

# Summary Explanation of the Second Year Increased Enrollment Initiative

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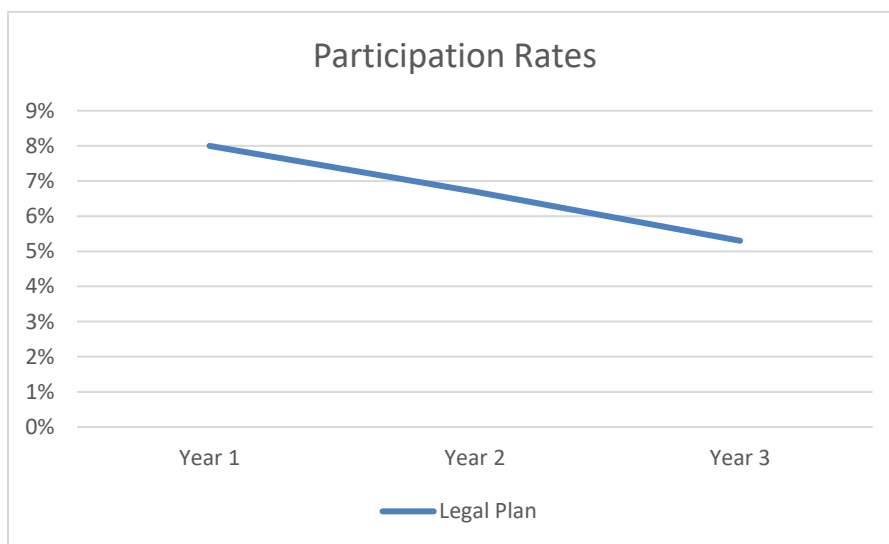
**Strategic Initiative**  
**LegalEASE Employee Engagement Communication Strategy**  
**Helping Employees Better Understand the Need for Legal Plans**  
**August 2018**

**Overview**

**Most Employees Do Not Understand Their Legal Plan:** In a telling statistic, the American Bar Association found that 70% of Americans will suffer some type of legal problem in the next 12 months.<sup>1</sup>

Yet, only 5-9% of the employee base of a Company typically enrolls in the Company Legal Insurance Plan. That means some 95% of employees do not participate in a Company Legal Plan.<sup>2</sup>

This statistic becomes a serious problem when the 54% of employees who do not sign up for the legal plan will need it within the year.



**Legal Plans Traditionally Produce Low Enrollment.** There are many forward-thinking companies who inherently know problems will arise when employees face legal issues. These companies will have implemented a legal insurance plan as part of their elective or voluntary benefits platform. Many have had this same plan installed for the past 10-15 years. Despite the substantial number of legal problems facing employees, the participation rates on these plans generally approaches an enrollment rate of some 4 - 6%. The chart above shows a typical insured legal plan result.<sup>3</sup>

**Indeed, perhaps the two most difficult statistics to learn of in this area are the following:**

95% of employees do not participate in many offered Legal Plans.

54% of employees who do not sign up for a legal plan will need it this year.

With all this need, why traditionally do only 5-9% of the Company's employee population enroll in a legal plan?

### **Why Should an Employee be Concerned about How Many Employees Participate in a Legal Insurance Plan?**

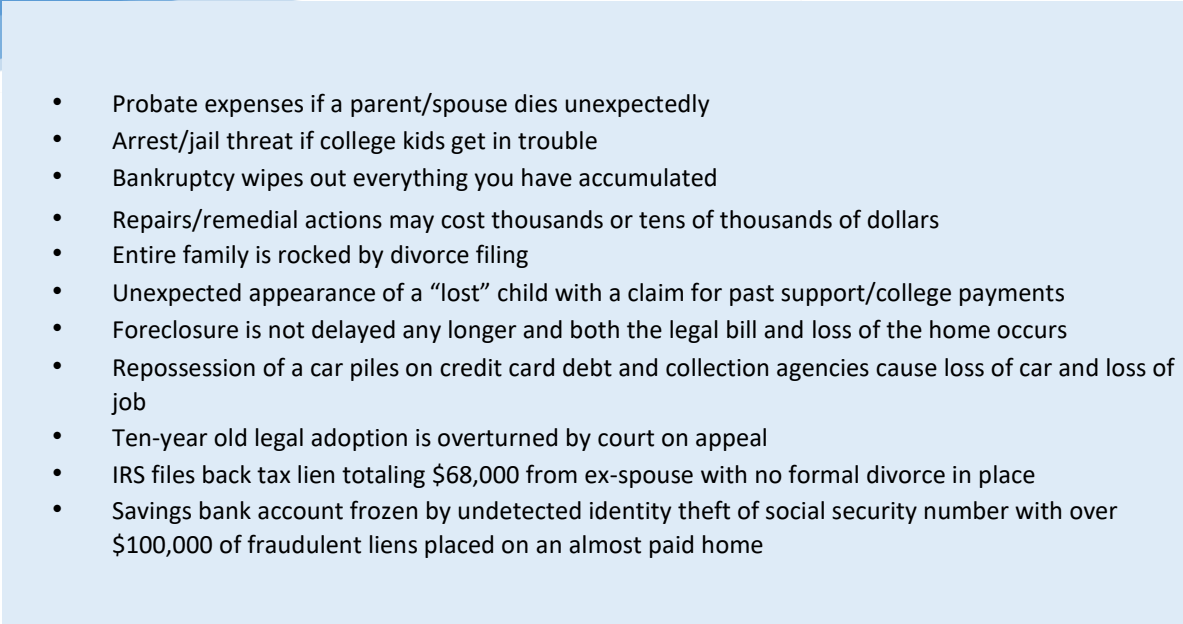
Legal problems are occurring today in every facet of life. Legal issues affect American employees in both widespread frequency and in severity of the underlying legal problem. There is an American Bar Association study that highlights how legal and financial problems are the cause of suffering experienced by more than 70% of Americans.<sup>3</sup>

