Supplemental Insurance Benefits Survey

AUGUST 2023
This poll was conducted between August 10th and 13th among a national sample of 2201 Adults. The interviews were conducted online and the data were weighted to approximate a target sample of Adults based on gender, educational attainment, age, race, a region.

Results from the full survey have a margin of error of +/-2 percentage points.
According to ACLI, supplemental insurance benefits are not a form of primary medical coverage and are therefore distinct from the limited medical insurance products, like short-term limited duration insurance, discussed in the federal Tri-Agency proposal.
Adults with Annual Incomes Between $50k and $100k
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- **Believe accessibility to supplemental insurance benefits is important.** Four-in-five say supplemental insurance benefits are valuable (83%) and that the federal government should protect Americans’ access to them (85%).

- **Describe their experience with out-of-pocket medical costs as a financial hardship.** Two-in-five (38%) who have paid out-of-pocket medical expenses in the past say these costs were difficult to manage.

- **Value protection from financial hardships that can arise from unexpected medical costs.** A significant majority (89%) believe it is important to have the option to protect themselves and their family from the potential negative outcomes of unexpected medical costs.

- **Lack confidence in their ability to cover out-of-pocket medical costs with their current emergency savings.** Two-in-five say they would not be able to cover the cost of a home health aide (41%), or accessibility (37%) and safety (35%) modifications to their home.

- **Would take on financial setbacks to be able to cover out-of-pocket medical costs.** At least two-in-five say they would cut back on basic living expenses (47%), take on debt (39%), or borrow from their retirement savings (39%) if needed.
ADULTS WITH ANNUAL INCOMES BETWEEN $50K AND $100K

Four-in-five adults with annual incomes between $50k and $100k say they have paid out-of-pocket medical expenses in the past, with nearly two-in-five (38%) describing these costs as a financial hardship.

Thinking about the time(s) you or your immediate family members have been unexpectedly diagnosed with a severe illness, disease, or injury, how often (if at all) did you have to pay expenses that were not covered by your health insurance (this can include deductibles, copays, transportation to appointments, etc.)?

Which of the following most accurately describes your experience paying the resulting bills related to your severe illness, disease, or injury?
ADULTS WITH ANNUAL INCOMES BETWEEN $50K AND $100K

Copayments (61%) and insurance deductibles (61%) account for the largest portion of out-of-pocket costs among adults with annual incomes between $50k and $100k.

To your knowledge, which, if any, of the following expenses would you have to pay for if you or an immediate family member were unexpectedly diagnosed with a severe illness, disease, or injury. Please select all that apply.

- Copayments: 61%
- Insurance deductibles: 61%
- Lodging to stay near a health facility: 33%
- Transportation in-state for appointments: 31%
- Safety modifications to your home: 30%
- Accessibility modifications to your home: 30%
- Transportation out-of-state for appointments: 26%
- Home health aide(s): 26%
- Care for a child or other family member: 20%
- None of the above: 7%

*Chart reflects % selected, among adults with annual incomes between $50k and $100k who have paid out-of-pocket medical costs in the past (N=509).*
ADULTS WITH ANNUAL INCOMES BETWEEN $50K AND $100K

Two-in-five adults with annual incomes between $50k and $100k are not confident they could cover the cost of a home health aide (41%) or accessibility (37%) and safety (35%) modifications to their home.

And, how confident, if at all, are you that you would be able to cover the following expenses with your savings or emergency fund if you or an immediate family member were unexpectedly diagnosed with a severe illness, disease, or injury.

<table>
<thead>
<tr>
<th>Expense</th>
<th>Confidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home health aide(s)</td>
<td>41%</td>
</tr>
<tr>
<td>Accessibility modifications to my home</td>
<td>37%</td>
</tr>
<tr>
<td>Safety modifications to my home</td>
<td>35%</td>
</tr>
<tr>
<td>Transportation out of state for appointments</td>
<td>32%</td>
</tr>
<tr>
<td>Lodging to stay near health facilities</td>
<td>32%</td>
</tr>
<tr>
<td>Care for a child or other family member</td>
<td>28%</td>
</tr>
<tr>
<td>Insurance deductibles</td>
<td>27%</td>
</tr>
<tr>
<td>Copayments</td>
<td>20%</td>
</tr>
<tr>
<td>Transportation in-state for appointments</td>
<td>19%</td>
</tr>
</tbody>
</table>

*Chart reflects Total Not Confident = Not Confident + Not Confident At All.*
ADULTS WITH ANNUAL INCOMES BETWEEN $50K AND $100K

Adults with annual incomes between $50k and $100k indicate they would be most likely to cut back on basic living expenses (47%), take on debt (39%), or borrow from retirement savings (39%) to cover unexpected out-of-pocket medical costs.

