

TOPLINE REPORT

Securian Benefits Survey

July 2017

Background

Document Overview

This memo summarizes the results of the Securian Benefits survey. This document provides an overview of key findings and topline data for all survey questions.

Research Methodology

KRC Research conducted an online survey of adults age 18 and older from June 8 to June 12, 2017. A total of 1,010 survey respondents answered the first question and the remainder of the survey was answered by a base of 573 survey respondents who participate in a health insurance plan provided by their employer or their spouse's employer.

KEY FINDINGS

A majority of Americans (57%) are on health insurance plans provided by their employer or their spouse's employer.

- College graduates (70%) are much more likely to have employer-provided health insurance than those who have only some college education (54%) or a high school degree (48%).
- Three-fourths (74%) of higher income Americans (making \$75,000 or more) are also more likely to have health insurance provided by an employer. Only 31% of lower income Americans (making less than \$35,000 per year) report having health insurance provided by an employer.
- Of those Americans on employer-sponsored health insurance, 43% have plans that just cover themselves and 57% have plans that cover themselves and other members of their family.

Three-fourths (73%) of those on employer-covered health insurance know their health plan deductible amount. Fully 16% say they have a deductible but are unsure of the amount. Only 11% say their plan does not have a deductible.

- The most common amount for a deductible is less than \$1,000, with 27% saying that is their plan's amount. This is followed by 21% saying their deductible is between \$1,000 and \$2,000, and 14% who say their deductible is between \$2,000 and \$3,000.

One-fifth (22%) of those whose plan has a deductible had to pay out-of-pocket expenses for an accidental injury in the past year.

- Millennials (32%) are the most likely age group to have paid an out-of-pocket expense for an accidental injury, compared to 18% of Generation Xers and 16% of Baby Boomers.

Less than half of Americans with health insurance through work (44%) are aware that many employers now provide supplemental group insurance options to help employees pay for out-of-pocket expenses and other costs associated with an accidental injury, hospital stay or critical illness.

- Awareness of supplemental group insurance is static across most demographic groups.

Seven-in-ten (70%) of those on employer-sponsored health insurance are offered benefits in addition to their health plan.

- The most common benefit offered is life insurance (54%), followed by disability insurance (38%) and a Health Savings Account (36%). A quarter (24%) say their employer offers accidental injury insurance while 15% have access to critical illness insurance and just 9% have access to hospital indemnity insurance.
- Nearly one-fifth (18%) are unaware of the additional benefits offered by their employer and 12% say their employer offers none of those benefits.

Most take advantage of the additional benefits offered by their employer.

- Fully 75% of those offered life insurance take advantage of it. About two-thirds (64%) also take advantage of accidental injury insurance, if offered. Other popular coverages that employer-insured Americans take advantage of, when offered, include hospital indemnity insurance (59%), disability insurance (54%), HSAs (52%) and critical illness insurance (47%).

About one-third (31%) of those on employer health insurance report having paid or know a family member who has paid an unexpected out-of-pocket medical expense in the past five years caused by a critical illness such as cancer, a heart attack or a stroke.

- Millennials (41%) are more likely to have personally paid or know a family member who paid an unexpected out-of-pocket expense because of a critical illness when compared to Generation X (28%) or Baby Boomers (24%). Additionally, parents (38%) are also more likely to have personally paid or have a family member who has paid out-of-pocket expenses for a critical illness than people with no children in the household (28%).

- About three-fifths (61%) say the costs were manageable. One quarter (27%) say the costs set them back financially, and 12% say they could not afford the out-of-pocket costs and have not yet paid the bills.

If faced with either a debilitating injury or a critical illness, a plurality (42%) say their top concern would be the out-of-pocket expenses for medical care and treatment.

- Others are split between lost wages from missing work (26%) and the ability to pay for regular monthly expenses such as housing, groceries and childcare (25%). Seven percent say their top financial concern with an injury or illness would be their ability to pay for new expenses such as lawn care, cleaning service or additional childcare.
- Parents (31%) are more likely to say their top concern would be regular monthly expenses such as groceries and childcare than non-parents (22%).
- A majority of Baby Boomers (54%) say their top concern would be the out-of-pocket expenses, which far outpaces Millennials (37%) and Generation X (32%).
- A plurality (38%) of Generation X, many in their prime earning years, say their top concern would be missing wages from work.

About 4-in-10 (37%) are personally experiencing or know someone who is experiencing financial difficulty due to medical bills.

- Over half (52%) of Millennials are either personally experiencing or know someone who is going through financial difficulty because of medical bills. This is considerably higher than Generation X (30%) or Baby Boomers (27%).
- African Americans (53%) and Hispanics (44%) are also more likely to know someone or be personally experiencing financial difficulty because of medical bills than Whites (30%).
- Fifty-five percent of low-income Americans (household income of \$35,000 or less) on employer-covered health insurance report knowing or going through themselves financial difficulty due to medical bills.

When faced with out-of-pocket health care costs, a plurality would rely upon their personal savings to help pay the costs.

- If those on employer-covered health insurance were forced to pay a **\$500** out-of-pocket expense, a plurality (39%) would choose to rely on their personal savings the most. If the out-of-pocket expense were **\$5,000**, personal savings remains the most popular choice (29%).
- Twelve percent say they do not know how they would pay a **\$500** expense, whereas 21% are not sure how they would pay a **\$5,000** expense.