Many legal problems are private, frustrating, emotionally upsetting and oftentimes embarrassing. Picture an employee that misses work after being arrested, a manager whose son was arrested for the fourth time for drug possession or an employee whose spouse was jailed for a felony gun possession. Employees are involved in all types of legal issues, many of which are not their fault. Regardless, almost all legal problems bring with them an enormous amount of humiliation. And these problems are not unique to the recession, although they have certainly been compounded by it.

Many legal problems also threaten an employee's job security. Company drivers cannot suffer through repeated driving violations in a year if their policy manual provides for termination after two violations. Employees on work probation cannot miss a day of work to go to court for any legal matter, or former spouses fighting over the kids' carpool can create repetitive employee tardiness issues. The list of effects legal problems can cause is endless, and most of these legal problems are embarrassing and job-threatening.

Figure 1 provides a sample list of problems that threaten employees and their families on a daily basis.

**Figure 1**

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- Probate expenses if a parent/spouse dies unexpectedly
  - Arrest/jail threat if college kids get in trouble
  - Bankruptcy wipes out everything you have accumulated
  - Repairs/remedial actions may cost thousands or tens of thousands of dollars
  - Entire family is rocked by divorce filing
  - Unexpected appearance of a "lost" child with a claim for past support/college payments
  - Foreclosure is not delayed any longer and both the legal bill and loss of the home occurs
  - Repossession of a car piles on credit card debt and collection agencies cause loss of car and loss of job
  - Ten-year old legal adoption is overturned by court on appeal
  - IRS files back tax lien totaling \$68,000 from ex-spouse with no formal divorce in place
  - Savings bank account frozen by undetected identity theft of social security number with over \$100,000 of fraudulent liens placed on an almost paid home

**Many problems are extraordinarily real and devastating:**

- Domestic abuse arrest
- CPS allegations about an employee who is a good mother that cause her child to get taken away
- Elder domestic abuse arrest
- Wealthy, successful employee facing home foreclosure
- Bankruptcy
- Employee with a son abusing drugs who stole everything from their bank accounts
- Employee with a parent in an abusive nursing home
- Employee [VP] who gets a note at work from the spouse of another employee whom she is having an affair with [disclosure imminent]
- School teacher with underage sex allegations made against them
- Single father's alleged abuse of a son or daughter [made up by the mother's family – mom is in prison]
- Employee's 10-year old child accused of sexual abuse

With so many possible and difficult issues comes even more stress in the employee or individual's life. The search for solutions is endless, and the need for emergency funds to fight these unexpected problems is tremendous.

A fact that pervades this discussion becomes very clear from understanding the nature of these legal problems – ***these problems are not likely to be publicized. Employees who suffer through them are likely to be embarrassed, upset and certainly engaged in every effort to keep them as private as possible.*** It is completely unlikely that HR will ever know their employees are suffering through these incredibly embarrassing legal problems. And this makes understanding the scope of the problem very difficult and even impossible in many situations.

Legal problems cost employers hundreds of thousands of dollars a year in absenteeism, increased drug costs and increased physician/psychologist visits. One recent study found that the average cost of legal problems for an employer is \$245,000 per 100 employees.<sup>4</sup>

**Some HR Managers are Realizing That a High Participation in a Voluntary Legal Plan Can Save Their Company Hundreds of Thousands of Dollars at No Cost to the Company.** In the past five (5) years, many insurance consultants have begun speaking to their Client Companies about the value and benefits a fully insured legal plan can provide to *a much larger portion of any client company's employee base, far more so than in the past.* More and more Americans are dragged into the American Legal System each year, and more and more employees endure stress from financial problems caused by legal problems and from extraordinarily high attorney's fees. A college student's mistake one night can result in a DUI/DWI that costs more than \$10,000. Contested divorce, contested child custody and support issues together are now the most widely utilized legal benefit in many companies, and these fees can be \$10,000 - \$50,000 or more.<sup>5</sup>

## Legal Insurance is More Like Life Insurance than We Thought.

The key is to understand the evolution of the discussion around employee legal problems. In the past, during enrollment, communications about legal plans focused on employees getting a will or handling an existing legal problem. There was little attention paid to the catastrophic nature of legal problems or the preparation of a paid-for solution in the case a legal problem arose unexpectedly.

Consultants are beginning to realize that the discussion around legal problems should be more like the discussion around life insurance. Perhaps an employee may need actual legal help now, but having the legal program in place, in the event something happens, is the true purpose for legal insurance. Just like one cannot buy life insurance when one learns they are about to die, employees cannot buy legal insurance when a massive legal problem arises. The new emphasis is on getting legal help for every aspect of one's life to prepare for and avoid catastrophic legal fees. If an employee takes action that could prevent a legal problem from happening at all.

The new focus is now twofold: (1) having the legal insurance in place so it will cover any legal problems that might arise unexpectedly; and (2) to understand life events all have legal consequences, and thus being prepared will help solve many legal issues or render them non-existent given the preparation.