Which, if any, of the following actions would you take if you were unable to cover out-of-pocket expenses due to you or an immediate family member being unexpectedly diagnosed with a severe illness, disease, or injury.

- Cut back on basic living expenses to pay for out-of-pocket expenses: 47%
- Take on debt to pay for out-of-pocket expenses (including credit card debt and home equity loans): 39%
- Borrow or withdraw from retirement savings to pay for out-of-pocket expenses: 39%
- Seek assistance from family, friends, or others to pay out-of-pocket expenses: 29%
- Fall behind in paying rent or mortgage to pay for out-of-pocket expenses: 16%
- File for bankruptcy to pay out-of-pocket expenses: 15%
- Sell my house or car to pay for out-of-pocket expenses: 13%
- None of the above: 14%

*Chart reflects % selected.
A significant majority (89%) of adults with annual incomes between $50k and $100k see value in having the option to protect themselves from medical expenses that could cause financial hardship.

How important (if at all) is it to have the option to protect you and your family from medical expenses not covered by your health insurance that could cause a major financial hardship?

89% of adults with annual incomes between $50k and $100k say it is important to have the option to protect themselves and their family from medical expenses that could cause a major financial hardship.
Four-in-five (83%) adults with annual incomes between $50k and $100k believe supplemental insurance benefits are valuable.

In your view, how valuable (if at all) are supplemental insurance benefits?

- **Very valuable**: 44%
- **Somewhat valuable**: 39%
- **Not too valuable**: 6%
- **Not valuable at all**: 2%
- **Don't know/No opinion**: 10%
A plurality (44%) of adults with annual incomes between $50k and $100k say supplemental insurance benefits should be offered pre-tax to employees.

Which, if either, of the following comes closest to your opinion?
Adults with annual incomes between $50k and $100k agree it is **important** that the federal government supports Americans’ access to supplemental insurance benefits, with more than half (54%) saying it is **very important**.

How important (if at all) is it that the federal government supports American’s access to supplemental insurance benefits (like accident insurance, cancer insurance, critical illness insurance, and hospital indemnity insurance)?

- **85%**
- **54%** Very important
- **31%** Somewhat important
- **9%** Not too important
- **6%** Not important at all
- **3%** Don’t know/No opinion
- **7%**
General Population
Adults:

• **Value supplemental insurance benefits.** Three-quarters of adults believe supplemental insurance benefits are valuable (77%) and that the federal government should protect Americans’ access to them (78%).

• **Agree out-of-pocket medical expenses are a financial setback.** Three-quarters of adults (72%) say they’ve had to pay out-of-pocket medical expenses in the past and two-in-five (41%) describe these costs as a financial hardship.

• **Appreciate having the option to protect themselves from financial hardships that can arise from unexpected medical costs.** Eighty-four percent of adults – a significant majority – say it is important to have the ability to protect themselves and their family from financial hardships that could be caused by out-of-pocket medical costs.

• **Question their ability to cover out-of-pocket medical costs with their current emergency savings.** Two-in-five do not feel confident they could cover the cost of home health aides (42%), accessibility (39%) and safety (38%) modifications to their home, transportation out of state for appointments (37%), and lodging to stay near health facilities (37%).

• **Would be willing to face financial challenges to afford out-of-pocket medical expenses.** At least one-third of adults would cut back on basic living expenses (45%), take on debt (34%), ask for assistance from family, friends, and others (32%), or borrow from their retirement savings (31%) to pay out-of-pocket medical expenses.
Three-quarters of adults say they have had to pay out-of-pocket medical expenses in the past (77%) and two-in-five describe these costs as a financial hardship (41%).

