

# An Answer to Fill the Financial Gap

The Need for Critical Illness and Accident Insurance in Changing Times



## Finding a balance

Voluntary benefits are all about managing risk while helping employees find a balance between protecting themselves financially and obtaining important coverage to maintain their well-being. Should financial security be sacrificed to ensure health? Should important medical coverage be jeopardized by financial restraints? Trustmark offers unique solutions through their Accident and Critical Illness products to help provide protection without sacrificing financial security.

## A changing market

In the midst of changing economic dynamics as well as sweeping healthcare reform, the insurance marketplace has also entered into a period of change. These changes have led to new trends and new solutions to meet the needs of employers and employees. One such change has been the shift toward high-deductible health plans (HDHPs). In fact, 70 percent of large companies said in a recent survey

that they will offer HDHPs in 2013.<sup>1</sup> And, it's not just employers offering it; employees are purchasing HDHPs at an increasing rate.

In 2012, enrollment in high-deductible health plans rose to 16% of all covered employees compared with 5% in 2007.<sup>2</sup>

## Risk in the changing market

HDHPs offer lower premiums that many employees enjoy. But, they also come at a greater financial risk should the employee have a hospital visit or be diagnosed with an illness. While HDHPs are great for their low premiums, they leave employees vulnerable to the fees they have to pay if they need care.

"The higher you have to climb the deductible ladder before benefits are paid out, the more vulnerable your income and savings."<sup>3</sup>

U.S. News & World Report, Oct., 2012



<sup>1</sup>"The New Normal in Health Insurance: High Deductibles" Kaiser Health News. June, 2012

<sup>2</sup>"More employers embrace high-deductible health plans to pare costs" Los Angeles Times. Nov., 2012

<sup>3</sup>"Many Insurance Plans Heap Healthcare Costs on Consumers" U.S. News & World Report, Oct., 2012



## A solution for protection

Trustmark's Accident and Critical Illness plans can be used to offset out-of-pocket costs associated with high-deductible health plans.

Trustmark's Accident and Critical Illness insurances provide lump-sum payments when an employee is injured or diagnosed with a condition. These policies serve as an ideal complement to HDHPs because the lump-sum payment received from the policy can be used to offset the high deductible. In some cases a health savings account (HSA) can be used to help cover health costs. Critical Illness and Accident insurance can also be paired with an HSA for even stronger protection. This helps provide the best of both worlds; the low monthly premiums of a HDHP with financial support to help pay the high deductible when needed.

### The benefits add up

Aside from the ability to use Critical Illness and Accident insurance to counter high deductibles, these plans offer valuable coverage should the unexpected happen along with great features such as:

- **Benefits paid directly** – Direct payments without restrictions on how an employee can use them.
- **Level premiums** – Rates don't increase because of age.
- **Portability** – Coverage stays with employees and premiums remain the same even when changing jobs or retiring.
- **Convenient payroll deduction** – No bills to watch for. No checks to mail. And, a direct bill option is available if an employee changes jobs or retires.

Increase in high-deductible health plans



Increased risk for heavy out-of-pocket costs



Employee financial stress, which can cause reduction in productivity

**The solution:**  
Accident and Critical Illness insurance to help fill the gaps in employee benefit plans

Learn more about how Trustmark's Critical Illness and Accident plans can complement your clients' benefits packages.

Contact your Trustmark regional sales director today or visit [www.trustmarksolutions.com](http://www.trustmarksolutions.com)

Visit our blog in the broker news section at [trustmarksolutions.com](http://trustmarksolutions.com) or join the conversations on   

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