

Special Report: M.O.O.D.* of America on Employee Benefits

*Measuring Optimism, Outlook and Direction

Making connections: Enrollment in nonmedical benefits helps boost employee confidence

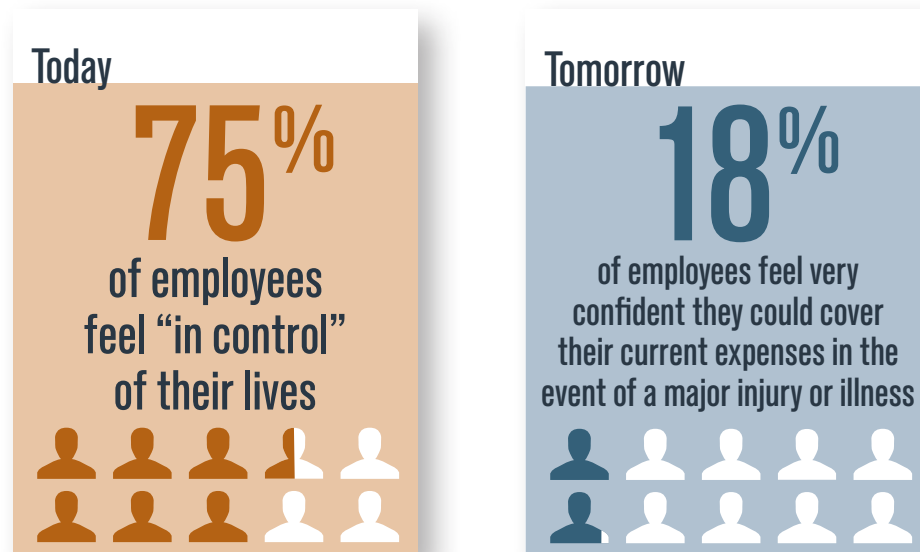
The results of a new Lincoln study are in. The 2015 Special Report: Measuring Optimism, Outlook and Direction (M.O.O.D.) of America on Employee Benefits survey uncovers a correlation between enrollment in nonmedical benefits and employee confidence, optimism and future financial preparedness.

The study validates the need for nonmedical workplace products—including disability, dental, life, vision, accident, and critical illness insurance—highlighting their ability to boost employees' confidence in their financial futures.

The gap between optimism and security

Since the survey's inception in 2011, feelings of optimism and control have increased among employees: 88% of respondents feel optimistic about the future; 75% feel "in control" of their lives today.

Yet, regarding their financial futures, less than one in five feel very secure, and only 18% are confident they could cover their current expenses in the event of a major injury or illness.



Among respondents, 86% are confident they can afford their healthcare expenses today—that number declines to 74% when asked about their future confidence in affording healthcare costs.

