

2015 Aflac WorkForces Report

SNAPSHOT OF EMPLOYEE
FINDINGS

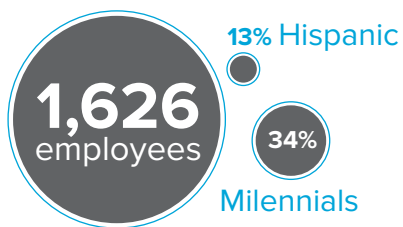
Small, Medium and Large Companies

2015 Aflac WorkForces Report

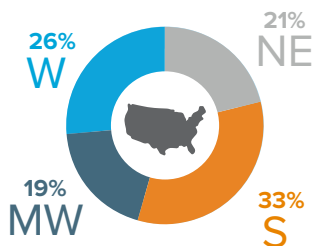
FINDINGS

Small Company
3-99 Employees

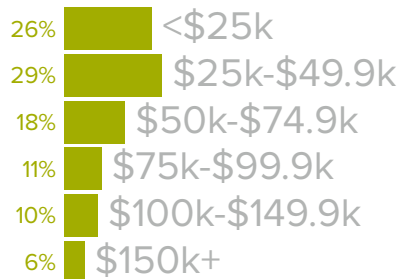
DEMOGRAPHICS



GEOGRAPHICAL



EARNINGS



EMPLOYEES' FINANCIAL REALITIES

61% have less than \$1,000 to pay out-of-pocket expenses associated with an unexpected illness or accident; while **33%** have less than \$500.



13%

say high medical costs have affected their credit scores.

37%

would need to borrow from a 401(k) or use a credit card to cover unexpected out-of-pocket costs.

14%

have been contacted by a collection agency about outstanding medical bills.

BENEFITS MATTER TO EMPLOYEES

49% looking for jobs in the next year say improving their benefits package is one thing their employers could do to keep them in their jobs.



63%

are extremely or very satisfied with their jobs.

52%

are extremely or very satisfied with their benefits packages.

63%

see a growing need for voluntary benefits, most often citing the rising cost of medical services and medical insurance as the reasons.

25%

do not feel fully protected by their insurance coverage.

59%

are at least somewhat likely to accept a job with slightly lower pay but better benefits.

87%

agree they consider voluntary insurance to be part of a comprehensive benefits program.

WORKERS ARE NOT PREPARED

70% would be unable to adjust to the large financial cost associated with a serious injury or illness.

71%

agree they regularly underestimate the total cost of an injury or illness, including medical, household and out-of-pocket costs.

45%

are not very or not at all prepared to pay out-of-pocket expenses, related to an unexpected serious illness or accident.

24%

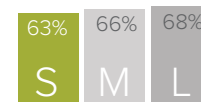
named **personal financial issues** as the top non-work-related issue that distracts them during work.

LACK A THOROUGH UNDERSTANDING

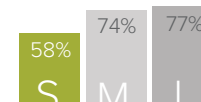
17%

understand their total annual health care costs extremely well. More than half (54%) don't understand everything in their major medical/health insurance policy.¹

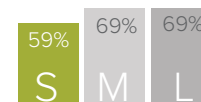
Employees at **small companies** are less knowledgeable about consumer-driven health plan options, compared to those at medium and large companies.



HIGH DEDUCTIBLE HEALTH PLANS



FLEXIBLE SPENDING ACCOUNTS



HEALTH SAVINGS ACCOUNTS



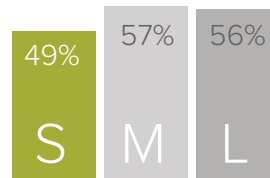
HEALTH REIMBURSEMENT ACCOUNTS

KEY OBSERVATIONS

Small company employees need help with benefits enrollment.

49%

completely or strongly agree they had enough information to feel adequately prepared in selecting their benefits during enrollment; compared to 57% at medium and 56% at large companies.



86%

say they would be more informed about their health insurance choices if they sat down with an insurance consultant during enrollment; compared to 81% at medium and 80% at large companies.



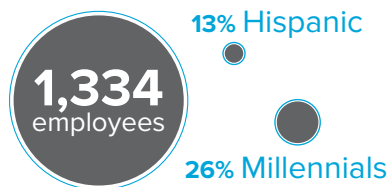
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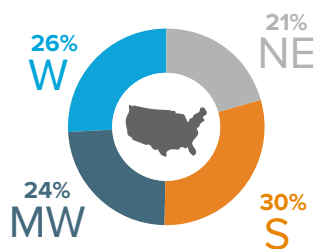
Medium Company

100-499 Employees

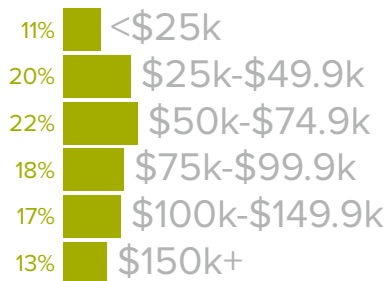
DEMOGRAPHICS



GEOGRAPHICAL



EARNINGS



EMPLOYEES' FINANCIAL REALITIES

50% have less than \$1,000 to pay out-of-pocket expenses associated with an unexpected illness or accident; while **25%** have less than \$500.



9%

say high medical costs have affected their credit scores.

47%

would need to borrow from a 401(k) or use a credit card to cover unexpected out-of-pocket costs.

13%

have been contacted by a collection agency about outstanding medical bills.

