

PLAN HIGHLIGHTS

ABSENCE SOLUTIONS®

Integrated STD, LTD, Workers Compensation and FMLA/Leave Management

Every business understands that employee absences cost money. Fortunately, expert absence management can cut those costs substantially. The right absence management solution fully coordinates benefits, monitors and motivates employees and their physicians, and works with managers to speed return to work.

Effective absence management requires skill sets that most companies simply don't have in-house. That's why so many leading-edge companies choose to outsource this vital business process to an integrated employee benefit company whose core competencies are disability insurance, workers' compensation insurance and comprehensive absence management: Delphi Financial Group.

A Single Point of Contact Delivers Multiple Benefits

When outsourcing absence management, clients benefit from the time and cost savings generated by relying on a single, fully integrated source. They simply get more, at less cost, than from companies with less experience and less comprehensive programs.

Three Delphi subsidiaries work seamlessly to deliver Absence Solutions®. Reliance Standard underwrites short term and long term disability coverage. Safety National Casualty Corporation provides primary and excess workers' compensation. And Matrix Absence Management integrates coverage with federal and state laws and company policies in each state in which the client does business. Most critically, Matrix provides RN case management to ensure that employees return to work as quickly as possible.

Expertise in a Changing Environment

Based on our experience managing absences for progressive companies employing hundreds of thousands, we have a core understanding of, and competency managing, leaves compliant with the Family and Medical Leave Act. FMLA allows employees up to twelve weeks of unpaid leave

during a calendar year for their own or a family member's serious health condition. An estimated 18% of employees will file an FMLA claim with an average duration of six weeks each year. And the landscape is changing—not improving—constantly. Employers of all sizes can benefit from the expertise of an industry leader in leave management.

Clients will see the greatest savings of time and money and the greatest improvements in employee productivity when they contract all their absence benefits with a single source that can fully integrate them. We offer a combination that can't be beat: high quality products, exceptional service and proven systems for seamless integration.

Short Term and Long Term Disability

Delphi subsidiary, Reliance Standard provides a complete range of short term, long term and voluntary long term disability coverage.

Primary and Excess Workers' Compensation

Safety National Casualty Corporation also underwrites large deductible programs, self-insurers' bonds, loss portfolio transfers and alternative risk services.

Life Insurance

Clients can further reduce duplicate paperwork and eliminate costly human errors in dealing with employees by integrating group term life insurance benefits as a component of Absence Solutions.

Our combination of intellectual capital and proven track record is an exception in the world of absence management. We've been improving our business process continuously since 1986, and we have learned through experience that the best claim management strategy for the client also delivers optimal medical outcomes for the absent employee. We consistently maintain satisfaction levels among employees that exceed 97%.

Claim Intake Saves Time for Everyone

Our absence management program is easy for injured and ill employees to navigate. And because

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we handle everything, we save Human Resources departments valuable time. A single call from the employee is all that's necessary to launch a comprehensive program—or the employee can complete the intake process via the Internet. The employee doesn't have to figure out if the claim is workers' compensation or short term disability—we handle everything, including providing all required written communications.

Case Management that Works

Our RN case management approach is focused on returning the employee to transitional work as soon as possible. This means our nurses monitor all cases and will, if necessary, coordinate with the employee's doctor if the recovery schedule is outside the norm. From the very first contact, the nurse sets employee expectations regarding time off and identifies RTW opportunities.

A key driver of prompt RTW is the willingness of clients' managers to accommodate limited duty and make workplace modifications. Our nurses work closely with managers to facilitate getting your employees back to work as soon as possible.

Account Managers Who Think Like You Do

One of the greatest values we add is continuity of account management. Account Managers who really understand the client's business can act as a colleague, not a vendor. Our Account Managers are expected to be activists in recommending changes that can increase the effectiveness of absence management programs as well as reduce costs.

