



INFORMATION ON MEDICAL COSTS & SUPPLEMENTAL GROUP INSURANCE BENEFITS

Medical Costs

- **PARENTS:** Nearly half of parents with employer-sponsored health insurance have had a child experience a major injury, with 71 percent saying the injury cost up to \$2,000 out of pocket. The most common incident involved an emergency room visit. *(Securian Benefits Survey, September 2017)*
- **MILLENNIALS:** During the past year, Millennials (32 percent) on employer-sponsored health plans with deductibles are the most likely age group to have paid an out-of-pocket expense for an accidental injury, compared to 18 percent of Gen Xers and 16 percent of Baby Boomers. *(Securian Benefits Survey, June 2017)*
- **ACCIDENTS & ILLNESSES:**
 - 2.5 million people in the United States are hospitalized each year due to an accident. *(U.S. Centers for Disease Control and Prevention, Center for Injury Prevention and Control, 2016)*
 - Nearly 9 percent of the adult population in the United States—21.1 million people—have been diagnosed with cancer at some point in their life. *(U.S. Centers for Disease Control and Prevention, National Center for Health Statistics, 2015)*
- **NO CUSHION:** Twelve percent of Americans do not know how they would pay a \$500 out-of-pocket medical expense and 21 percent are unsure how they would pay a \$5,000 out-of-pocket medical expense. *(Securian Benefits Survey, June 2017)*
- **TOP CONCERNS:** Sixty-three percent of Americans with employer-sponsored health insurance are concerned this benefits open enrollment season that their plans' out-of-pocket costs will increase, and almost half (47 percent) are very or somewhat concerned their employer will not offer enough benefit options during open enrollment. *(Securian Benefits Survey, September 2017)*

Supplemental Insurance Benefits

- **HOW THEY WORK:**
 - **Group Accident Insurance**—If an insured employee or covered dependent experiences an accidental injury covered in the policy, the insured receives a payout that can help cover deductibles, out-of-pocket medical costs, everyday living expenses or be used in any other way the insured chooses.
 - **Group Critical Illness Insurance**—If an insured employee or covered dependent is diagnosed with a condition covered in the policy, the insured receives a payout that can help cover deductibles, out-of-pocket medical costs, everyday living expenses or be used in any other way the insured chooses.
 - **Group Hospital Indemnity Insurance**—If an insured employee or covered dependent is hospitalized, the insured receives a payout that can help cover deductibles, out-of-pocket medical costs, everyday living expenses or be used in any other way the insured chooses.

- **AWARENESS:** Fewer than half (44 percent) of employees with health insurance through work are aware that many employers now offer supplemental group insurance benefits to help cover out-of-pocket expenses. *(Securian Benefits Survey, June 2017)*
- **CONFUSION:** Fewer than half (47 percent) of workers know ambulance costs associated with an injury or costs from a child breaking a bone while playing sports may be covered under a group accident insurance policy. Additional misperceptions about accident insurance include 14 percent of workers believing house repairs after a fire are covered, and 21 percent assuming vehicle damage from an accident is covered. Twenty-two percent have no idea what accident insurance covers. *(Securian Benefits Survey, September 2017)*
- **ACCESS & INTEREST:** Employees who are aware and have access to supplemental group insurance benefits through work take advantage of them, with 64 percent signing up for accident insurance, 59 percent for hospital indemnity insurance and 47 percent for critical illness insurance. *(Securian Benefits Survey, June 2017)*
- **GROWING MARKET:** As out-of-pocket costs rise, so do sales of supplemental group insurance benefits. In 2016, new sales of hospital indemnity and related insurance rose 16 percent over 2015, to \$622 million. Critical illness insurance sales grew 13 percent, to \$556 million. New accident insurance sales grew 2 percent, to \$957 million. *(Eastbridge Consulting Group, "U.S. Voluntary/Worksite Sales Report, Carrier Results for 2016, Sportlight™ Report," April 2017)*

Related Links:

- [Securian Benefits Survey Press Release](#)
- [Securian Benefits Survey Report, September 2017](#)
- [Securian Benefits Survey Report, June 2017](#)
- [Securian Supplemental Group Insurance Benefits](#)

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Group Critical Illness Insurance, Group Accident Insurance and Group Hospital Indemnity Insurance policies provide limited benefits. These policies have exclusions, limitations, reduction of benefits, terms under which the policy may be continued in force or discontinued.

Group Critical Illness Insurance is underwritten by Minnesota Life Insurance Company or Securian Life Insurance Company, a New York authorized insurer. Group Accident Insurance and Group Hospital Indemnity Insurance are underwritten by Securian Life Insurance Company, a New York authorized insurer. Both companies are affiliates of Securian Financial Group, Inc. and are headquartered in Saint Paul, Minnesota. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

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