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## Unum Says Long Term Care Buyers Are Getting Younger, Selecting Home Care Option

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CHATTANOOGA, Tenn.--(BUSINESS WIRE)--Jan. 30, 2007--Buyers of group long term care insurance are getting younger, and more customers are selecting coverage for care in the home, says leading employee benefit provider Unum (NYSE: UNM).

More than 52 percent of purchasers are under 45, and sales of the home health care option have risen to 92 percent of policies sold, up from 88 percent in 2003.

"The sales growth in this market is based on two things: Better information available to employees on the need for long term care; and simplified and more affordable policies from carriers," said John Noble, director of long term care products. "The younger you buy, the lower the premium cost. And features like the home care option address our desires to 'age in place.'"

Unum added nearly 1,000 new businesses to its group long term care customer base in 2006, an increase of more than 15 percent from 2005 sales. The company now holds 75 percent of the group long term care insurance policies in the United States, covering about 600,000 working-age employees.

From its position of leadership in the group market, Unum also notes a significant increase in the number of employers who are willing to help pay for this benefit. Ninety-two percent of cases in 2006 had some level of premium contribution from the employer. This is a dramatic shift from the 100-percent employee-paid coverage that represented most of the market in earlier years.

Unum highlights these additional buying trends:

-- Coverage amounts are shifting higher. Over the past three years, Unum reports a 2 percent increase in those selecting the \$5,000-\$6,000 monthly benefit, and 3 percent decline in those selecting the \$2,000-\$3,000 range of coverage.

-- Women outpace men slightly representing 52 percent of the purchasing population.

-- White collar workers represent the segment with the most growth over the past three years. Most frequent industries that purchase long term care insurance are insurance brokerages, law firms, engineering firms, physicians and management consulting services.

According to the U.S. Senate Special Committee on Aging, Long-term care costs are expected to double by the year 2025 and nearly quadruple by 2050. As a result, Unum expects to see growth in popularity of policies that include protection against inflation. This option basically raises the benefit amount by a certain percentage each year to compensate for the rising cost of care.

"A year in a nursing home can vary greatly from \$40,000 in some states up to \$100,000 in others," said Noble. "Inflation protection is a great option to help keep the benefit payout in line with market costs."

In addition to its group business, Unum holds about 200,000 individual long term care policies. The company processed more than 3,000 group and individual long term care claims in 2005 and 4,000 in 2006.

Find more information about long term care at [www.LTC-101.com](http://www.LTC-101.com).

#### About Unum

Unum ([www.unum.com](http://www.unum.com)), formerly UnumProvident, is the largest provider of group and individual income protection insurance, and one of the leading providers of employee benefits products and services, in the United States and the United Kingdom. Through its subsidiaries, Unum insures more than 21 million people and provided \$6 billion in total benefits to customers in 2006.