

Voluntary Benefits Trends

Key Employee Financial Exposures

With 38 million U.S. households living paycheck to paycheck, employers are struggling to protect their employees from the exposures that aren't covered by traditional medical plans.



Medical Expenses

Out-of-pocket medical plan exposure

Most employees lack the savings or HSA balances to offset major medical events



Income Exposure

Need for income replacement, face nuisance debt at death

Income continuation continues to be an overlooked exposure



Liability

Threat of identity theft, fraud and overall property exposure

Savings quickly get depleted when assets are put in jeopardy by catastrophic events & fraud

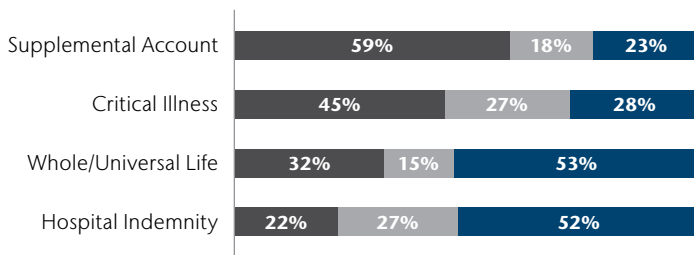


The #1 cause for employee absenteeism is depression and anxiety caused by financial distress.

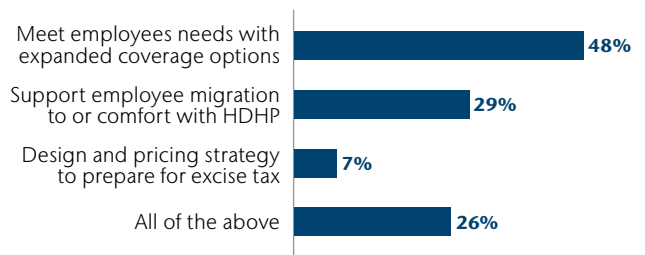
Employers Embrace Voluntary Benefits

Among employers using or interested in voluntary supplemental benefits, their primary purpose is to meet employees' needs. Looking ahead to the next 3–5 years, roughly three in four employers will have supplemental accident and critical illness as part of their health care strategies

Current and future voluntary supplemental medical benefits offerings²



Reasons for offering Voluntary Supplemental Medical Benefits¹



■ Current Approach/Keeping ■ Future Approach (May Add in 3–5 Years) ■ Not interested or Discontinuing

¹Aon Health Survey 2016 ²Aon Health Survey 2017

Aligning Coverages With Demographics—Life Stages

Aon's voluntary benefits approach is to provide benefit decision and enrollment support focused on insuring against the financial exposures that typical benefit plans leave unaddressed. Our solutions can address the needs of people in all stages of life.

	Trigger Events	Challenges	Voluntary Benefit Solutions
Singles	<ul style="list-style-type: none"> – Graduating College – Entering Workforce – On their Own – Housing – Food – Insurance 	<ul style="list-style-type: none"> – Difficulty Managing Finances – Limited Savings – Lack of Benefits Awareness 	<ul style="list-style-type: none"> – Permanent Life Insurance – Term Life Insurance – Accident Insurance – Disability Insurance – Auto/Home Insurance
Young Families	<ul style="list-style-type: none"> – Getting Married – Buying a Home – Having a Child – Switching Jobs 	<ul style="list-style-type: none"> – Active Request for Financial and Benefits Advice – Limited Retirement 	<ul style="list-style-type: none"> – Permanent Life Insurance – Term Life Insurance – Dependent Life Insurance – Critical Illness Insurance – Accident Insurance – Hospital Indemnity – Disability Insurance – Auto/Home Insurance – Legal Services Plan
Mature Families	<ul style="list-style-type: none"> – Prime Income-Earning Years – Receiving Raise in Income – Sending Child to College – Becoming a Caregiver 	<ul style="list-style-type: none"> – Inadequate Retirement Savings – Uncertain Plan for Retirement – Unprepared for Unexpected Events 	<ul style="list-style-type: none"> – Permanent Life Insurance – Term Life Insurance – Dependent Life Insurance – Critical Illness Insurance – Accident Insurance – Hospital Indemnity – Disability Insurance – Long Term Care Insurance – Auto/Home Insurance – Legal Services Plan
Pre-Retirees	<ul style="list-style-type: none"> – Becoming a New Grandparent – Becoming a Caregiver – Approaching Retirement 	<ul style="list-style-type: none"> – Strong Connections to Employers – High Reliance on Employer for Benefits 	<ul style="list-style-type: none"> – Permanent Life Insurance – Long Term Care Insurance – Critical Illness Insurance – Hospital Indemnity – Accident – Auto/Home Insurance – Legal Services Plan

We're here to empower results

To learn how Aon can empower your Health Benefits journey, contact your Voluntary Benefits & Enrollment Solutions consultant.

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance. For further information on our capabilities and to learn how we empower results for clients, please visit <http://aon.mediaroom.com>.

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