### Understanding Legal Problems in Life Event Terms

What happens is that employees tend to think about whether they actually have a legal problem, when, perhaps, employees should think about whether events in their lives may have legal consequences. All employees face big events. With our ever-complicated society comes more and more complicated social issues, like financial issues, child issues, health issues, housing issues, support issues, family issues, education issues, neighbor issues and all kinds of similar problems that may have direct or indirect legal consequences. These events happening to employees are the everyday occurrences we all experience, like getting married, or having a baby, adopting a child or moving a parent into a nursing home. Many of

Everyday Problems Arise During Life Events



Getting Married	Expecting	Parents of Teens	Kids in College	Elder Parents	Retirement and Grandkids
<ul style="list-style-type: none"><li>• Name Change</li><li>• Financial Advisor</li></ul>	<ul style="list-style-type: none"><li>• Adoptions</li><li>• Will</li><li>• Refinancing of primary residence</li><li>• Small claims court</li><li>• Complex will</li><li>• Guardianship</li></ul>	<ul style="list-style-type: none"><li>• Juvenile Court Proceedings</li><li>• Small claims court</li><li>• License suspensions</li><li>• Misdemeanor defense</li><li>• Serious traffic matters</li><li>• Consumer dispute</li></ul>	<ul style="list-style-type: none"><li>• Tenant dispute</li><li>• Tenant security deposit dispute</li><li>• Debt collection defense</li><li>• Identity theft assistance</li></ul>	<ul style="list-style-type: none"><li>• Living will</li><li>• Will or codicil</li><li>• Health Care Power of Attorney</li><li>• Foreclosure</li><li>• Tax Audit</li></ul>	<ul style="list-style-type: none"><li>• Wills</li><li>• Probate of small estate</li><li>• Conservatorship</li></ul>

these events often happen with much less fanfare, such as having a birthday, celebrating a child's graduation or moving.

But, without realizing it, most of these life actions can produce legal issues either in real time or in a delayed manner. Often, there is no apparent or immediate "legal" description of the issue or problem. Instead, these life event actions are what we might call "problems of everyday life."

Indeed, many employees will admit to facing these kinds of problems almost every year. What often keeps employees from realizing the magnitude of these issues and some of their legal consequences is that they may not realize the close association between these problems and the necessity of navigating the complex and difficult American Legal System. What companies may not be spending enough time on is determining how widespread these problems of life are among employees and how impactful these issues can be on the lives of their employees.

For example, life events related to housing can include: how to find money to make a serious water damage repair, how to get a landlord to make repairs, how to keep a landlord from retaining a security deposit after one terminates a lease, how to resolve a serious roommate rift, or how to get a guest to leave one's apartment when they have overstayed their invitation to stay with the employee who invited them.

Life events arise when employees are facing domestic issues, such as when to initiate adoption proceedings, what agency to use, a child's school bully problem, or how to help resolve a friend group conflict, or high school issues, such as a charge for drug possession when a student carried drugs for another, or vehicle issues, when a "friend" demands an employee's child take them to a corner drug dealer, or when a classmate demands an employee's child post pictures with them on Facebook, or when a teacher has a real bias toward one's child.

Life events include problems related to money issues, such as the bank not being able to find the paycheck an employee just deposited, or when the bank places a hold on a check for \$5,000 that an employee deposited and then wrote checks to cover back rent, or those issues related to not being able to access one's funds, or when an employee is trying to recover money owed by a boyfriend that has suddenly disappeared, or when one is trying to remove a lien from their property title after they paid the contractor for shoddy work, or if an employee is dealing with a contractor that will not return to the job in the middle of disconnecting the employee's bedroom toilet.

Life also requires employees to deal with elder parents, including their issues of medical bills that they cannot pay, or their medications they are confused about taking, or when the nursing home seems to be hiding the real condition of an elder parent and will not release their records, or the lack of security for an elder parent in their deteriorating housing, or when an employee's dad will not move out of his house even though he keeps falling, or when an elder parent announces they have just married a new spouse after their spouse of 45 years dies unexpectedly and this new spouse is 40 years younger than the living parent, or finding out that a girlfriend of an employee's dad has a Power of Attorney over his healthcare and financial affairs, instead of the employee.

All these problems can become serious legal problems. But, employees may not realize two things: (1) how these life events almost never start out as legal problems such that one thinks they need to

immediately run out and get a lawyer to help with; or (2) how fast these problems can morph into serious legal problems.

Employees may really need to re-think everyday life problems and how it might help to have access to better advice earlier so that when, or if, these problems become more serious they can be better engaged and better prepared. More importantly, we might be able to gain understanding that enables our employees to take actions early that might actually prevent some of these everyday problems from escalating into acute issues. This type of support might be more proactive, accessible, and thus, engaging and effective.

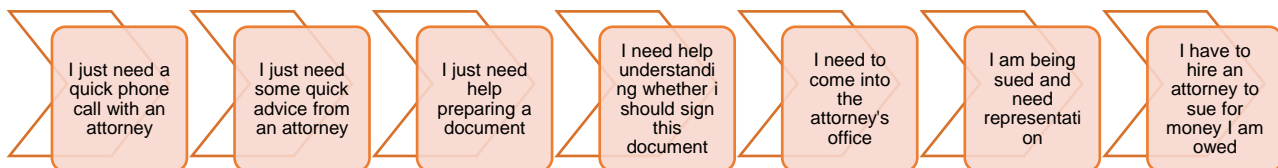
How can we do this? By changing the way employees understand the effects of everyday problems on their lives in a long-term manner. And, by equipping employees with the right tools to support them in better understanding legal and legal related scenarios in their daily lives.

