

Be the hero: how legal plans save employees money and increase their satisfaction with benefits

Legal plans on the rise to help improve employee financial wellness



Research conducted by ORC International, on behalf of Hyatt Legal Plans, a MetLife Company



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Executive Summary

Different generations in the workforce. Uncertainty in the healthcare market. The rise of the gig economy. As an HR professional, you have a lot on your plate. And when it comes to making decisions about benefits, it can be challenging balancing the needs of your current employees with finding ways to attract new talent.

The complexities in today's workforce have made voluntary benefits especially appealing. They require little to no cost from employers and often very little administrative work, making them easy to add and manage. And, voluntary benefits allow employers to offer a strong suite of benefits options that can help them to attract and retain employees. According to MetLife's 15th Annual U.S. Employee Benefit Trends Study¹, 72% of employees say customized benefits increase loyalty. When employees are satisfied that their benefit options meet their needs, they are often more satisfied at work.

62%

of employers said that legal plans are very important or somewhat important to their overall benefits programs.

Interest in one voluntary benefit in particular — group legal plans — is on the rise as employers look for ways they can help employees save money and plan for the future. The survey found that the top reason cited by employers for offering a legal plan is to relieve their employees' financial and legal concerns.

Key findings of the survey:

- Employers agree that legal plans can help them achieve their HR goals.** 65% of employers agree that a legal plan can help attract and retain employees and 58% believe that having a legal plan has impacted employee satisfaction. Also, 52% believe that having a legal plan impacts engagement and productivity.
- Employers recognized the real value that legal plans provide for their employees.** Respondents from companies currently offering a legal plan said their employees had easy access to legal services (84%), felt less stress from dealing with legal matters (82%), had access to legal services of above average quality (80%) and spent less time dealing with their personal issues at work (76%).
- Most organizations currently offering a legal plan reported that they're likely to continue offering it.** Of those surveyed, 85% said they would continue offering legal benefits to their employees.

What employees are saying about legal issues

The survey found that a majority of employees, 54%, say that they have been involved in a legal matter in the last year and 82% had been involved in a legal issue in the last five years. Dealing with these matters, which can come up when employees are acting as caregivers, sending kids off to college, considering adoption or buying or selling a home, can be expensive and time consuming.

Typical legal issues for employees include:



32%

Being contacted about a security breach for a credit card



24%

Receiving a traffic ticket



26%

Buying a home



18%

Refinancing a home

Employees' top legal concerns in the future include:



57%

Being a victim of identity theft



52%

Experiencing a security breach for a credit card



26%

Receiving a traffic ticket

Considering that the average cost to see an attorney is \$338 an hour², most employees either can't afford to see one or end up stressed about having to pay high attorney fees to deal with unexpected legal matters. According to the survey, the average cost to resolve an issue with an attorney is \$5,098.

Because of the high cost of legal services, many employees who do not have a legal plan attempt to handle legal issues on their own. This do-it-yourself approach can lead employees to take more time off or be distracted at work. The survey found that many employees who handled a legal issue without an attorney say they wished they'd hired one, with 35% of them saying that their outcome would've been more successful.

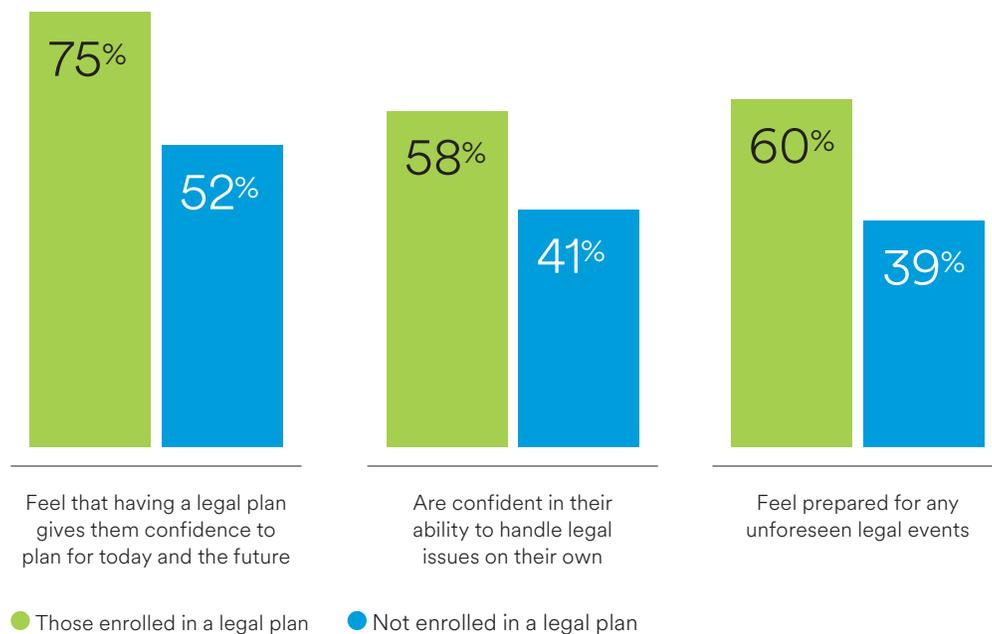
How a legal plan improves employee financial wellness and reduces stress