Which of the following most accurately describes your experience paying the resulting bills related to your severe illness, disease, or injury?
GENERAL POPULATION

More than half of adults (55%) who have paid out-of-pocket medical costs in the past say they are responsible for copayments.

To your knowledge, which, if any, of the following expenses would you have to pay for if you or an immediate family member were unexpectedly diagnosed with a severe illness, disease, or injury. Please select all that apply.

<table>
<thead>
<tr>
<th>Expense</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copayments</td>
<td>55%</td>
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<tr>
<td>Insurance deductibles</td>
<td>49%</td>
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<tr>
<td>Lodging to stay near a health facility</td>
<td>32%</td>
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<td>Transportation in-state for appointments</td>
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<tr>
<td>Home health aide(s)</td>
<td>27%</td>
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<tr>
<td>Care for a child or other family member</td>
<td>23%</td>
</tr>
<tr>
<td>None of the above</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Chart reflects % selected, among adults who have paid out-of-pocket medical costs in the past (N = 1576).
**GENERAL POPULATION**

Adults are generally **not confident** in their ability to cover unexpected out-of-pocket medical expenses – specifically for home health aides (42%), accessibility (39%) and safety (38%) modifications to their home, transportation out of state for appointments (37%), and lodging to stay near health facilities (37%).

And, how confident, if at all, are you that you would be able to cover the following expenses with your savings or emergency fund if you or an immediate family member were unexpectedly diagnosed with a severe illness, disease, or injury.

<table>
<thead>
<tr>
<th>Expense Description</th>
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<td>Home health aide(s)</td>
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<td>Copayments</td>
<td>28%</td>
</tr>
<tr>
<td>Transportation in-state for appointments</td>
<td>25%</td>
</tr>
</tbody>
</table>

*Chart reflects Total Not Confident = Not Confident + Not Confident At All.*
**GENERAL POPULATION**

Adults would take on a variety of financial setbacks to cover unexpected out-of-pocket medical costs.

Which, if any, of the following actions would you take if you were unable to cover out-of-pocket expenses due to you or an immediate family member being unexpectedly diagnosed with a severe illness, disease, or injury.

- Cut back on basic living expenses to pay for out-of-pocket expenses: 45%
- Take on debt to pay for out-of-pocket expenses (including credit card debt and home equity loans): 34%
- Seek assistance from family, friends, or others to pay out-of-pocket expenses: 32%
- Borrow or withdraw from retirement savings to pay for out-of-pocket expenses: 31%
- Fall behind in paying rent or mortgage to pay for out-of-pocket expenses: 17%
- Sell my house or car to pay for out-of-pocket expenses: 13%
- File for bankruptcy to pay out-of-pocket expenses: 13%
- None of the above: 18%

*Chart reflects % selected.*
GENERAL POPULATION

More than four-in-five adults (84%) believe it is important to have the option to protect themselves and their family from out-of-pocket medical costs that could put their financial future at risk.

How important (if at all) is it to have the option to protect you and your family from medical expenses not covered by your health insurance that could cause a major financial hardship?

84%

of adults say it is important to have the option to protect themselves and their family from medical expenses that could cause a major financial hardship.

*Calculated based on aggregations of answer options.*
GENERAL POPULATION

Three-quarters of adults (77%) say supplemental insurance benefits are valuable.

How important (if at all) is it to have the option to protect you and your family from medical expenses not covered by your health insurance that could cause a major financial hardship?

- Very valuable: 43%
- Somewhat valuable: 34%
- Not too valuable: 6%
- Not valuable at all: 2%
- Don't know/No opinion: 15%
Two-in-five adults (41%) say supplemental insurance benefits should be offered pre-tax to employees.

Which, if either, of the following comes closest to your opinion?

- 41%: Supplemental insurance benefits should be offered pre-tax to employees
- 23%: Supplemental insurance benefits should be offered post-tax to employees
- 36%: Don't know/No opinion
A significant majority of adults (78%) believe it is **important** that the federal government supports Americans’ access to supplemental insurance benefits.

How important (if at all) is it that the federal government supports American’s access to supplemental insurance benefits (like accident insurance, cancer insurance, critical illness insurance, and hospital indemnity insurance)?