

# Advocating for Supplemental Coverages Throughout the Nation



Today's legislative and regulatory environment is challenging, and swiftly changing. AHIP is your guide. As the leading advocate for health insurance providers and the people they serve, AHIP promotes policies that make affordable coverage and care accessible to everyone. **We stand for health care that works, through a competitive marketplace that fosters choice, quality, and innovation.**

## AS YOUR GUIDE, AHIP:

### Advances solutions that work.

Our state and federal teams work with our members to advance solutions and improvements to the current health care system. AHIP engages regularly with legislators, regulators, executive branch officials, and state policy organizations, including NAIC, NCOIL, CSG, NGA, and NCSL. Our staff are frequently called to speak at national and regional conferences educating lawmakers and regulators on our industry and promoting policies that work for your members and your business.

### Develops bipartisan relationships.

AHIP is a nonpartisan organization that develops relationships across the aisle, and at all levels of government. We cultivate strong relationships with congressional leaders, rank-and-file members in both parties, and the committees that have jurisdiction over health care issues. Similarly, we cultivate relationships at all levels of state government in all 50 states and the District of Columbia—from Governors and legislators to Medicaid officials and insurance commissioners.

### Organizes coalitions of key stakeholders.

State and federal leaders want to hear from their constituents. That's why we work diligently to form partnerships with key stakeholders across our markets, including consumer and provider groups. In addition, we collaborate closely with strategic partners who also advocate on behalf of our industry, including state trade

associations and our retained counsels in state capitals. By working together, we are most effective in finding solutions to common challenges and advancing ideas to support our common goals.

### Analyzes legislation and regulation.

AHIP's shop of state and federal policy experts identify and analyze hundreds of bills and regulations each year. We track state actions on supplemental coverages, keeping you apprised of the latest developments regarding issues that range from advertising and marketing standards to the development of disclosure requirements, from the financing of long-term care to modifying excepted benefit status.

### Transforms priorities into research.

AHIP's original research offers robust, reliable data on issues related to supplemental coverages. Our factual and quantitative data forms the basis for internal and external publications designed specifically to support advocacy and education.

### Employs dedicated subject matter experts for your benefit.

AHIP is proud to have an experienced team dedicated to supplemental coverage issues. Each team member is a subject matter expert on his or her respective issue area. They are there to help you engage with policymakers and regulators on your most important policy priorities.

# AHIP Promotes the Value of Supplemental Coverages

Supplemental Coverages is a broad term that includes dental, disability income, long-term care (LTC), Medicare Supplement, supplemental health insurance, and vision coverage. As diverse as this portfolio may be, all of these products are about one thing—financial protection for consumers. Our goal is to ensure that legislators, regulators, policymakers, and other stakeholders better understand the value of these products.

**Dental Insurance** plans are a valuable and affordable part of a comprehensive set of coverage benefits. Early engagement in dental health is proven to help prevent dental decay and periodontal diseases. Given the evidence linking oral health and systemic health, it is vital that proper oral health habits are encouraged early. That is why dental insurance products typically reimburse preventive and diagnostic services at nearly 100 percent. Further, dental insurance provides a safety net for families by helping to defray the cost of expensive treatments through the spreading of risk to help keep coverage affordable.

**83% of enrollees** say their dental plan allows them to get regular, preventive checkups and cleanings that prevent gum disease and cavities.

**Disability Income (DI)** protection coverage is an important tool for supporting financial security. Disability income protection provides vital income for necessities, allowing the families of disabled workers to continue to meet household expenses without taking on debt. Private disability income plans also extend benefits to many workers who may not qualify for public assistance. Even for those who are eligible for public assistance, determinations can take time, and private disability income insurance can help spare many Americans from financial hardship during those times.

**83% of enrollees** say they would have experienced financial hardship without their DI payments.

Finally, these plans play a key role in restoring disabled workers to financial self-sufficiency as insurance providers help people get back to work faster with the help of rehabilitation and return-to-work programs.

**Long-Term Care Insurance** is an essential component of long-term financial security. With more than half of all Americans turning age 65 today needing LTC at some point in their lives, LTC insurance can help protect assets, ensure high quality care, and improve the caregiving experience for family and friends.

LTC insurance benefits include helping individuals cover supports and services to help with cognitive impairments (e.g., Alzheimer's disease) or with activities of daily living—bathing, toileting, walking, eating, etc.—if a chronic illness or disability disrupts the ability to care for oneself or a loved one. LTC insurance offers the option of a number of different venues through which to obtain care (e.g., nursing home, assisted living, home care), allowing beneficiaries the choice of where and how to receive the care they need.

**90% of claimants** are satisfied with the amount of coverage they purchased; 4 in 5 say that their LTC insurance policy covers at least half of their LTC costs.

Nearly **10 out of 10**  
**enrollees** are satisfied  
with their supplemental  
health insurance plans.

**Medicare Supplement** (or Medigap) is a vital private health insurance product for seniors who choose Medicare's original fee-for-service (FFS) program. It is designed to supplement Medicare by offering coverage, at varying levels, for the expenses not covered by Medicare.

Medigap allows seniors to budget for out-of-pocket (OOP) costs. Individuals with high medical costs or chronic conditions who select FFS Medicare can be subject to significant risk given the cost-sharing and benefit limitations under FFS. Medigap can fill those gaps for OOP expenses. This is especially important for vulnerable, low-income enrollees so that their OOP costs are more predictable throughout the year. In addition, Medigap supports a wide choice of providers and includes strong consumer protections.

**78% of enrollees** find their Medicare Supplement insurance policy to be a good value; 72% feel more financially secure because they have this additional coverage.

**Supplemental Health Insurance Policies** encompass products that address major consumer needs, including hospital indemnity, specified disease, critical illness, accident-only, and other fixed indemnity insurance. These products are all designed to provide benefits to supplement comprehensive medical coverage. They are available in the individual and group markets, and they generally take the form of direct cash benefits.

Supplemental health insurance provides a financial safety net. These benefits can be used to cover medical expenses, replace lost wages, pay for everyday monthly expenses, reimburse for child care services, etc., which can reduce the financial burden associated with a serious illness or injury. They also pay benefits directly to policyholders, which allows them the ability to direct the cash where it is most needed. Finally, individuals can choose from a variety of benefit levels, with corresponding differences in premiums, essentially tailoring the benefits to their personal needs.

**Vision insurance** plans are an integral part of a comprehensive benefit package. These plans provide enrollees with affordable and easy-to-understand options for addressing ongoing needs and preventive vision care. With advances in technology, annual eye exams not only determine when corrective solutions are needed, they can also help detect issues associated with overall health and wellness (e.g., diabetes, hypertension, thyroid issues, and even certain types of cancer).

**83% of enrollees** value the affordability of their vision coverage and are satisfied with the services and benefits covered by their plan.