Topline Data

Below, please find the full topline results for this study. This topline is designed to be an easy to read and easy to review representation of the data.

Within this document, we show the responses of the total number of participants who took this survey.

While reading this document, please note:

- Percentages may not sum to 100 due to rounding

Screener Question

1. Do you currently participate in a health insurance plan provided by an employer or your spouse's employer?

	Total
Base	n=1,010
NET: Has employer-provided plan	57%
Yes, a plan provided by my employer	43%
Yes, a plan provided by my spouse's employer	14%
No	43%

(Remainder of the survey is among those who currently participate in a health insurance plan provided by an employer or spouse's employer)

Survey Questions

2. Who does your current health insurance cover?

	Total
Reduced Base	n=573
Yourself	43%
Yourself and spouse	29%
Yourself and child(ren)	7%
Yourself, spouse, and child(ren)	21%

3. Do you know how much your health plan deductible is? A deductible is the amount you pay out-of-pocket for covered health care services before your insurance starts to pay.

	Total	Yourself	Yourself & Spouse	Yourself & Child(ren)	Yourself, Spouse & Child(ren)
Reduced Base	n=573	n=249	n=166	n=40	n=117
NET: Knows Their Deductible	73%	77%	68%	72%	71%
Yes, less than \$1,000	27%	34%	22%	15%	23%
Yes, between \$1,000 to \$2,000	21%	25%	19%	21%	17%
Yes, between \$2,000 to \$3,000	14%	11%	20%	13%	15%
Yes, more than \$3,000	10%	7%	7%	23%	16%
No, don't know	16%	15%	16%	15%	18%
My health care plan doesn't have a deductible	11%	8%	16%	12%	10%

4. In the past year, have you had to pay out-of-pocket for an accidental injury—for example, a broken bone or laceration—that you or a family member had because you did not meet the deductible on your health insurance plan?

(Asked among those who have a health plan deductible)

	Total
Reduced Base	n=510
Yes	22%
No	78%

5. Did you know that many employers now provide supplemental/voluntary group insurance options, in addition to comprehensive health insurance, to help employees pay for out-of-pocket expenses and other costs associated with an accidental injury, hospital stay or critical illness diagnosis like cancer, heart attack or stroke?

	Total
Reduced Base	n=573
Yes	44%
No	56%

6. Does your employer or spouse's employer offer any of the following benefits in addition to your health care plan? [MULTI RESPONSE] [RANDOMIZE]

	Total
Reduced Base	n=573
NET: Any Benefit	70%
Life insurance	54%
Disability insurance	38%
HSA (Health Savings Account)	36%
Accidental injury insurance	24%
Critical illness insurance	15%
Hospital indemnity insurance	9%
None of these	12%
Not sure	18%

7. Which of the following benefits have you elected to participate in? [MULTI RESPONSE] [RANDOMIZE]

(Asked among those who mentioned additional benefits in Q6)

	Total
Reduced Base	n=401
NET: Currently participate in benefit offered	85%
Life insurance	75%
Disability insurance	54%
HSA (Health Savings Account)	52%
Accidental injury insurance	64%
Critical illness insurance	47%
Hospital indemnity insurance	59%
None of these	13%
Do not remember	2%

8. In the past five years, have you or a family member had a critical illness diagnosis like cancer, heart attack or stroke that caused unexpected out-of-pocket medical costs and other expenses?

	Total
Reduced Base	n=573
NET: Has had out-of-pocket expenses	31%
Yes, the out-of-pocket costs were manageable	19%
Yes, the out-of-pocket costs set me back financially	8%
Yes, I couldn't afford the out-of-pocket costs and have not paid all the bills yet	4%
No	69%

9. If you were to suffer a debilitating injury such as a broken hip or leg, be diagnosed with a critical illness, or required a hospital stay for an illness or injury, please rank the following concerns with your top concern first.

Total	Top Concern	Second Concern	Third Concern	Last Concern
Reduced Base, n=573				
The out-of-pocket expenses for medical care and treatment.	42%	21%	26%	11%
Lost wages from missing work.	26%	27%	20%	27%
The ability to pay for regular monthly expenses such as housing, groceries, transportation, childcare, etc.	25%	38%	30%	7%
The ability to pay for potential new expenses such as lawn care, cleaning service, additional childcare, etc.	7%	14%	24%	55%

10. Are you or someone you know experiencing financial difficulty due to medical bills?

	Total
Reduced Base	n=573
NET: Experiencing Financial Difficulty	37%
Yes, significant financial difficulty	10%
Yes, moderate financial difficulty	14%
Yes, a little financial difficulty	12%
No	63%

11. The following are a list of ways some people address out-of-pocket health care expenses. Please indicate which resource you would rely upon **most** if your out-of-pocket expenses were the following amounts.

Total	\$500	\$5,000
Reduced Base	n=573	n=573
Net: Would pay bills	87%	74%
Personal savings	39%	28%
Credit card	19%	12%
Health Savings Account	13%	8%
Supplemental/voluntary group insurance purchased through my employer or spouse's employer (accidental injury, critical illness, hospital indemnity)	5%	7%
Loan from family or friends	4%	4%
Sell or pawn a personal possession	2%	2%
Tax return	2%	5%
Loan from my 401(k)	2%	7%
Would not pay the bills	2%	4%
Don't know	12%	21%