BENEFITS MATTER TO EMPLOYEES

40% looking for jobs in the next year say improving their benefits package is one thing their employers could do to keep them in their jobs.



63%

are extremely or very satisfied with their jobs.

53%

are extremely or very satisfied with their benefits packages.

63%

see a growing need for voluntary benefits, most often citing the rising cost of medical services and medical insurance as the reasons.

19%

do not feel fully protected by their insurance coverage.

88%

agree they consider voluntary insurance to be part of a comprehensive benefits program.

57%

say their benefits package is extremely or very important to their willingness to refer a friend to their employer, more than employees at large (50%) or small companies (50%).

WORKERS ARE NOT PREPARED

65%

would be unable to adjust to the large financial cost associated with a serious injury or illness.

67%

agree they regularly underestimate the total cost of an injury or illness, including medical, household and out-of-pocket costs.

30%

disagree that their family is financially prepared for an unexpected emergency.



20%

named "personal financial issues" as the top non-work-related issue that distracts them during work.

LACK A THOROUGH UNDERSTANDING

18%

understand their total annual health care costs extremely well. More than half (52%) don't understand everything in their major medical/health insurance policy.¹

10%

of employees at medium-size companies do not understand their annual deductible costs well.



61%

say they are not very or at all knowledgeable about federal and state exchanges.

73%

think health care reform is too complicated to understand.

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FINDINGS

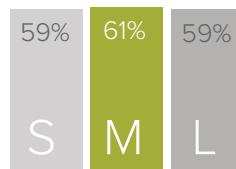
Medium Company

100-499 Employees

KEY OBSERVATIONS

61%

are likely to accept a job with slightly lower pay but better benefits, compared to 59% of both large and small company employees.



Employees are more likely than those at small and large companies to say their overall benefits package is very or extremely influential on their overall job satisfaction and company loyalty.

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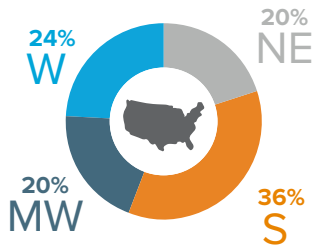
FINDINGS

Large Company
500+ Employees

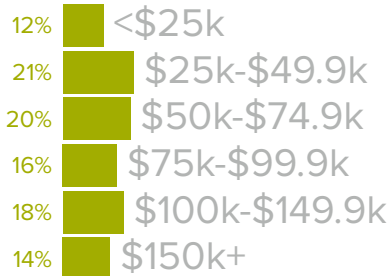
DEMOGRAPHICS



GEOGRAPHICAL



EARNINGS



EMPLOYEES' FINANCIAL REALITIES

48%

have less than \$1000 to pay out-of-pocket expenses associated with an unexpected illness or accident; while **25%** have less than \$500.



9%

say high medical costs have affected their credit scores.

47%

would need to borrow from a 401(k) or use a credit card to cover unexpected out-of-pocket costs.

13%

have been contacted by a collection agency about outstanding medical bills.

BENEFITS MATTER TO EMPLOYEES

37%

say improving their benefits package is one thing their employer could do to keep them in their jobs.



55%

are extremely or very satisfied with their jobs.

54%

are extremely or very satisfied with their benefits packages.

65%

see a growing need for voluntary benefits, most often citing the rising cost of medical services and medical insurance as the reasons.

19%

do not feel fully protected by their insurance coverage.

89%

agree they consider voluntary insurance to be part of a comprehensive benefits program.

59%

are at least somewhat likely to accept a job with slightly lower pay but better benefits.

54%

say their benefits package is extremely or very important to their decision to leave their current employer, more than those at medium-sized (52%) small companies (49%).

WORKERS ARE NOT PREPARED

66%

would be unable to adjust to the large financial cost associated with a serious injury or illness.



67%

agree they regularly underestimate the total cost of an injury or illness, including medical, household and out-of-pocket costs.

Of the **38%** saying their retirement age is older than expected

83%

have delayed their retirement because they are not financially prepared.

LACK A THOROUGH UNDERSTANDING

16%

understand their total annual health care costs extremely well. More than half (53%) don't understand everything in their major medical/health insurance policy.¹

70%

think their personal health insurance situation will become more confusing.



75%

think health care reform is too complicated to understand.

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FINDINGS

Large Company

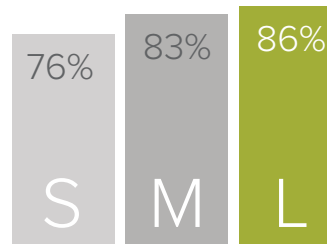
500+ Employees

KEY OBSERVATIONS

Large company employees are more likely to fully use their benefits.

86%

of employees say they are taking full advantage of their employee benefits, compared to 76% at small companies and 83% at medium companies.



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THE REPORT

ABOUT THE 5TH ANNUAL STUDY

This study includes responses from more than

5,300

WORKERS AND

1,900

HR DECISION-MAKERS
AND BUSINESS OWNERS

surveyed between
January 23 – February 11, 2015.

Nationally representative sample
of employees and employers,
across industries and geography.
Conducted by Research Now.

NOTE: Unless otherwise indicated, all statistics reflect "top 3" responses.

¹ 2015 Open Enrollment Survey conducted by Lightspeed GMI from June 23 - July 2, 2015 among 2,000 adults ages 18 and older who are employed full time or part time at a company with three or more employees.