In truth, no two employees in any company will take the same actions – life events, life crises and the legal consequences will affect each employee differently. The sense of preparedness for legal issues runs on a continuum for employees:



Some employees have a handle on the legal aspects of these events, but most employees do not have any idea (1) that a legal issue may be involved; or (2) what to do if a legal issue arose.

When asked, employees also react to the arrival of legal issue in many different ways. However, few employees have an idea about how they would access legal help, if a legal problem arose .



### **A Change in How We Think about Life Events could be the Key to Success.**

What seems clear is that almost all employees who encounter life events in the course of each year could use advice, consultation and information on all of the legal consequences inherent in each of the likely life events that may arise. This means changing the way employees look at and think about life events. While it may be counter-productive to treat every life event as a serious legal problem, employees could have trusted advisors available to them who could easily be called or emailed just to talk without any pressure or agenda about the life event and to verify what an objective trusted advisor could foresee about potential legal consequences. This necessary change in thinking might simply be to

consistently ask about their life events through having access to resources where they could get a trusted professional opinion when they need it.

**Engagement Efforts**

In the past, employees chose to enroll in a legal plan because they had an immediate legal need, while many employees did not enroll only to find out they had a legal problem arise unexpectedly, and it was too late to enroll. This new plan is designed to engage more employees in preventative legal services.

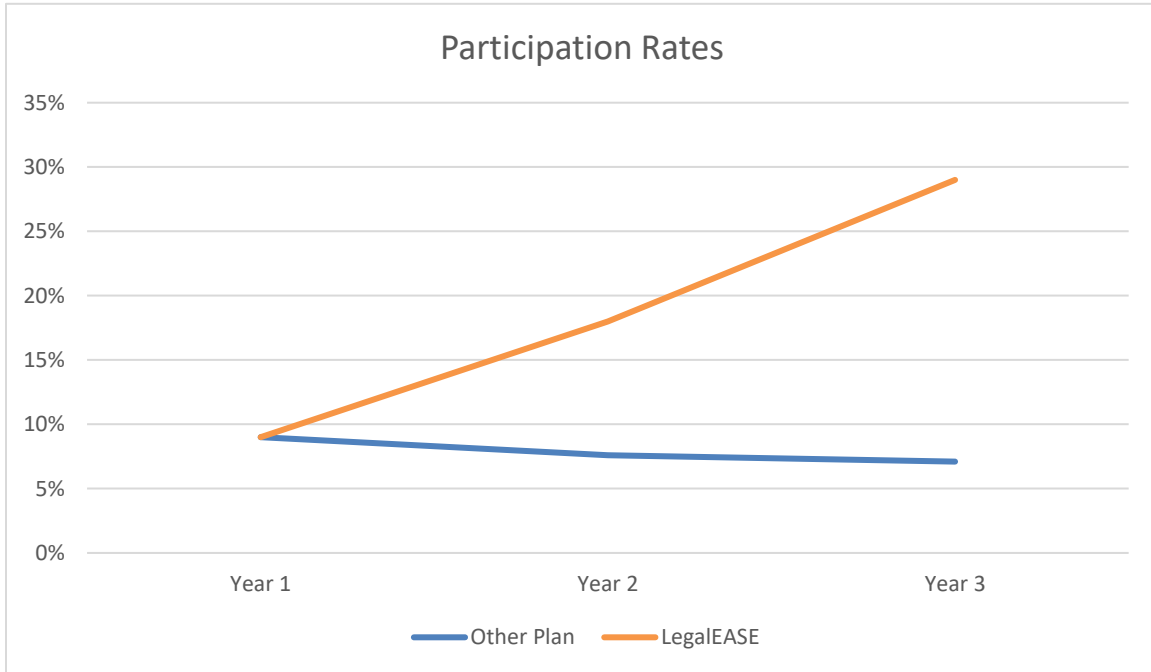
**Will Legal Plan Participation Rates Increase?** LegalEASE has had substantial success increasing not only the first-year typical legal plan enrollment but also the subsequent years enrollment such that the legal plan, albeit after 2-3 years, can reach the same participation rates as some of the other major voluntary products; i.e., 25-30%+.

The chart below shows one typical example of how LegalEASE’s enrollments for medium and large groups can achieve this high percentage. While this happens to be a takeover, where our involvement began with some 4,000 employees already enrolled in another legal plan, one can see that in a very short period of time, with only two actual post-takeover enrollments, the employee participation has grown from 4,062 to 15,002. This is an increased participation rate increase of 256%. When one looks at the commission or revenue produced by the program, one can see that this revenue increased markedly year over year, thereby enabling the program revenues to be used for enrollment resources and communication, which in turn can increase participation further.<sup>6</sup>

Legal Plan Provider	Plan Year	# Enrolled Members	Year over Year Increase
Other Legal Plan	2014	4,062	
LegalEASE Takeover: 12/31/14	2014	6,114	51%
LegalEASE Year 2	2015	8,445	38%
LegalEASE Year 3	2016	12,006	42%
LegalEASE Year 4	2017	15,002	21%



The chart below provides highlights of these higher participation rates for the LegalEASE plans in initial and subsequent years; many of these rollover plans were underperforming for a decade at the same company and without a substantial increase in communication strategies. One can see that the participation rates from certain legal plans can be dramatically affected in many cases where the participation rate increases each year.



