

Voluntary Benefits

A key to supporting employee well-being



As more and more working adults rely heavily on employer-sponsored insurance and retirement benefits, voluntary benefits are playing an essential role in supporting employees' well-being and financial health.

Rising out-of-pocket medical costs are impacting workforce well-being



Percentage reporting high financial stress

74% with very high medical deductibles
48% with very low medical deductibles

And workers with high deductible health plans (HDHPs) are even less likely to feel that their medical benefits are affordable or provide adequate coverage for a major medical event than those in more traditional plans.



4 in 10 workers say their medical plan isn't enough to cover the cost of a major medical event.



2 in 3 of all personal bankruptcies are related to medical bills¹



75% of workers in a traditional plan feel that their plan is enough, while only **55%** in an HDHP feel the same



Taking a physical toll

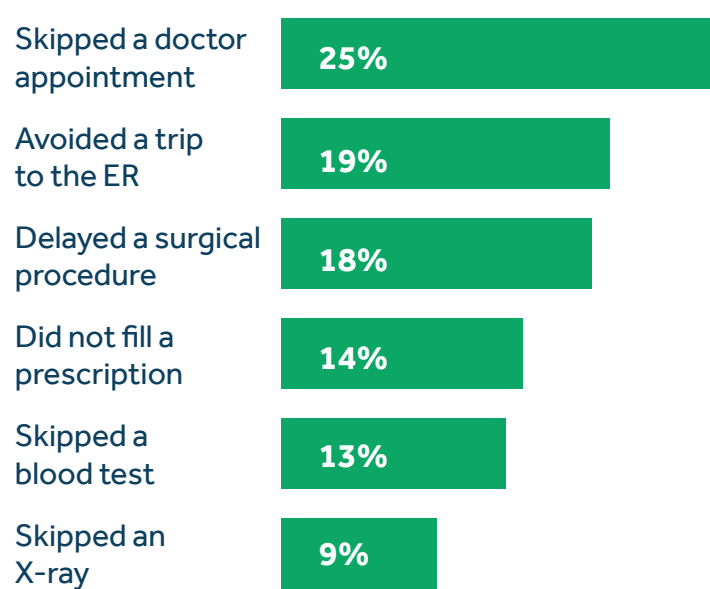
And the impact on well-being is clear: **40%** of workers in HDHPs say they ignored medical advice or neglected their own care to avoid having to pay out-of-pocket costs.



2 in 5 workers in HDHPs took risks with their health last year to avoid out of pocket costs

Roughly half of all workers with medical coverage say they would need to borrow money to pay for an unexpected medical expense.

Percentage who did each in the past year



Half of all full-time workers have less than **\$2,500** saved for medical emergencies

Workplace benefits are more than a safety net

More and more employers are offering voluntary benefits, offering employees added protection when they need it most.



63% of employers offer voluntary benefits to demonstrate concern for the well-being of workers and their families.

Offering voluntary benefits can support employee well-being

Half of all working Americans say their workplace benefits are very important to their overall financial well-being and today, US households are much more likely to own medical insurance or other benefits through work.



Voluntary benefits employees want

Life insurance pays benefits to an employee's beneficiaries in the event of their untimely death. Offering life insurance can help provide financial confidence to employees whose loved ones depend on their income.

Disability insurance helps replace a portion of an employee's income in case they become too ill or injured to work. As an employer, you can offer either short-term or long-term disability insurance, or both, as a voluntary benefit.

Accident insurance helps with out-of-pocket expenses not covered by health insurance that an employee faces if they're injured in an accident.

Hospital indemnity insurance helps cover the costs associated with hospital stays and admissions. It can be especially valuable for employees with high deductibles and copays.

Cancer insurance helps with out-of-pocket expenses that aren't covered by health insurance. If an employee is diagnosed with cancer, this coverage can help ease the financial strain of treatment.

Dental insurance helps protect your overall oral care — and it doesn't just cover cavities and cleanings but helps cover more extensive dental work or oral surgery.

Critical illness insurance offers financial protection if an employee becomes very ill or suffers a serious medical diagnosis, like a heart attack or stroke.

Vision insurance helps protect the health of your eyes, including routine visits to the optometrist for eye exams as well as coverage for glasses and contacts

¹ Source: [Medical Bankruptcy: Still Common Despite the Affordable Care Act](#), American Journal of Public Health (AJPH), March 2019.

Unless otherwise noted, the source of all information is Guardian's 9th Annual (2020) Guardian Workplace Benefits Study, Benefits Optimization.

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