

The Importance of Disability Income Insurance in Supporting the Financial Stability of American Workers

May 2023

Washington, D.C

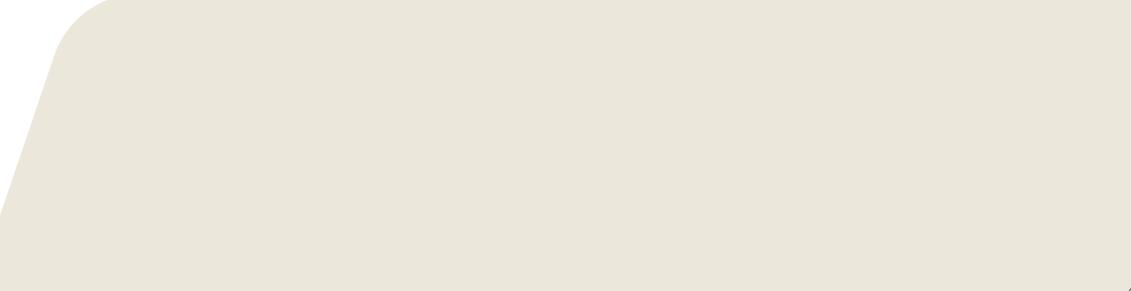
Methodology

- Global Strategy Group (GSG), on behalf of AHIP, conducted an online survey among 500 disability income (DI) insurance claimants who received income payments within the last 10 years.
- GSG fielded the survey from April 5th April 12th, 2023. Sample sizes among key audiences include:
 - 319 who received benefits from short-term DI insurance offered through an employer
 - 174 who received benefits from short-term DI insurance purchased on their own
 - 207 who received benefits from long-term DI insurance offered through an employer
 - 160 who received benefits from long-term DI insurance purchased on their own
- The margin of error at the 95% confidence interval is +/- 4.4%. The margin of error on sub-samples is greater.
- GSG took care to ensure that the geographic and demographic divisions of this population were properly represented by the survey's respondents.

Key Findings

- Satisfaction with disability income (DI) insurance plans continues to remain high.
- Claimants are satisfied with the financial benefits they receive from their DI coverage and have positive feelings about their interactions with their insurers.
- By providing income while they were disabled, claimants say that DI insurance gave them peace of mind, provided them with short-term financial security, and ensured they could continue to take care of their family.
- DI insurance protected claimants' long-term financial stability and ensured they would not have to make damaging financial choices in order to cover their basic living expenses.
- DI insurance claimants support the establishment of paid leave programs and want to see private DI insurers play an active role in providing and managing such programs

The Highly Rated Disability Income Insurance Experience



Satisfaction is high with all types of disability income (DI) plans

Overall, how would you rate your satisfaction with...

	% Satisfied	2021	2019	2017
Long-term DI through employer	94%	93%	88%	86%
Long-term DI purchased by individuals	93%	97%	93%	89%
Short-term DI through employer	92%	92%	89%	89%
Short-term DI purchased by individuals	92%	-	-	-

Claimants' high satisfaction extends to their interactions with their insurer

Please rate your satisfaction with each of the following (showing % satisfied)

		2021	2019	2017
8	% Short-term through employer	85%	81%	85%
Promptness of 9	2% Short-term purchased	-	-	-
payment 8	'% Long-term through employer	87%	84%	88%
9	% Long-term purchased	93%	95%	90%
8	P%	84%	84%	83%
Responsiveness of the 9)%	-	-	-
insurer 8	7%	88%	79%	83%
8	7%	93%	97%	84%
8	°%	86%	82%	85%
Process for filing a 9	-%	-	=	-
claim 8	8%	87%	85%	86%
8	8%	90%	94%	88%
	·%	86%	83%	81%
Overall communication 9	2%	-	-	-
with the insurer ⁸	%	86%	80%	82%
9	9%	90%	89%	89%

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Claimants largely believe their disability income (DI) insurer made the claims process clear and straightforward, and understood what they needed

Please indicate whether you agree or disagree with each statement:

	Agree	Neither	Disagree	2021 %	2019 %	2017 %
My DI insurer clearly explained the process when I filed my claim	76%		11% 13%	77 14 9	71 16 13	72 17 11
My DI insurer understood my needs	74%		17% 9%	79 12 9	72 19 9	71 17 12
Applying for DI payments was simple and straightforward	<mark>,</mark> 72%		15% 13%	79 12 9	74 17 10	73 13 14

How Disability Income Insurance Safeguards Against Short-Term Financial Challenges

Disability income (DI) insurance claimants value the peace of mind and financial protection their policies provide

Please indicate whether you agree or disagree with each statement:

	Agree	Neither	Disagree	2021 %	2019 %	2017 %
DI was a valuable investment that protected me financially*	86%		9%	86 10 5	94 4 3	87 7 6
My DI payments helped me get through a difficult time	86%		10%	83 13 4	83 11 6	86 10 4
DI payments gave me peace of mind while I was disabled	84%		10%	85 10 5	85 9 6	82 11 8
DI payments helped me maintain my standard of living	82%		11%	81 12 7	79 11 10	75 11 14
My DI insurer helped me get back to work	55%	2	8% 17%	62 24 13	51 28 21	49 31 20

*This was only asked of those who had purchased long term DI insurance

Without their disability income insurance, most say they would have experienced financial hardship

How likely is it you would have experienced financial hardship without your DI payments?

Likely	Not likely	2021	2019	2017
69% 45% extremely likely	18%	63% 26%	67% 20%	69% 18%

Without disability income insurance payments, many would have been unable to afford basic living expenses or would have fallen behind on their rent or mortgage

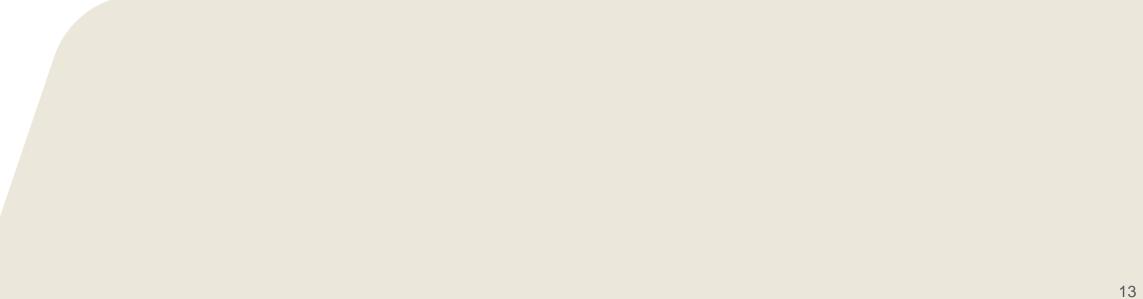
Which of the following do you think you would have likely experienced without your DI payments?

		2	2021	2019	2017
I would have been unable to afford my basic living expenses	51%	2	43%	53%	62%
I would have fallen behind on mortgage or rent payments	46%	2	41%	41%	51%
I would have been unable to care for my family	37%	3	31%	41%	46%
I would have needed public assistance	36%		29%	36%	40%
I would have been unable to afford my loan payments	36%		20%	27%	31%

More than ever, claimants agree that disability income (DI) insurance coverage has allowed them to spend more time with, and provide for their families

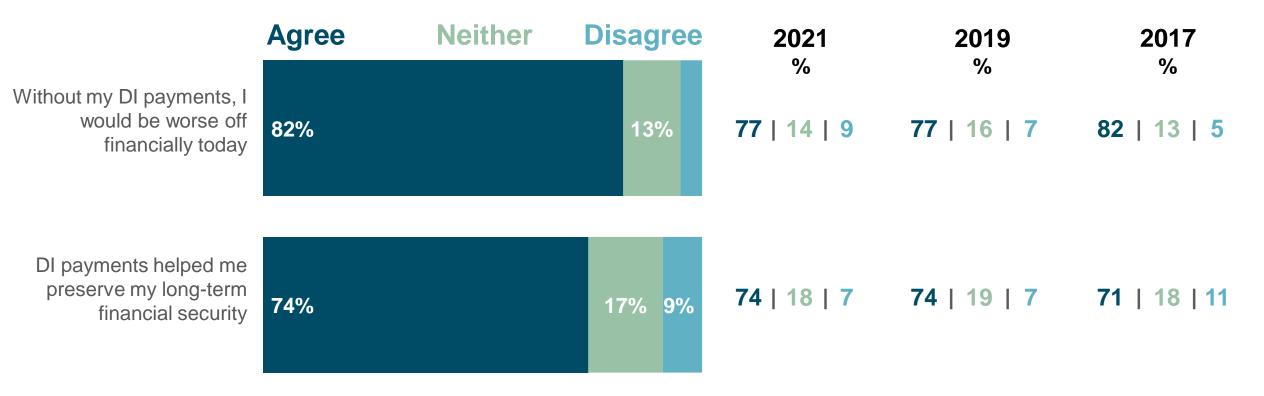
Please indicate whether you agree or disagree with each statement: 2021 2019 2017 Agree Neither Disagree % % % IF APPLIED FOR DI DUE TO PREGNANCY: DI allowed me to spend 96% 92 | 1 | 7 78 | 11 | 12 86 | 6 8 more time with my newborn child after my pregnancy DI allowed me to continue providing for my family **85%** 9% 81 | 12 | 7 82 | 10 | 7 82 | 11 | 6 while I was disabled

