

Bridging the gap

**Your straightforward supplemental
health insurance resource.**



You do whatever you can to protect, secure and provide for the people you love the most.

With your family in mind, you:

- » Work hard to provide for their needs.
- » Try to make healthy choices.
- » Take steps for a strong, stable future.
- » Choose products that offer good value and great benefits.

Despite your best efforts to make the right choices, reality sometimes has other plans. You or a family member could one day experience a health crisis, such as a heart attack, stroke, cancer or accidental injury. And in any major health event, the physical, financial and emotional costs can take a toll. **But there is a solution.**

In this guide:

- ✓ Find out how supplemental insurance can help provide you financial protection and peace of mind.
- ✓ Learn about the risks of accidents, injuries and critical illnesses.
- ✓ Understand costs associated with treating today's most prevalent health problems.



The words you don't want to hear

Cancer. Heart disease. Stroke.

These diseases are all too common. Many people in the U.S. today will hear them from a doctor or support a family member or friend through treatment and recovery.

Lack of health insurance and other barriers prevents many American from receiving optimal cancer prevention, early detection, and treatment. If that diagnosis comes, a patient may face life-changing decisions, complex medical care and a lengthy recovery. Every year, millions of people require hospital care for accidents and illnesses across the U.S. In one year's time, there are nearly 137 million emergency hospital visits—39 million of them due to injuries.¹



HEALTH FACTS

Heart disease and stroke

About **92.1 million Americans** have cardiovascular disease today, according to the American Heart Association.²

An estimated 795,000 people have a stroke each year. Strokes are a leading cause of disability in the U.S. today.³

Cancer

In the U.S., approximately 40 in 100 men and 38 in 100 women will develop cancer in their lifetime.⁴ **About 1.7 million new cancer cases are expected to be diagnosed each year.**⁵

Injuries

In one year, **40.6 million people—about 1-in-8—seek medical attention for accidental injuries.**⁶ Approximately **77 percent** of all accidents in the U.S. happen outside of the workplace—and aren't covered by workers' compensation.⁷ Accidents can lead to short- or long-term health problems. In fact, nearly 57 million Americans are living with disabilities today.⁸

Anyone, any time

The most common major illnesses and injuries can affect anyone at any time. Accidental injuries, cancer and heart disease even rank among the top causes of death in the U.S.⁹

The cost of care



Since the 1960s, healthcare spending has grown faster than the rest of the U.S. economy.¹⁰

When most people think about the high cost of healthcare, they imagine expensive hospital stays and doctor bills—which is accurate. U.S. hospital care spending has reached \$1 trillion—and that’s 32 percent of the country’s total healthcare expenditures.¹¹ That’s not too surprising considering that **a typical three-day stay** in a hospital **averages \$30,000**.¹² Nationally, \$664.9 billion is spent on physician and clinical services.¹³

But these two categories are just part of a larger picture. A range of other costs—*both medical and nonmedical*—can add up in health situations. These “nonmedical” costs are harder to anticipate.

THEY CAN INCLUDE:

- » Lost income when someone is ill or injured and can’t work.
- » Transportation to and from medical facilities.
- » Parking fees.
- » Extra care for children or other family members.



Who pays the price?

Healthcare costs have been increasing for decades, and so have major medical insurance premiums. Over the last 10 years alone, workers have had to contribute 75 percent more to single-coverage premiums. Within the same time span, workers' contributions to family coverage increased 74 percent.¹⁴

Many employers that offer group plans are managing their costs by reducing or even eliminating benefits. Premiums are rising for Affordable Care Act coverage, too, with the average national premium increasing 105 percent from 2013 to 2017. **Individual premiums have more than doubled** in this four-year span, from \$232 to \$476 per month.¹⁵

Ultimately, more Americans have less health insurance coverage and are responsible for a greater portion of their personal medical costs.



Going without? That's not a solution.

To reduce healthcare costs, more people are choosing to go without. In fact, **1-in-5 Americans** are avoiding high costs by simply **not going to the doctor**.¹⁶

People who live in rural areas have extra challenges. They don't have as many healthcare options and have to travel for care, so they're less likely to get regular preventive care. As a result, they're more often diagnosed with major illnesses that require advanced, expensive treatment.¹⁷

pro
Protect

Supplemental insurance: a solution

Supplemental health insurance is a practical solution. The high risk of illnesses and injuries, along with the high cost of medical care, makes supplemental coverage an increasingly good choice for Americans and their families.

Supplemental health insurance comes in a variety of coverage options with various financial benefits.

POLICYHOLDERS CAN USE THEIR BENEFITS TO:

- » Maintain their wellness.
- » Get the care they need.
- » Pay for health costs that aren't covered by insurance.
- » Keep up with regular bills and household expenses during treatment and recovery.
- » Replace lost wages when they're not able to work.



Cheaper than fast food?

Supplemental insurance is far more affordable than most people think. The premiums vary by plan and carrier, but the average cost compares with nonessential items like **coffee, restaurant meals and cigarettes**:



\$384

A movie for two twice a month.



\$432

Two lattes a week for one year.



\$1,300

*Two fast-food meals a week
for one year.*



\$1,916

*A pack of cigarettes a day,
for one year.*

For a better outcome

With **supplemental health insurance**, more people can get medical care and still balance their household budget. Policies can even include **wellness benefits** for **routine medical** care and **screenings**. Even better, supplemental insurance is affordable for many budgets.