Finding an attorney for a legal matter is not only expensive, but can be stressful and time consuming for employees. Providing access to quality attorneys through a legal plan network gives employees peace of mind that they will be able to get the help they need for their legal matters. With a comprehensive legal plan, employees can choose an attorney from a network, or one outside of a network, who can help them with their matters quickly and affordably, often without even needing to meet in person. Employees can work with attorneys by phone or email and attorneys can often make court appearances on behalf of the employee.

According to the survey, 80% of employers said a legal plan provides access to above average legal services and 75% said that higher responsiveness from lawyers was an important benefit of a legal plan. The ease of use and the affordability of the plan is also a big stress reliever for employees. Employees typically make payments through payroll deductions and there are no co-pays, usage limits or deductibles with a comprehensive legal plan. Through their monthly payroll deduction, employees can access attorneys as if they were on a retainer. They can contact an attorney as much as they need and as often as they'd like for covered legal matters.

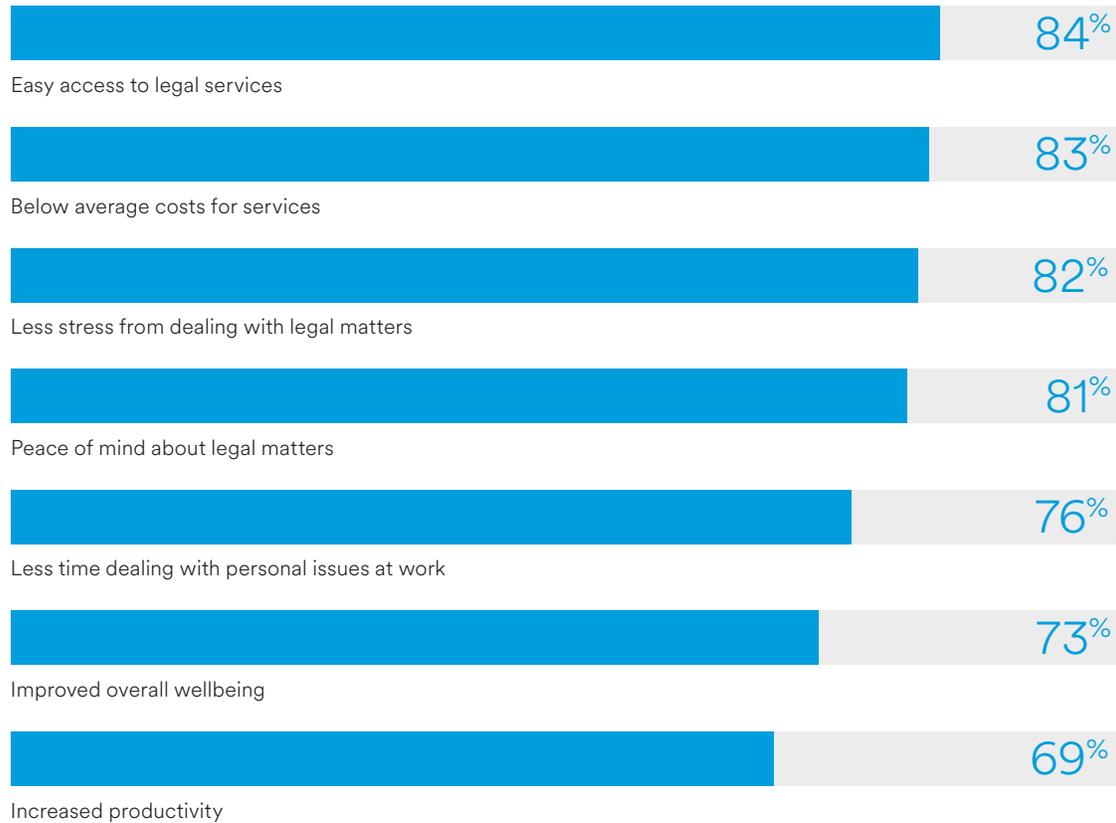
What employees are saying

Overall, employees who have a legal plan expressed more confidence about their future, compared to those who did not have a legal plan.