Full Accountability with eServices

eServices is our comprehensive, web-based disability management tool for employers and employees. With easy, around-the-clock access, the employer may focus on overall financial exposure, including trends by location, division or work group. The key components of eServices include:

eClaims gives employers direct access to claims information. Drill down to specific claim detail,

including examiner notes, case management history and litigation material. The employer can also exchange email directly with the examiner.

eReports allows employers to retrieve standard monthly reports electronically. Easy-to-use tools let clients perform ad hoc reporting analysis using the most current data. eAccounts allows the employee access to specific though limited information on their claim, the ability to download forms and email the claims administrator.

eFiling lets an employee complete a claim application for short or long term disability benefits online. The site automatically accesses HRIS data provided by the employer.

eCommunications electronically notifies multiple employer contacts about specific events, such as new claims, approvals, denials, extensions, and return-to-work confirmations.

Integration of Self-Funded Programs

Many large companies self-fund all or part of their short term disability and workers' compensation coverages. Employers can see additional savings by asking us to manage those programs. Integrating these programs with long term disability means that we can identify potential long term claims at the earliest stage and can begin active nurse case management immediately.

Comprehensive Absence Management

Our fully integrated solution keeps employers in full compliance while keeping a tight rein on costs. We integrate short term and long term disability, workers' compensation and life insurance with military leave, jury duty, company vacation, sick leave, personal leave policies, the federal Family and Medical Leave Act, and the regulations and mandates of all the states in which the client has employees. A data feed from the employer ensures that information is always up to date. We communicate early and often with employees, so there are no surprises. And we provide all the written notifications required by law.

But a comprehensive absence management solution

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is much more than a detailed system for dotting i's and crossing t's. We identify potential problem cases and long term disability cases early, and work with the employee—and consult with the physician, if necessary—to maximize the employee's opportunity to return to a productive role on the job.

Access to all information is subject to Federal and State privacy and confidentiality laws.

Our strength lies not just in our integrated approach, but in the compelling experience of each of the Delphi Financial Group companies that provides the insurance products and management services needed. This combination of expertise, with a strong focus on customer service, is something that less experienced, less comprehensive programs simply can't offer.

ABSENCE SOLUTIONS® DISABILITY SERVICE FEATURES

Managed Disability

Whether short term and long term disability income protection are insured or self-insured, we manage and administer claims to facilitate the employee's timely return to work. Operating on the Matrix Absence Management service platform, Reliance Standard's Absence Solutions enables larger clients to derive benefits from management and administration of employee disability claims. This flexible, powerful platform is ideal for employers regardless of funding arrangement and company-specific business objectives.

Claim Intake

Our enhanced claim intake eliminates the need for the employee to fill out a paper claim form. The disabled employee can call our toll-free number or use web-based eFiling. We answer questions, advise about the employee's responsibilities while out of work and gather all information required to start a claim.

Claim Administration

Integrating both short and long term disability coverages, we create a single program overseen by

an Integrated Claims Manager. The Claims Manager leads an account-dedicated team of Nurse Case Managers, Claims Specialists and support staff who share records and insight about both the client and the disabled employee.

An advantage of our integrated approach is that the employee talks to one dedicated claim team for both STD and LTD claims. The employee enjoys a better experience, as the claim team remains the same people who know their case. And the employer benefits both operationally and financially through an integrated approach to disability management rather than two processes governed by two carriers.

Case Management

A Duration Control Nurse reviews every new claim and every extension of disability, utilizing industry protocols and guidelines, plus normative data aggregated from our extensive experience. The objectives are to establish the diagnosis, clarify and verify information, set a duration target and identify claims that could benefit from early intervention.

For those claims we identify, a Nurse Case Manager is assigned. Our Nurse Case Managers have experience in corporate settings, backgrounds in occupational health and strong ties to the physician community.

The Nurse Case Manager develops individual rehabilitation programs and engages resources, such as rehabilitation counselors and medical consultants, to help employees get back to work as soon as possible and reach a successful outcome.

For those employees who cannot return to their original position in a full-time or modified fashion, a Vocational Rehabilitation assessment is conducted. Our Vocational Rehabilitation Program is a flexible, creative resource to help each employee return to work in some productive manner as soon as practical.

Account Management

We take a strategic approach to account management. Your client's experienced Account Manager will work with them to develop an individualized program that is aligned with business

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goals, and communicate regularly to keep them informed and involved in their program's successful operation. Our 15 plus years' experience makes compliance with applicable laws and regulations, and the incorporation of best practices a standard feature for the account. We will analyze program performance and financial trends, and maintain accountability through scheduled and ad hoc performance measurements.

