

Great American Insurance Group Supports Employee Health and Wellness with Big Ticket Incentives

Cincinnati, Ohio December 11, 2008. Great American Insurance Group encouraged its employees to improve their health this year through health screening, walking and weight management programs subsidized by the company. While similar to what many other companies are doing to support the health of their employees, Great American's parent company, American Financial Group (AFG) decided to sweeten the pot by challenging its employees to get on the road to "great health" by offering a new car and other big ticket incentives to those who agreed to participate in a six month *AFG Great Health Challenge* that concluded several weeks ago.

The program was an overwhelming success as over 75% of the company's 5,500 employees participated in some aspect of the *Challenge*. About half of the employees purchased USB-enabled pedometers that allowed them to upload their steps to a company web site to track their progress and compete against each other in various walking clubs.

"We told our employees that we would give away a car and other prizes if at least 70% of our employees participated in the health screenings and if we improved our overall health scores compared to last year. Our employees met the challenge – actually exceeded it -- and we made good on the promise," said Scott Beeken, Vice President, Benefits Strategy and Planning.

The company awarded the prizes at a ceremony on December 9 at the company's headquarters in Cincinnati, Ohio. Nine finalists were drawn randomly from all the employees who participated in the Challenge, representing nine of the 23 different Great American insurance divisions located throughout the United States. Three of the finalists were from Cincinnati. A 2009 Saturn Sky convertible was the grand prize, but the company also gave away \$10,000 and \$5,000 shopping sprees and a \$2,500 gas card to other lucky employees. The winner of the car is from San Diego, California, and other major prize winners are from Peoria, Illinois, Lexington, SC and Austin, TX. Other finalists received Wii game systems.

"The logic behind the program was simple: First and foremost, we care about our employee's health. Second, it makes good business sense. Healthy employees are more productive. Finally, prevention efforts should lower our health care costs over the long term," explained Beeken.

AFG is self insured for its medical expenses, which means that it pays all of its employee health claims without insuring through an outside party. "If a single at-risk employee can avoid a triple by-pass procedure, we'll save as much as \$75,000 and enable that person to remain a happy and healthy member of the Great American family for years to come. A \$30,000 car seems like a pretty small price to pay for a payoff like that," Beeken explained.

The results of AFG's efforts are already apparent. The company's health care costs this year have been relatively steady, bucking the national trend toward higher costs. The company actually declared a health premium holiday for employees on several of the company's health plans this year because of lower than expected costs.

Employee health scores in the blood screenings have improved as well. More employees had good health risk assessment scores and fewer had poor scores compared to last year. Employees who participated in the weight loss program lost an average of 18 pounds. Employees who participated in the walking program averaged over 8,200 steps per day for the six month challenge period. This is about 5,000 more steps (more than 2 miles) than the typical office worker walks in a day.

For some employees, the health screenings actually identified life threatening health conditions they were not aware of. “Two employees personally called to thank me because the tests results indicated an abnormality. They immediately scheduled an appointment with their physician and were fortunate to catch an early stage of cancer. Those stories really drive home the value of this program that can’t be calculated in dollars and cents”, Beeken said.

About Great American Insurance Group

Great American Insurance Group’s roots go back to 1872 with the founding of its flagship company, Great American Insurance Company. Based in Cincinnati, Ohio, the operations of Great American Insurance Group are engaged primarily in property and casualty insurance, focusing on specialty commercial products for businesses, and in the sale of traditional fixed, indexed and variable annuities and supplemental insurance products. This year marks the 100th year that Great American Insurance Company has received an “A” (Excellent) or higher rating from the A.M. Best Company (most recent rating evaluation effective on December 17, 2007). The members of the Great American Insurance Group are subsidiaries of American Financial Group, Inc. (AFG), also based in Cincinnati, Ohio. AFG’s common stock is listed and traded on the New York Stock Exchange (“NYSE”) and Nasdaq under the symbol (“AFG”).

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