What employers say about legal plans:

Employers also see the stress-relief and cost savings benefits of a legal plan. Of the employers who offer a legal plan, a majority cited below average costs for legal services (82%) and less stress from dealing with legal matters (83%), as the top benefits of offering a legal plan. Here is what employers say are the top benefits of a legal plan for employees:



Among employers who do not offer a legal plan, most are aware that employees are dealing with legal issues and are interested in finding out more about how a legal plan can help. A majority, 73%, of employers said that they believe that their employees spend time at work handling personal and financial issues and 59% agree their HR department needs more education on sponsoring legal plans that will fit employees' needs.

Also, of the employers who do not offer a legal plan, 72% believe that offering one would be helpful to employees and 32% believe that employees would enroll in a legal plan if one were offered.

“[The biggest benefit is the] peace of mind for our employees. A legal plan can help with identify theft issues and is helpful in processing necessary documents such as wills, power of attorney, estate planning, buying or selling a home.”

Joann Chappie
Saint-Gobain

Legal assistance for key life moments

Just as employers are interested in learning more about legal plans, employees often need more information on how a legal plan can help them. Many employees don't realize the issues they are involved in are actually legal matters, so a legal plan is often not top of mind for them. For example, many people may not realize the importance of hiring an attorney for the home buying process or the important role an attorney plays in identity theft cases or tax audits. It's not uncommon for employees to get involved in these situations only to realize that they need an attorney and then not know where to find one or how to pay for one.

A legal plan can cover employees for issues they can expect — like buying a home — and for unexpected issues, such as becoming a caregiver.

How a legal plan helps throughout different stages of life:



Getting married

- Prenuptial agreement
- Name change
- Updating or creating estate planning documents



Buying, renting or selling a home

- Reviewing contracts and purchase agreements
- Preparing deeds
- Attending the closing



Starting a family

- Creating wills and estate planning documents
- School and administrative hearings
- Adoption



Dealing with identity theft

- Access to Identity Theft specialists
- Proactive Identity Management
- Access to credit monitoring



Sending kids off to college

- Security deposit assistance
- Reviewing leases
- Student loan debt assistance



Caring for aging parents

- Review of Medicare/Medicaid documents
- Nursing home agreement
- Reviewing estate planning documents

Among employees who have a legal plan, reenrollment rates are high year after year, with an average of 86% of those who enroll in the plan staying in it.³ This shows that while a legal plan might not be the first benefit employees think of, it is one that they really value once they have experience with it.

Real member story⁴:



When Matt was selling his house and buying a new one in another state, he was facing challenges with the buyers of his old home as well as the new housebuilder. A MetLaw network attorney was able to guide him through the entire process and make the move easier.

– Actual plan member story

Example covered services	Benefit amount
Sale of primary home	\$2,704
Deeds	\$676
Purchase of primary home	\$2,704
Total	\$6,084
MetLaw ⁵	\$240

Potential Savings⁶ \$5,844

To help employees understand the legal plan benefit, many employers provide communication around specific life events or life stages, such as a pending retirement or having children. The MetLife EBTS⁷ found that 58% of employees said that personalized messaging would help them learn more about available benefits.