**The Question is Whether There is a Systematic Approach to Increasing Engagement and Understanding That Will Help More Employees Understand the Real Value of Having a Legal Plan?**

At least one Legal Insurance Plan has a well-developed Employee Engagement Program featuring monthly employee communications on legal issues that will engage employees to think and re-think about the legal issues that may be present in their lives. Figure 1 below shows an example of an annual Engagement Communication Strategy:

Figure 1



### How Legal Insurance Engages More Employees

What this engagement strategy does effectively is create a monthly communication tool that automatically communicates with every employee, either in the company or in the Legal Insurance Plan, about the effects of legal issues. This monthly Legal engagement communication creates an awareness of legal problems on the theory that a better understanding of legal problems will help employees be better prepared for legal issues when they arise.

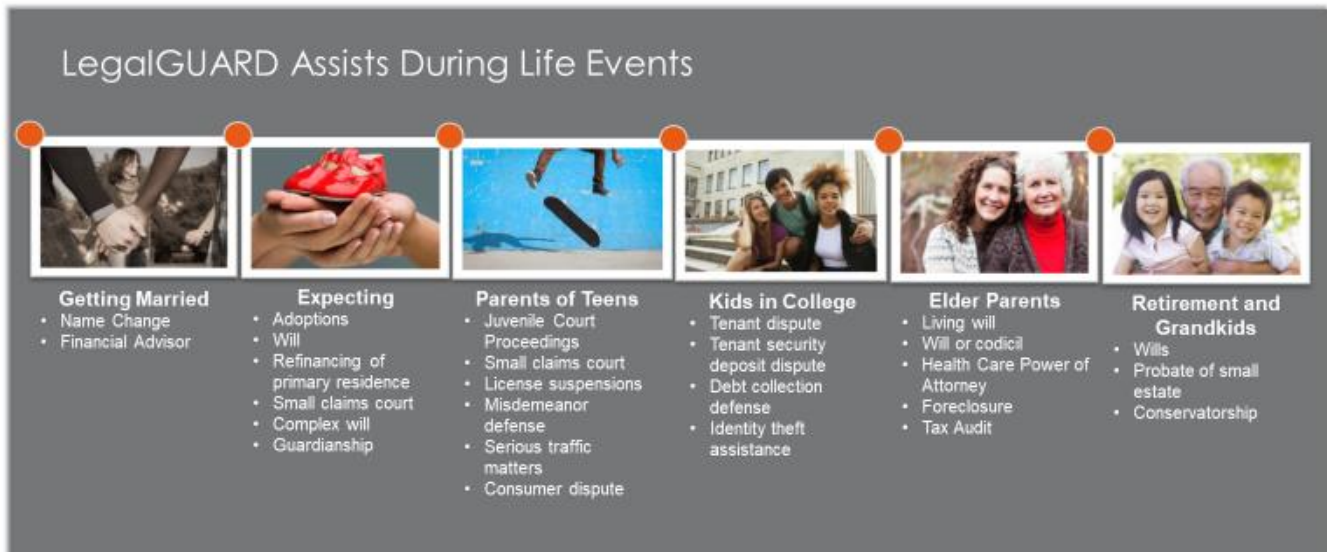
The beauty of this automatic program is that it is (1) automatic – employees receive these communications monthly unless they opt out; and (2) it provides a perfect opportunity to remind your employees about life events that are related to legal situations or issues that they need to be prepared for that may or may not equate to having legal problems.

It is important to recognize that a new Legal Insurance program gives us something to talk about for a few minutes of conversation with co-workers, for both the employer and the employee. It is likely then the legal insurance discussion will easily lend itself to talking about life events. A legal insurance plan is a new and crucial reason to talk to your employees about being prepared for their life events.

### How Legal Problem Awareness Can Engage Employees in the Preparation Phase

This systematic engagement program created by LegalEASE has a monthly engagement program that automatically sends an engagement email to the entire employee base [not just to enrolled employee - members in the legal plan]. Here are some of the legal and legal-related life event issues that raise legal questions:

Figure 2.



Looking at our Engagement Diagram, Figure 1 above, let's say February's email will remind employees of certain Family Law issues that can be tied to a spouse who has children from another marriage and those children have not yet been adopted by your employee who is married to the spouse. Those children need to have protection in the event that the spouse might pass away unexpectedly in a car accident and leave your employee and their spouse's children with no protection. The legal discussion of what a child under 18 looks like managing its affairs would be the topic of discussion. How much easier will this discussion be if there has been a guardian appointed and that guardian can say, "Your parent provided well for you. They left a hundred and fifty thousand-dollar insurance policy for each of you to set up a college fund."

Using the legal issues awareness discussion brings the preparedness need alive, and the employee begins to think "Why would I go without Legal Insurance to help me undertake this planning and all at no charge?" – exactly the reaction you want your employees to have.

Let's say March's email will remind employees of their finances by introducing the topic of taxes early [in preparation for the April 15<sup>th</sup> tax deadline.] By talking about tax liability early, an employee can begin thinking about a host of financial issues, many of which have legal consequences. Morphing financial tax questions into a full discussion of finances is an easy connection to a discussion on debt and a host of other financial questions that may have legal consequences.

Let's say May's email will remind employees that credit card debt can be reduced. One may be strained to see how this has a legal consequence but carrying a large debt burden creates a lack of everyday funds. That creates a situation where one's savings may be less, one's retirement contributions may be less and there is little money left in the event a legal issue or problem arises, like one of the ones we saw above.