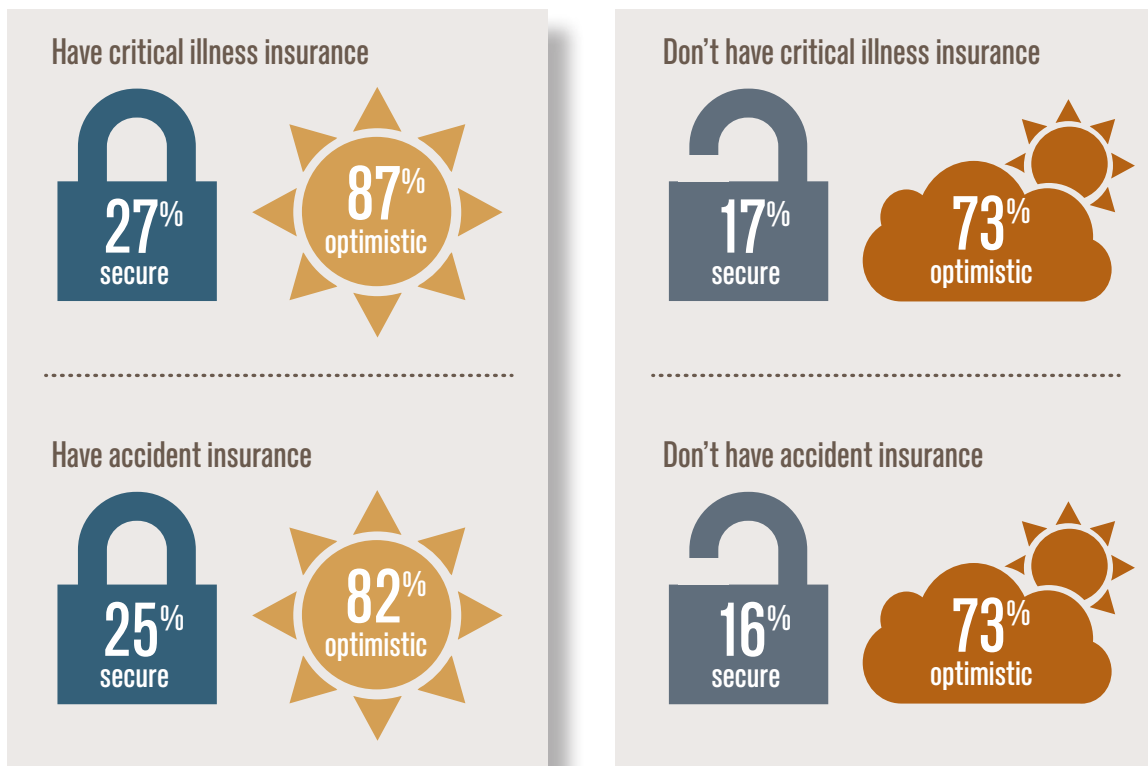


“These products help bridge the gap between current and future confidence in covering healthcare expenses — ultimately improving employee optimism,” says Eric Reisenwitz, senior vice president of Group Protection Operations and Product for Lincoln Financial Group.

Research supports the sentiment that participation in nonmedical benefits can help ease fears regarding overall health concerns and associated healthcare costs. Critical illness and accident insurance enrollees feel significantly more secure about their financial futures than non-enrollees; they also report higher levels of optimism and feel more in control of their lives.

Secure and optimistic financial futures

Enrollees versus non-enrollees

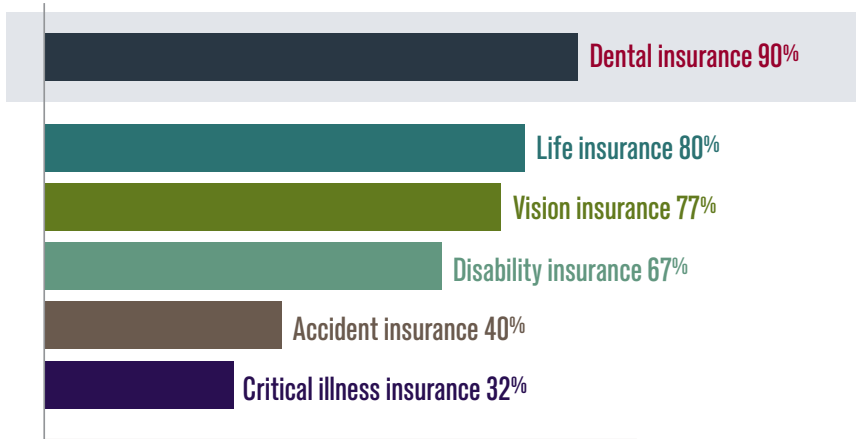


Understanding the barrier

Many employees have few interactions with nonmedical benefits in general, but critical illness and accident insurance in particular, throughout their lives. This fosters low understanding of these benefits, a barrier to enrollment.

Nearly 95% of employees agree they are more likely to enroll in benefits they feel familiar with and educated about. By way of example: Enrollment is much higher for dental insurance—recognizable and frequently used coverage—than products with which many employees have no experience.

