❖ *Competitive Rates and Innovative Benefits create Better Coverage*
 - ❖ *Depth of Administrative Experience enables Smooth Transition*

Critical Illness Champion

Highlights

Innovative Benefits

- ❖ *Mortgage & Rent Helper*
- ❖ *Childhood Conditions & Family Care*
- ❖ *Advocacy – Medical, Financial, Claims, Travel*
- ❖ *Hospital Admission – Ongoing Financial Support*

Affordable Comprehensive Coverage

- ❖ *Holistic Approach at an Affordable Price*

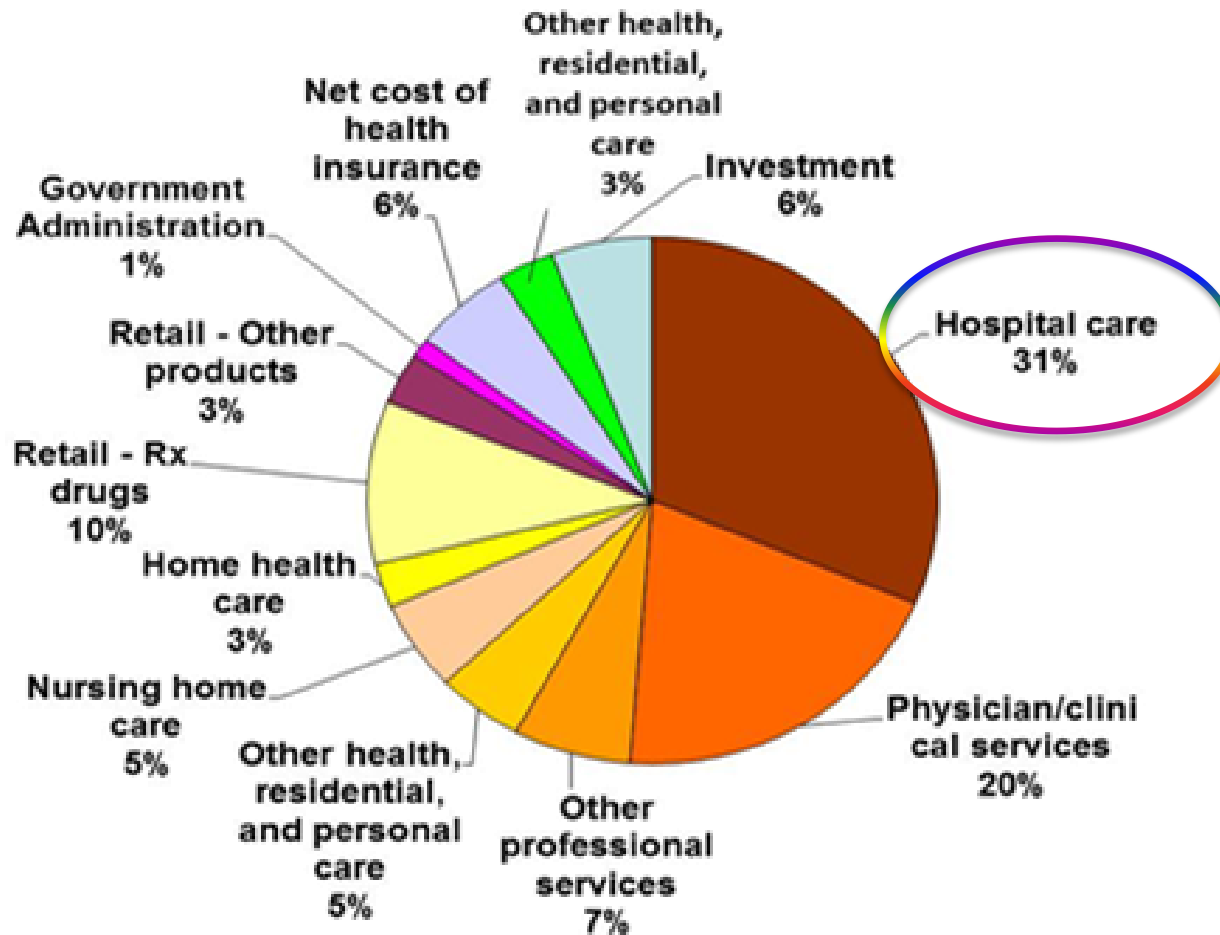
Highly Competitive Rates

- ❖ *Ideal for New Business*
- ❖ *Necessary for Replacement*

Approved in all
states except: CT,
MN, NH, WA

Champion High Deductible Buffer

Hospital Care is the Largest Category of US Health Expenditures



Source: Martin A.B. et al. "Growth in US Health Spending Remained Slow in 2010; Health Share of Gross Domestic Product Was Unchanged from 2009," Health Affairs, 2012

Hospital Care expenses Add Up Quickly

Average Hospital Stay – 4.9 Days

Average Cost per day – \$1,853

Average Cost per Hospital Admission

4.9 Days x \$1,853

\$9,080

Few people can afford to payout their entire deductible at one time. It's easy to manage behavior and keep costs down when choosing between going to the doctor or the emergency room. However, once you enter the hospital, it is nearly impossible to manage your own risk.

¹ National Hospital Discharge Survey 2009 table. Number and rate of hospital discharges

² Kaiser Family Foundation Health Costs & Budget 2010

High Deductible Buffer

Champion Product Series

- ❖ *Innovative Benefits Better Serve the Needs of Families*
- ❖ *Flexible Plan Designs Empower Customization*
- ❖ *Affordable Comprehensive Coverage*
- ❖ *Competitive Rates*

Innovative Benefits

- ❖ *Initial Hospital Benefit – Day 1*
- ❖ *Hospital Confinement Benefits – Days 2 through 4*

Plan Name =	Day 1 Benefit	+	Days 2 + Day 3 + Day 4 Benefits