Using this engagement system strategy for Legal Insurance plans can help employees see that many issues have legal consequences. Another example is having a baby. Very few employees are going to run out and call an attorney because they are having a baby. But, do they know that there are a host of legal issues that need to be examined to help new parents be prepared for life's unthinkable events? In the case of a newborn, do the parents have a will that now has a guardian provision? Will the guardian be prepared to run the life affairs of the child until they turn 18? What is involved in 'running one's affairs'? Are the newborn's finances assured and is a Trust, a Durable Power of Attorney or a Will enough to provide the help needed for the adults who will have to manage the infant's affairs?

### **A Look at How the Employee Engagement Plan Can Highlight Specific Areas Employees Might Overlook**

**Life Events Surrounding Elder Parents and Children.** The first strategy of the Employee Engagement Plan is, of course, highlighting benefits available to be used for Wills, Trusts, Living Wills, Durable Powers of Attorney, Medical Directives and Durable Powers of Attorney for Healthcare. Highlighting each of these estate planning mechanisms automatically brings up a discussion in almost every mention. There are easy to understand parallels between the death of one's family member and the creation of one's Will and Living Will to be fully protected. Even though a will is assumed to be the normal mechanism needed, is a Trust a better option?

By raising issues that get employees to think about estate planning, they will be in a mindset to be open to more preparatory and preventative estate planning. Engagement Communications are tailored to deliberately raise these questions in the legal issue discussion. Discussing these issues will engage employees, and from this discussion the employee audience can better understand the impact of and need for preparation. Showing an employee that a Will may result in thousands of dollars of probate fees but creating a Living Trust can avoid all or most of these fees is an attractive solution to anyone contemplating preparing their estate.

This is one of the best sales techniques used to sell not Legal insurance plans but Life Insurance plans. The side benefit is that many people will also be interested in the Legal Insurance and see the need for it. The producer will have a two-product sale with increased revenue.

**Life Events Surrounding One's Daily Functioning.** The second strategy using the Employee Engagement Plan is a bit less obvious, but it involves the engagement strategy of talking about conservatorships, guardianships and the different mechanisms by which legal documents can help a person if they become incapacitated or if one's incapacity is an issue weighing heavily on an employee's mind. In some of these cases, we are not talking about one's literal death, so technically the end of life issues are not involved. But legal competence and capacity issues are the focus of these engagement communications.

However, accidents or aging are the events that create the need to consider planning for the future. Potential incapacitation is a big part of a legal discussion surrounding issues of conservatorship and guardianship. This is particularly true when the engagement email discusses what documents to have in place so one does not have to wait until a family member is incapacitated. Instead, with proper planning, an employee can set up certain documents to ensure that these huge legal bills are not incurred in the event of an incapacitation event. This type of discussion, planning and reminder to employees almost automatically prompts a discussion of being prepared for the future *completely* and as such being sure to have the legal documents in place – now.

Once again, the primary object of the Employee Engagement Strategy is to take what an employee thinks may not be a legal matter and examine and discuss the legal consequences so as to see the necessity of having a Legal Insurance Plan in place well before the need.

**Life Events Surrounding One’s Family.** A third topic to be discussed using the Employee Engagement Plan would be legal issues that affect the family, including children away at college, children’s school issues, adoption and juvenile issues. Let’s take one issue - the adoption of a child by an employee as either a parent or a grandparent. There are all kinds of adoptions today - traditional adoption, step-parent adoption and international adoption are just a few. Many employees are increasingly adopting children either instead of having a child or in addition to having children. Adoption issues produce similar discussions.

In the Employee Engagement Communication Strategy, one of the months is termed “National Adoption Month.” During this time the communication message prompts a discussion around the legal issues of adoption, considering adoption or a recent adoption. The legal discussion surrounding adoption raises many legal topics – personal liability, driving, injury, medical bills and school issues just to name a few. The engagement email discusses these legal and liability issues, as well as the idea of preparing the proper legal documents for the newly adopted child.

Just as above, tying these major life issues to various legal issues will result in a fresh approach to understanding how valuable the Legal Insurance plan is and why usage on the plan can be in excess of 80% each year. If done properly, the question the employee will be asking themselves is “Can I afford not to have this Legal Insurance Policy in place.” Legal Insurance participation will increase under this third strategy because of widespread discussions on the need for Legal Insurance.

### **Additional Life Events that Demonstrate the Need for Legal Insurance**

**Life Events Surrounding Summer Outdoor Events.** Continuing our theme of coordinating certain Employee Engagement legal issue communications, let’s see how legal problems can help meet other needs. Having advice available to employees and anticipating their probable life events via the engagement communications can help employees better understand the impact of legal issues. Figure 3.