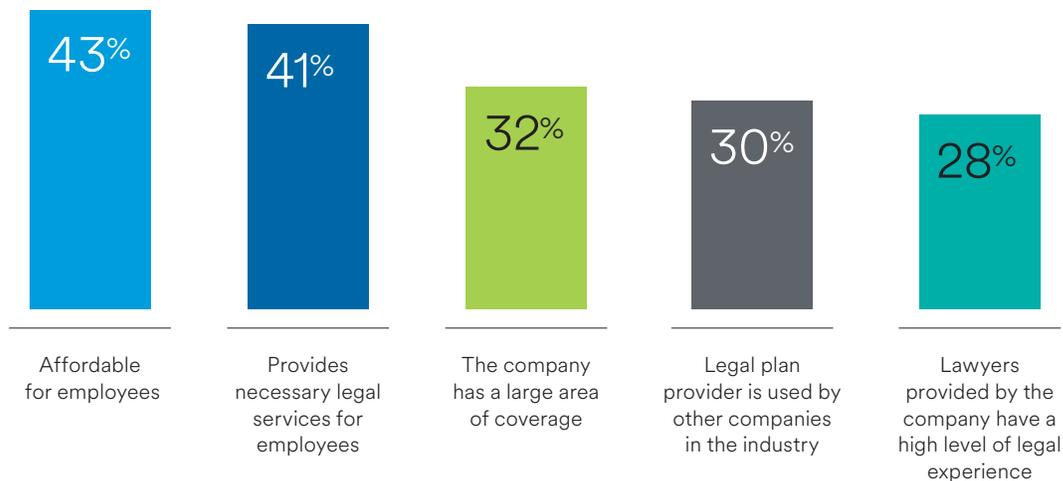
“I’ve been very pleased with the plan. I can now comfortably contact an attorney whenever I have pending legal issues... This is a very nice benefit that I was thrilled to take part in. Overall, I couldn’t be happier with this benefit. The price is reasonable, the service exceptional and the scope of coverage is just about perfect for me.”

John S.
Plan Member in Chula Vista, CA

Select a legal plan provider that delivers the best value

Employers most often selected their legal plan carrier based on affordability for employees and because the plan provided the necessary legal coverages for employees. From wills and estate planning to identity theft, real estate issues and elder care matters, a legal plan should cover employees for the many legal issues they face throughout different stages of their life. While legal plan services vary by provider, plans that provide unlimited access to attorneys for representation on common personal legal matters deliver the best value.

Factors in choosing a legal plan:



Consider these questions when choosing a legal plan provider:

Are services fully covered?

Services should be covered from start to finish so your employees can get the assistance they need — including trial representation. Before choosing a provider, check to see if the plan offers partial coverage on any legal services. Avoid plans with only partial coverage. These plans can result in frustrations for employees, extra out-of-pocket costs, and usage limitations.

Is there a limit to services?

Employees should never be penalized for using their legal plan. Also, they shouldn't face hour limits, page limits or frequency restrictions for matters that are covered in their plan. They should be able to use the plan as much as they need over the course of the year for covered legal matters.

Check the plans you're considering to make sure there aren't limits on the frequency or number of services employees can utilize.

Does the plan let employees choose an attorney?

According to the research, employers who don't offer a legal plan were concerned that the quality of network attorneys would be poor. By providing access to a large network of highly experienced, pre-qualified attorneys, and giving the option of using an out-of-network attorney, your employees can be confident they'll find the expert help they need for their legal matter.

Flexible plans allow employees to work with attorneys outside of the plan and be reimbursed for services. Employees shouldn't be assigned to an attorney. They should be able to choose any attorney — whether inside the plan's network or outside of it.

Does the provider offer best-in-class customer service?

Employees should have access to Customer Service Representatives who can quickly assist them, answering questions about coverages or helping them to find an attorney. If an employee has an issue using their plan, they shouldn't be left alone to deal with it. Action should be taken immediately to help the member.

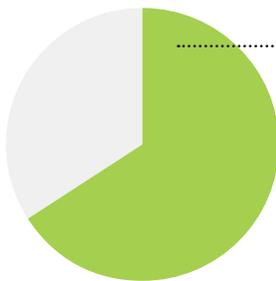
Check into the provider's track record regarding customer service when making plan decisions. You are likely putting in place a plan to relieve employees' stress. A poor customer service experience can undermine that goal.

“We have offered this plan to our members since 2003. Hyatt Legal Plans is a very reputable company, and their customer service is the best. We have never had any regrets about renewing our contract, when applicable. Great program with ease of administration.”

Nikki Scaggs
Benefits Analyst II, Union Benefits Trust

What is involved in the administration of the plan?

A legal plan should require very little administrative work from the employer side. You should have a single point of contact to make the implementation process as simple as possible as well as have access to communication materials to explain the plan to employees.