\$1,500 Plan =	\$750	+	\$250 + \$250 + \$250
\$2,500 Plan =	\$1,000	+	\$500 + \$500 + \$500
\$5,000 Plan =	\$2,000	+	\$1,000 + \$1,000 + \$1,000

High Deductible Buffer

Flexible Consultant – Driven Plan Designs

Consultant can Choose **Optional Benefits & Benefit Amounts**

❖ Emergency Room Visit – Accident & Sickness

❖ \$250 per visit per person per year

❖ Outpatient Surgery & Anesthesia Benefit

❖ \$250 per outpatient surgery per person per year

❖ Anesthesia Benefit is 25% of the Surgery Benefit

❖ Ambulance Benefit

❖ \$250 per trip – per person per year

High Deductible Buffer

Features

- ❖ **Guaranteed Issue for Everyone**
 - ❖ *No Health Underwriting*
- ❖ **No Pre-X Exclusions (except maternity)**
- ❖ **Composite Rates and Contribution Options**
- ❖ **HSA Compatible**
- ❖ **No Coordination of Benefits**
 - ❖ *Pays Benefits Regardless of Actual Deductible Used or Medical Benefits Paid*

Competitors

- Waive Pre-ex only with participation requirements
- Age-banded rates

High Deductible Buffer

Highlights

Innovative Benefits

- ❖ *Helps Employees Manage High Deductible Risk Without Undermining the Medical Plan Pricing*
- ❖ *Gives ERs and EEs Confidence in their Benefit Package*
- ❖ *Simple Benefit Design – Easy for Employees to Understand*

Flexible Consultant – Driven Plan Designs

- ❖ *Customizable with Employer Options*

Affordable Comprehensive Coverage

- ❖ *Employees can Erase their Deductible for Hospitalization for \$3 per week*
- ❖ *No Pre-X Exclusions (except maternity)*

Highly Competitive Rates

- ❖ *Composite Rate Design*
- ❖ *Premium Discounts when Employer Contributes*

Looking
for a
**Worksite
Partner?**



Choose a Champion

The new **Champion Product Series** is designed to help brokers and consultants deliver innovative and flexible benefit solutions to better serve customer needs.