Legal Matters Happen At Any Age

20's	30's	40's	50's	60's
<ul style="list-style-type: none"><li>• Tenant dispute</li><li>• Tenant security deposit dispute</li><li>• Serious traffic matters</li><li>• License suspensions</li><li>• Consumer dispute</li><li>• Identity theft assistance</li></ul>	<ul style="list-style-type: none"><li>• Name change</li><li>• Small claims court</li><li>• Will or codicil</li><li>• Adoptions</li><li>• Document preparation</li><li>• Refinancing of primary residence</li></ul>	<ul style="list-style-type: none"><li>• Juvenile Court Proceedings</li><li>• Separation</li><li>• Divorce</li><li>• Debt collection defense</li><li>• Foreclosure</li><li>• Living will</li><li>• Health Care Power of Attorney</li></ul>	<ul style="list-style-type: none"><li>• Complex Will</li><li>• Tax audit</li><li>• Guardianship</li><li>• Mediation</li><li>• Probate of small estate</li></ul>	<ul style="list-style-type: none"><li>• Conservatorship</li><li>• Refinancing of primary residence</li><li>• Will</li><li>• Civil litigation defense</li></ul>

Let's say June's email will remind employees about summer activities, vacation rentals and homes, renting RVs, boats, off-road vehicles and watersports activities. All kinds of life events are undertaken in the summer months. And all types of legal consequences are again involved. With respect to watersports, legal issues include liability for accidents while swimming in pools, at one's lake or beach house, walking, hiking or running injuries on one's property, jet ski accidents, boating accidents including waterskiing, wakeboarding, swimming and tubing problems and all kinds of related legal issues. Homeowner's insurance helps for a number of these, but homeowner's insurance does not cover many of these potential liabilities.

Perhaps July's engagement email can remind employees of the legal consequences of owning a second home, or vacation rentals, maintaining property in summer conditions and all kinds of liabilities that can arise while one is at another's house, rental, vacation home or RV. For example, cleaning out rain gutters, pressure washing the house, fixing the deck, painting the house, all kinds of routine maintenance, cutting the lawn via lawnmowers, weed eaters and tractor mowers. The use of power tools related to repairs and maintenance presents all kinds of potential injury situations. How many times has work been interrupted by the weekend or summer vacation head injury caused by falling down the stairs, off the ladder or over the fence. Sporting injuries, from sports such as soccer and softball, occur during summer time as well.

Again, sometimes homeowner's insurance works to help cover these issues, but in many instances the potential legal issue is not covered by any other insurance. When we are talking about summer outdoor activities, like those mentioned above in June and July's engagement communications, a number of these activities raise hidden legal issues.

While we are learning about the legal consequences of say a part-time worker falling off a ladder while working on your property and suing you, it is also easy to shift the conversation to talking about you or a family member falling off a ladder and suffering a serious head injury. The visual associated with this description, experienced by middle-aged adults either of themselves or their spouse suffering, will leave no doubt in their minds for the need to have considered legal care in relation to the incapacity of the family bread-winner. Reminding employees of the lengthy recovery period of such an injury, in terms of lost work time and potential lost salary, will help sell the need for preparedness. And, by relating regular everyday events to legal problems brings a fresh approach to the legal insurance need.

Another example of an outdoor activity where the conversation relates to a legal issue would be boating. Perhaps, you are on your boat with invited guests and one of your friends invites another friend onto your boat and has a bit too much to drink. They suffer a fall and actually fall overboard, getting seriously injured by the propeller. In some cases, your boat insurance or homeowner's insurance may cover these injuries. But, even so, the discussion still lends itself to a quick transition to what if this happens to you or your spouse and the injury renders them unable to work for several months. This is again an easy way to see the need for legal insurance by using the legal engagement reminders. In many cases, depending upon how specific the legal engagement reminders are, they will cause an employee to shift their mindset to see the potential loss of income if they suffer the problem the legal engagement communication raises.

Another example is the softball league your employees might play in. Injuries among employees related to this type activity are routine. But, serious injuries are not. If the legal engagement communication reminds the employees of the legal consequences of participation in a softball league, the communication might look like this – what if you hit a ball so hard that it hits a member of the other team in the head and causes a serious head injury. Are you liable? Are you prepared? Once again, while the legal communication focuses on an employee’s liability for injuries to others, how much more prepared are they to shift the outcome to themselves – what if another employee with few resources hits a ball so hard that it results in a serious head injury and puts me out of work for months? The legal engagement communication would ideally have already raised the issue in a context that helps to show how much value there is in legal insurance.

The same strategy works for all these outdoor activities – sailing, swimming, diving, hiking, exploring, camping, mowing the lawn, washing the car, fixing the barn, cleaning the rain gutters, installing outdoor light bulbs, fixing the birdfeeder and a host of other activities.

Let’s say August’s email will remind employees that it is time to get back to school. This theme promotes the awareness of family. Preparing for new teachers, new classes, new school policies and new administrators. All of these raise the prospect of potential issues – your child may not get along with a teacher, an administrator or a coach. Or possibly even their fellow students. Each grade presents its new challenges and many of these will require outside help to resolve issues. All kinds of school legal issues arise – bullying, being bullied, detentions, wrongful searches, mistaken guilt, pranks that become overblown, mini-gangs, friend group problems, academic issues, classroom antics and all kinds of other legal issues. These legal issues can also bring about discussions for the need for other types of insurance.

Let’s look at the impact of certain school-related issues:

- Teacher issues - leads to grade/performance/detention issues
- School administrator issues - leads to child discipline/performance/detention issues
- School administrator issues - leads to changing schools/moving issues
- School policy changes issues - leads to child behavioral/performance issues
- Bullying issues - leads to child grade/performance/detention issues
- School arrest issues - leads to child discipline/performance/detention issues
- School gang labels issues - leads to changing school/moving/college admissions issues
- Friend group issues - leads to child grade/performance/health issues

All these legal issues are most assuredly serious in nature and can lead to the need for legal representation. We can also see the intersection of potential disability, health, college funding and homeowner’s liability needs for employees. The discussion of school issues, and more particularly serious school issues, brings in the entire gamut of insurance issues. Moving because a child is suffering in school from bullying, grades, or undue teacher or administrator influence can bring in all kinds of legal document discussions. That may be the best reason to purchase legal insurance in the mind of the employee suffering through these school issues with their child. The need for lawyers in this area is growing because a lawyer may be necessary to protect the rights of children. The impact of school fights, gang labels, deaths from alcohol or drugs while at college and fraternity or sorority hazing allegations are all reasons to raise these issues.