How Disability Income Insurance Preserves **Long-Term Financial Security**



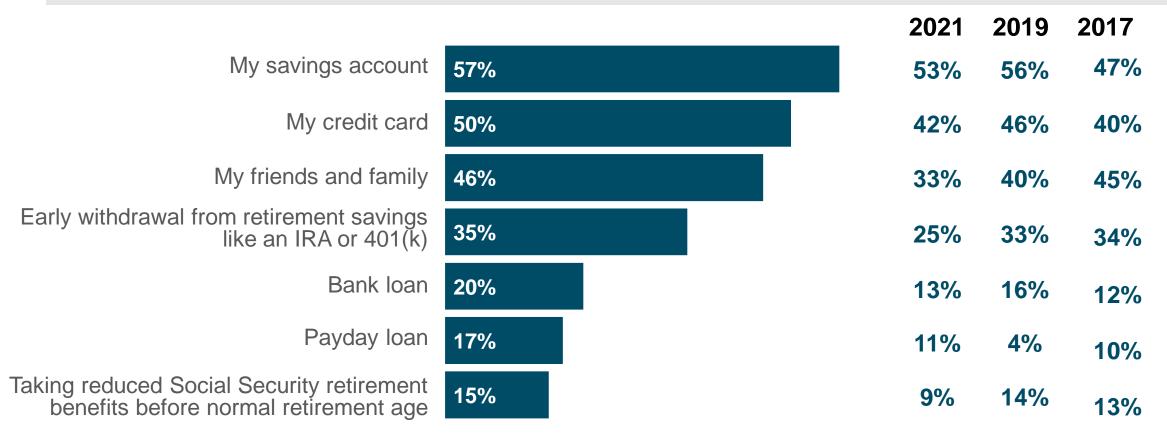
Recipients overwhelmingly agree that disability income (DI) insurance coverage helped preserve their long-term financial security

Please indicate whether you agree or disagree with each statement:

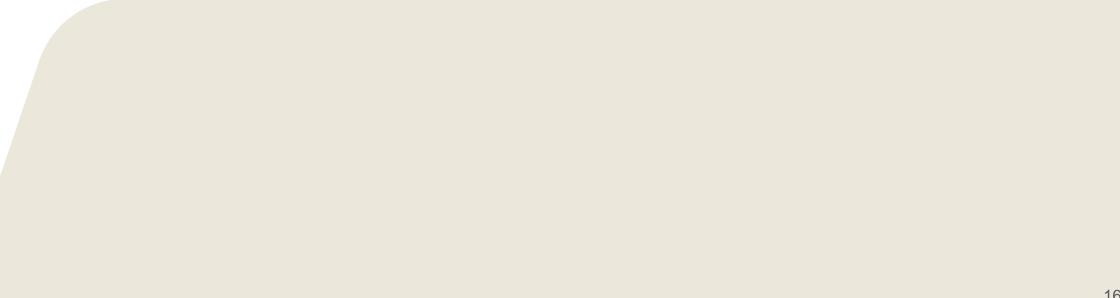


Disability income (DI) insurance ensured that claimants didn't have to make financially damaging choices or rely on friends and family to meet their living expenses

Would you have relied on any of the following to cover your living expenses if you had not been covered?



The Role of Disability Income Insurance **Providers in Administering Paid Leave** for American Workers



Disability income (DI) insurance claimants continue to support paid leave

Please indicate whether you support or oppose each based on what you know.

	Support	Oppose	2021
Paid sick days, paid for by contributions from employees and their employers	93%	7%	94% 6%
Paid family leave, paid for by contributions from employees and their employers	92%	8%	92% 8%
Paid medical leave, paid for by contributions from employees and their employers	91%	9%	90% 10%

Claimants want an active role for disability income (DI) insurers in covering and managing paid leave programs

Please indicate whether you agree or disagree with each of the following.

	Agree	Neither	Disagree	2021
If a paid leave policy is enacted, employers and individuals should have the option of purchasing insurance from private disability income insurers	82%		16%	% - - -
If a paid leave policy is enacted, private DI insurers should continue to play a role in covering and managing DI benefits	81%		16%	80 17 4
I would trust my DI insurance provider more than I would trust the government to manage my DI benefits	72%		21% 7%	70 18 12
The government should require employers and individuals to share the cost of DI insurance coverage for employees	68%	1	9% 14%	68 15 16