

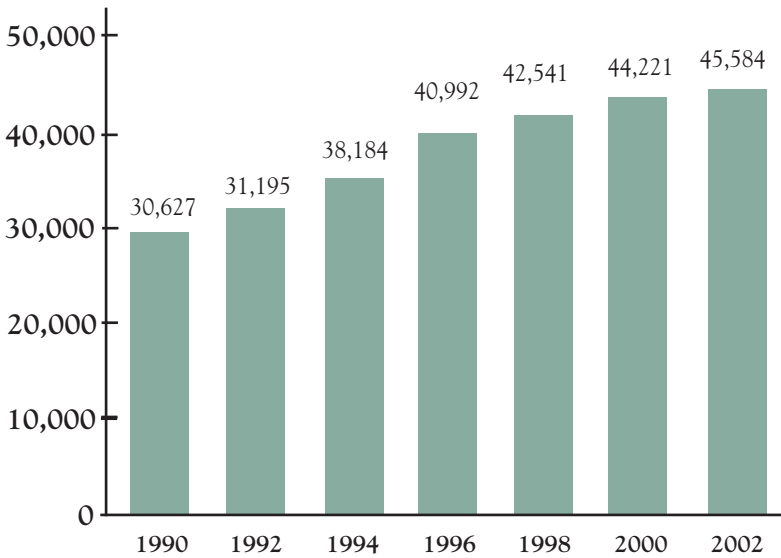
Market Focus: Underage Health

A closer look at the Underage market signals Agents to diversify, diversify, diversify!

The Uninsured and Accessibility

In 1998, the U.S. Census Bureau reported a record number of uninsured — a whopping 44.3 million. In recent years, this number has declined, but many Americans still remain uninsured at alarming rates. Without proper coverage, quality healthcare is not only a burden to afford but also difficult to access (see charts below).

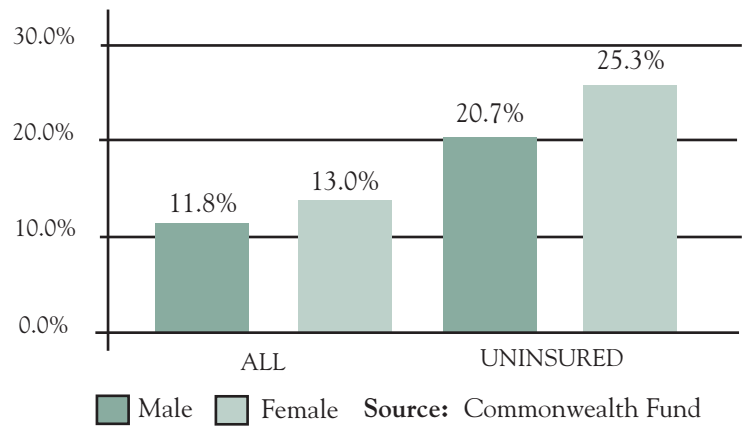
Persons Without Health Insurance, 1988-2002



Source: Lewin Group estimates, 1996

Percent of Adults with Difficulty Accessing Health Care

Uninsured women are 20% more likely to have access barriers



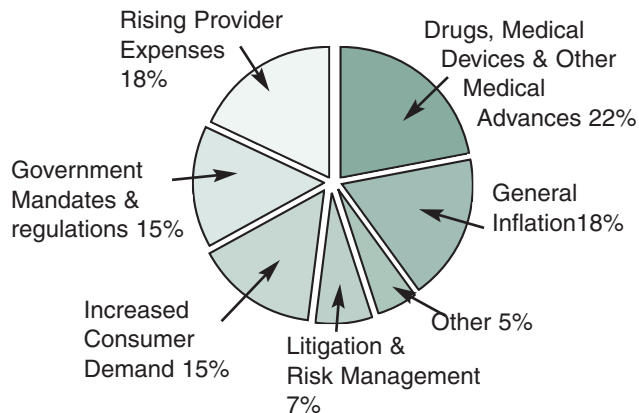
Source: Commonwealth Fund Task Force on the Future of Health Insurance analysis of 1996 Medical Expenditure Panel Survey

The Uninsured and Affordability

Healthcare is expensive. In fact, according to the U.S. Department of Labor, **the average cost nationwide for a doctor's office visit was \$67 in 2001**. However, that amount varied drastically by state, ranging from \$51 in Kansas to \$84 in California. The cost of hospital stays loomed large across the board, with **the national cost of a five day stay averaging \$12,741**. Odds are currently **one in seven that the average American will have a hospital stay this year, and those odds increase with age**. Factors driving the rising cost of healthcare are varied (see chart below), but the fact remains that, as the price of services increase, more Americans find themselves wondering how they can afford the healthcare pricetag.

Factors Driving Rising Costs in Health Care 2000-2001

Source: Pricewaterhouse Coopers, April 2002



UA's Alternative

At United American, our mission is three-fold:

- Provide access to quality healthcare services at the lowest cost available;
- Offer freedom of choice in terms of doctors and healthcare providers;
- Supplement and fund low-cost healthcare services with the best insurance products available to fit each client's health and financial needs.

The bottom line is: we're committed to providing the highest quality products at the most affordable possible price. While in the field, emphasize that UA's Underage Health plans are:

- **Guaranteed Renewable for Life** — Our policies can never be canceled or not renewed as long as premium payments are kept current.
- **"A+" Rated Company** — UA has received an "A+ Superior" rating for overall company financial strength by A.M. Best for 30 consecutive years (rating as of 5/02).
- **Freedom of Choice** — Policyholders may choose their own doctor, healthcare providers, and hospitals.
- **No Pre-Certification Requirements** — Policyholders may decide when and where to receive medical treatments.
- **Optional Partners[®] Discount Program** — Customers can subscribe to this optional program which includes discounts on prescription medicines, vision, dental, hearing, and chiropractic services.

Plugging Partners[®]

During a sales presentation, don't forget to mention our Partners discount program. Partners can potentially save clients a substantial amount of money per month (see chart below), in addition to offering a 24-hour nurse assistance line, emergency help when traveling, and savings on vitamins and nutritional supplements. Your customers will be pleased to learn what a great "partner" this program is!