Let's say September's email will remind employees about financial issues, including debt, credit, identity theft and retirement plans and preparation. All kinds of retirement and financial issues arise but many involve the financial aspects of legal problems. Bankruptcy, foreclosure and repossession clearly raise the issue of being better financially prepared. The seriousness of bankruptcy or foreclosure and the potential embarrassing nature of suffering through each is worrisome to many employees and they might respond well to the preventative legal approach.

Advising employees to save money for retirement is one strategy. But, the impact of reminding an employee of the embarrassment of bankruptcy or foreclosure brings the need for legal preparation alive for that employee and makes it an urgent need to consider. Everyone it seems is having financial issues, and things like repossession, bankruptcy and foreclosure are at the top of everyone's mind. This is the perfect prospecting time for proposing the needed legal advice that employees can use within the Legal Insurance plan to help them make sure they never have to face bankruptcy.

Raising the topic of medical issues in the context of serious financial issues such as credit card debt, retirement savings being used for unexpected financial issues well before retirement, credit reports, collection agencies and wage garnishments for judgments is also beneficial. Using these issues as a transition, producers can easily remind employees of the same financial issues that would be created by a serious medical issue. Legal Insurance can be used to help employees fight high and unexpected medical bills before these bills become the driver that wipes out their savings accounts and casts them into debtor status. Serious medical issues can raise collection issues, bankruptcy issues, foreclosure issues, eviction issues and all types of problems for employees.

Let's say October's email will remind employees that consumer issues can be nagging; they can waste time and money. Warranties on cars, home products and other consumer warranties are often very visible to employees but they often seem as if "they must be adhered to." What if the warranty portion of the legal plan offered a different or negotiable approach an employee could use when consumer products were purchased.

In November, the attention turns to one's benefits for the next year, which brings up health insurance awareness. Usually, employees do not have to find needed dollars for health insurance in most workplaces, but they have choices. Our Employee Engagement Communication Strategy will help them discuss certain medical issues that can result in legal expenses and disputes. Sometimes employees are caring for their elder parents and so the Medicare and Medicaid regulations make getting help for an elder parent a minefield of regulations that can result in serious penalties and property forfeitures that cause bankruptcy, foreclosure or monumental credit card debt and wipe out retirement savings with one extended hospital stay visit. Talking about these life events automatically leads to discussions about legal problems associated with creditors calling, harassing at work, causing employees to lose their jobs or be demoted and the medical bills that can cause foreclosures, defaults, bankruptcy and other serious credit problems.



## **How to Access This Employee Engagement Communication Program**

LegalEASE has made available the details of its Employee Engagement Communication Program. While LegalEASE has seen the positive results of an increased number of employees benefiting from financial wellness and stress reduction, many companies have not. To facilitate implementation of this program, LegalEASE is offering this turn-key engagement system to all employees at no charge to help them think differently about life events and the legal consequences of each event.

In addition, because the implementation of this Employee Engagement Communication Program will likely have some ancillary human capital and hard expense costs, LegalEASE will pay a Communication and Technology Implementation fee of \$10,000 to a company that implements the program. This fee can be paid to the consultant or broker and shared with the company in any manner deemed reasonable.

## **Conclusion**

In short, re-thinking how we understand the real impact of legal problems can motivate employees to better understand the coverage of their Legal Insurance policy. Fifty-four percent (54%) of the employees who pass up the legal insurance program in October will need it in the following year. And using this inexpensive, little-understood tool can help in a substantial way to bring urgency to employees and to remind them of the seriousness of life's hurdles. Telling someone they need to have money saved because one medical bill can wipe out their savings is one approach and one that has been used for decades.

In today's sophisticated world, relating legal issues to surrounding life events can help employees better understand how easily legal problems arise and cause serious consequences. This educational and illuminating program can be a real motivating factor. Helping employees understand that they do not need to be afraid but they need to be prepared is why we do what we do. Using examples from real life uncertainties can present a new, updated and responsive approach to making sure our employees are prepared for life's events. The unintended part of using this approach may be a whole new participation level with legal insurance that can provide a level of protection employees never thought they would need or have. Ultimately this results in the creation of financial wellness for employees that is far more effective than the costly efforts a company would pay for without a Legal Plan.

**Conditions/Caveats:**

This plan is a very brief summary of the proposed strategic plan described herein.

This is a confidential strategy summary.

**Footnotes**

1/ "Public Perceptions of Lawyers Consumer Research Findings," American Bar Association Study, 2002.

2/ Legal Access Plans, L.L.C., 1993-2012 Internal Study of Client Usage Patterns.

3/ Id.

4/ In addition, where both the directory system and case management matching system have been deployed in the legal plan field, this figure rises to 91%. Legal Access Plans, L.L.C., 2012 Internal Study. Source: LegalEASE Employee Health; Legal & Financial Stress Impact Study 2016, Part II.

5/ Legal Access Plans, L.L.C., 1993-2012 Internal Study of Client Usage Patterns.

6/ Legal Access Plans, L.L.C., 1993-2012 Internal Study of Client Usage Patterns.