Among employees offered nonmedical benefits, enrollment is highest for dental insurance — a widely used and recognized benefit.



But lack of understanding is an opportunity for benefit providers to educate employees on the importance and value of these products.



“Providing employees with a simple enrollment process that makes it easy to understand the products available to them, as well as access to an advisor they can speak with about their choices, are two of the best ways today’s employers can help improve employee engagement in nonmedical benefits,” added Reisenwitz.

Closing the gap

About half (49%) of surveyed employees identified cancer as their top health concern. Yet, enrollment in benefits like critical illness and accident insurance remains low.

Better education on how nonmedical benefits like these can help build security and confidence in covering major healthcare expenses may improve participation — and it helps if the enrollment process is equally easy to understand.

Top 3 factors influencing enrollment in nonmedical benefits:

- 1 A simple enrollment process
- 2 Having someone to speak with about the benefits
- 3 Having access to additional information online

For more information about this special report on employee benefits, and to view additional resources, visit the M.O.O.D. of America newsroom.

About the Special Report: M.O.O.D. of America on Employee Benefits

Results for the Special Report: M.O.O.D. of America on Employee Benefits are based on a national survey of employees conducted by Whitman Insight Strategies (WINS) on behalf of Lincoln Financial Group. The research was conducted in early February 2015, among 933 employed adults ages 22 to 69. Data shown in this report is weighted to reflect the proportion of U.S. employees by gender, age, region, race and ethnicity, based on data from the Bureau of Labor Statistics and the U.S. Census Bureau. The margin of error is +/- 3.1% at the 95% confidence interval for the entire sample.

About the Lincoln Group Protection business

Backed by a long history of financial strength and stability, Lincoln is a leader in the group insurance industry. We deliver a wide portfolio of financial protection solutions, including term life, disability, dental, accident, critical illness, and vision insurance, with easy administration for our employer groups. By providing comprehensive benefit choices along with education and tools, Lincoln helps employees feel confident when selecting and using their benefits.

Our distribution force of approximately 600 professionals, including sales professionals and support teams, work to provide brokers with insurance protection and solutions that not only align with employer clients' benefit strategies to help them recruit and retain top talent, but also meet the unique needs of their employees. As of December 31, 2014, the Lincoln Group Protection business has approximately 134,000 policies in-force, insuring nearly 15 million employees.

©2015 Lincoln National Corporation

LincolnFinancial.com

LCN-1204628-052115

PDF 5/15 Z01

Order code: THT-MOOD-ARC001



You're In Charge®

Insurance products (policy series GL1101, GL3001, GL11, GL41, GL51, WIND) are issued by The Lincoln National Life Insurance Company (Fort Wayne, IN), which does not solicit business in New York, nor is it licensed to do so. In New York, insurance products (policy series GL1101, GL111, GL3001, WIND) are issued by Lincoln Life & Annuity Company of New York (Syracuse, NY). Both are Lincoln Financial Group® companies. Product availability and/or features may vary by state. Limitations and exclusions apply.

Vision coverage is provided by or through UnitedHealthcare Insurance Company, located in Hartford, Connecticut; UnitedHealthcare Insurance Company of New York, located in Islandia, New York; or their affiliates. Administrative services are provided by Spectera, Inc., UnitedHealthCare Services, Inc. or their affiliates. Plans sold in Texas use policy form number VPOL.06.TX or VPOL.13.TX and associated COC form number VCOC.INT.06.TX or VCOC.CER.13.TX. Plans sold in Virginia use policy form number VPOL.06.VA or VPOL.13.VA and associated COC form number VCOC.INT.06.VA or VCOC.CER.13.VA. This policy has exclusions, limitations and terms under which the policy may be continued in-force or discontinued. For costs and complete details of the coverage, contact *Lincoln VisionConnect*.

UnitedHealthcare Insurance Company is not a Lincoln Financial Group® company.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

Affiliates are separately responsible for their own financial and contractual obligations.