Web-based Services

Reliance Standard provides a comprehensive, web-based disability management tool for employers and employees. With easy, around-the-clock access, the employer may focus on overall financial exposure, including trends by location, division or work group. (See eServices)

FMLA/LEAVE MANAGEMENT FEATURES

Administrative Outsourcing —“Why?”

Processing Leave of Absence requests is an administrative burden for most employers. In addition, 85% of all leave requests are also disability or workers' compensation related. The result is duplicate work being performed by the employer and the respective third parties as well as confusion for the employee.

By outsourcing Leave of Absence administration to us, employers are assured that each leave will be processed consistently. Our staff of experts is apprised of current legislative requirements on a state-by-state and national basis. Our technology platform allows us to track utilization and make sure mandated filing deadlines are met and documented. Finally, the employee enjoys continued contact with a single source that is familiar with their entire situation.

The result is more time for overworked Human Resource staff members to focus on core responsibilities such as hiring, training, and educating.

Claim Intake

Our enhanced Leave of Absence reporting eliminates the need for the employee to fill out

multiple forms for different lost time benefits. Whether reporting a federal, state or company mandated leave of absence for themselves or a sick family member, the disabled employee can simply call our toll-free number or use our web-based filing tool called eFiling. The platform can be customized for an employer's own unique benefit design allowing our Absence Coordinators to answer questions, advise about the employee's responsibilities while out of work, and gather all information required by each employer to start a claim.

Claim Administration/Leave Verification

Integrating the request for leave with both short term and long term disability coverage and/or workers' compensation, we create a single program overseen by an Integrated Claims Manager. The Claims Manager leads an account-dedicated team of Nurse Case Managers, Claims Specialists, Leave Experts and support staff who collaborate on the management of the case.

The Leave of Absence Coordinator will verify that the employee and physician have completed the appropriate documentation and certification as determined by jurisdiction or corporate policy. As part of an Integrated Claim team, the Coordinators and Claim Examiners share information such as expected return-to-work dates and extensions.

An advantage of our integrated approach is that the employee talks to one dedicated claim team for both leave and disability claims. The employee enjoys a better experience, as the claim team remains the same people who know their case. And the employer benefits both operationally and financially through an integrated approach to disability management rather than separate administrative processes governed by two separate control points.

Account Management

An experienced Account Manager will work with the client to develop an individualized program that is aligned with business goals, and communicate regularly to keep the client informed and involved in the program's successful operation. Our 15 plus years' experience makes compliance with applicable

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Administrative Services Only

Disability is a singular event that creates a long-term ripple effect throughout an organization. By controlling and managing a disability, we stop these ripples from spreading. Depending on the need, we will design a program to help employers stabilize their disability plan. Our goal is to control disability claims by offering quality management techniques that start from day one and last until the employee is ready to return to work. This service is ideal for employers with 500 or fewer lives.

Administrative Services Only Plan Highlights

- Tools to develop sound job analysis and return-to-work procedures
- An early intervention philosophy that reduces exposure to long-term absences
- A third party buffer between employer and the employee on more complicated claims
- Control — retain the ultimate decision-making power regarding how and when benefit payments are made

We provide three Administrative Services Only (ASO) plans to help companies manage your STD and LTD claims.

Full ASO Services

- Comprehensive, full-service ASO program
- Banking services
- Full claim adjudication (as if the claim were fully insured)
- Designated point of contact (for all disability questions)
- Complete review and duration guidelines
- Single claims examiner for STD
- W-2 and FICA reporting services (provided we are the in force LTD carrier)

Claim Payor Assistance Services

- Expert claim advice and adjudication
- Designated point of contact (for all disability questions)
- Single claims examiner for STD
- Complete review and duration guidelines

Advice to Pay Service (STD Only)

- Claims consulting service only

Expenses and Fees

Our fee schedule is flexible and normally includes a per employee charge, a claim management fee and a processing fee per benefit. The examinations, attending physician statements, and investigative reports are billed to the client at cost.

Fees, expenses and benefit payments are transferred to us by way of an Automated Clearing House (ACH) funds transfer. This transfer occurs with the employer's approval upon receipt of the report detailing how claim funds are being spent.

Note: The Absence Solutions portion of this brochure is intended for use by agents and brokers only, and is not intended for distribution to the general public.