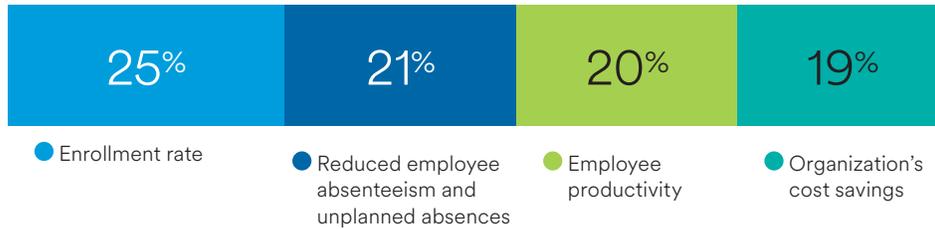


Two-thirds

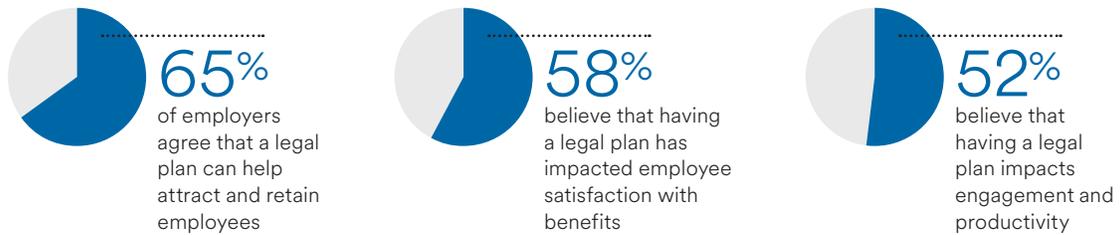
of employers that offer a legal plan said that it was much easier or somewhat easier to implement than other voluntary benefits.

How to measure the success of your legal plan

The survey found that employers use a number of different indicators to determine if a legal plan is a successful benefit. The number of employees that enroll, along with the impact on absenteeism and unplanned absences were top measures of success for most employers.



In addition to these indicators, one of the biggest measures of how valuable a legal plan benefit is to employees is how many employers continue to offer the benefit. Of the employers surveyed who offer a legal plan, 85% said they plan to continue offering the benefit. This is likely because a majority of employers believe that legal plans are helping them to meet their HR goals.



Many employers also use their employees' satisfaction with the plan to measure how successful it is as a benefit. The survey found that 94% of the employees who used a legal plan believe the outcome was successful. When an employee has access to benefits that they can use and have positive experiences with, it can increase their loyalty toward their employer.

As an employer, you can play an important role in making sure your employees can access the expert help they need for the issues that cause them stress and financial hardship. It's becoming clear that voluntary benefits, such as a legal plan, are an effective way for companies to help employees feel more financially secure and satisfied with their benefits.

"I highly recommend [a legal plan] because it demonstrates a commitment to employees, and it's one more way to attract and retain the best people."

Diane Crosier
Executive Director
San Diego County Office of Education

Methodology

The research consisted of two distinct studies fielded by ORC International, a leading business intelligence firm between June and July of 2017. The employer survey comprised 400 interviews with benefits decision makers at companies with at least 500 employees, split evenly between those who currently offer legal benefits and those who do not. The employee survey comprised 500 interviews with full-time employees, ages 21 and over, with a total household income less than \$250,000.

About MetLife

MetLife, Inc. (NYSE: MET), through its subsidiaries and affiliates (“MetLife”), is one of the largest life insurance companies in the world. Founded in 1868, MetLife is a global provider of life insurance, annuities, employee benefits and asset management. Serving approximately 100 million customers, MetLife has operations in nearly 50 countries and holds leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East. For more information, visit www.metlife.com.

About Hyatt Legal Plans

Hyatt Legal Plans, a MetLife company, helps Americans address important life issues through legal services plans. The company provides affordable access to the most commonly needed legal services to millions of Americans nationwide. MetLaw®, Hyatt’s model group legal plan, features a nationwide network of over 14,000 licensed attorneys and award-winning client service available by phone or online. For more information, visit www.legalplans.com.

1. Work Redefined: A New Age of Benefits, MetLife 15th Annual Employee Benefits Trends Study https://benefittrends.MetLife.com/media/1382/2017-ebts-report_0320_exp0518_v2.pdf
2. Average hourly rate of \$338.00/hour based on years of legal experience, National Law Journal and ALM Legal Intelligence, Survey of Law Firm Economics (2016).
3. Hyatt Legal Plans internal data, 2017.
4. Names have been changed to maintain anonymity.
5. Rates may vary.
6. Example based on the average amount of hours it would take, using the average hourly rate of \$338.00/hour based on years of legal experience, National Law Journal and ALM Legal Intelligence, Survey of Law Firm Economics (2016).
7. MetLife 15th Annual Employee Benefits Trends Study

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