Supplemental plans pay benefits directly to the policyholder or to their beneficiaries. This allows great freedom for people to use their benefits however they choose. Plus, the benefits are paid regardless of other insurance, including employer-sponsored major medical.

Now more than ever—in a climate of rising medical costs and increasing personal healthcare expenses—individuals should **protect themselves and their families with supplemental insurance products**.

Types of supplemental insurance

Cancer

Supplemental cancer coverage pays a lump-sum amount when cancer is diagnosed. It pays an additional benefit each day the insured person is hospitalized for treatment. Benefits also help with related transportation and lodging for the insured person and family.

Jennifer

Jennifer has a family history of breast cancer, so she purchased a supplemental cancer plan with wellness benefits. The policy's benefits helped her pay for an annual mammogram beginning at age 35. When her physician diagnosed early-stage breast cancer, Jennifer received a lump-sum cash benefit of \$10,000, plus \$200 for each prescribed radiation treatment. These funds were especially helpful because she had to take sick leave from work without pay.



Heart/stroke

These benefits help when an insured person requires a heart- or stroke-related hospitalization, heart transplant, surgery, nursing care and medications.

Richard

Richard knew the statistics. One day he finally took them to heart, literally, and applied for a heart/stroke policy at work. Nearly two years later, Richard suffered a massive heart attack. He received an immediate \$1,000 payment from his supplemental policy, along with other benefits. The cash was a big help as Richard slowly but completely recovered.



Critical illness

Critical illness plans offer more complete protection against common diseases like cancer, heart attack, stroke and end-stage renal failure. The plan's lump-sum benefit can help support the policyholder and his or her family.

Gary

Gary's employer offered the critical illness policy, and he signed up right away. But then his wife lost her job, and Gary planned to cancel the coverage to save money. Before he got around to it, his wife was diagnosed with Stage IV lung cancer. The policy immediately paid \$37,500, which they used to arrange the best care and supplement their household income.



Accident

Policyholders choose accident coverage for help with the costs of accidental death, dismemberment, disabilities, fractures and dislocations. Benefits help with inpatient hospital stays, including ICU care, transportation and family lodging during treatment.



Diane

Diane was excited to land her dream job as a police officer in her hometown. When choosing her new benefits, she signed up for an accident policy "just in case." Two weeks later, Diane was broadsided at an intersection on her drive to work. As she recovered, her insurance carrier paid benefits for the air ambulance, emergency room care, surgery, hospital stay and physical therapy. She also received monthly disability payments until she could return to work.

Hospital

This coverage type helps pay for hospital stays, with a lump-sum payment and other benefit options.

Joe

Joe, a factory worker, always feared hospitals and avoided them whenever possible. He didn't even like visiting close friends and family when they were hospitalized. Still, he felt he should buy a supplemental hospital policy to complement his major medical coverage. When Joe's appendix was removed, his policy's \$200 daily hospitalization benefit covered a variety of medical and nonmedical expenses.



Short-term disability

When someone's sick or injured, they might not be able to keep working and receiving an income. The weekly benefits of a short-term disability plan help the policyholder pay for ongoing treatment and regular household expenses.

Steve

Steve hurt his back recently and his physician ordered extended bed rest. Steve's short-term disability policy paid \$1,500 each week, allowing him to read and watch movies while his back healed.



Gap

A gap plan pays benefits to help fill the “gaps” left by major medical plans. Benefit payments can be used toward deductibles, copays, coinsurance and much more.

Brenda

Brenda liked the affordable price of her employer’s high-deductible major medical plan, but she wasn’t comfortable with her potential out-of-pocket costs. She was concerned about what would happen if one of her children got sick or injured. Gap coverage is the ideal solution because the benefits will help pay expenses not covered by major medical.



Combination coverage

This supplemental health insurance combines multiple coverage types and numerous benefits in one policy. A lump-sum cash benefit helps with the costs of cancer, heart attack or stroke, and a recurrence benefit pays if there’s a second diagnosis of the same kind. Other cash benefits help with dozens of critical health conditions and accidental injuries.

Emily

Emily is working full time as a surgical nurse while raising her two daughters and helping her aging parents. She has watched her parents and patients struggle with their health and medical bills. She doesn’t want her own family to have to work harder than they already do, so she chooses a combination supplemental policy with benefits for cancer, heart/stroke, hospital care and accidents.





Help protect your family and finances with supplemental health insurance from Washington National.

For more information about supplemental health insurance, contact your Washington National agent or call **(800) 525-7662**.

Endnotes

Examples are for illustrative purposes only. View your policy for benefit details.

¹Centers for Disease Control and Prevention, National Center for Health Statistics, Emergency Department Visits, <https://www.cdc.gov/nchs/fastats/emergency-department.htm>, May 3, 2017.

²"Heart Disease and Stroke Statistics—2018 Update: A Report from the American Heart Association," *Circulation*, 2018.

³Ibid.

⁴Ibid.

⁵Ibid.

⁶National Safety Council, *Injury Facts*, 2017 Edition.

⁷Ibid.

⁸Profile America Facts for Features: CB17-FF11, <https://www.census.gov/content/dam/Census/newsroom/facts-for-features/2017/cb17-ff11.pdf>, June 1, 2017.

⁹National Safety Council, *Injury Facts*, 2017 Edition.

¹⁰The Cost of Care page: Diagnosing America's Health Care Mess: Part 2, <https://www.forbes.com/sites/theapothecary/2017/07/31/diagnosing-americas-health-care-mess-part-2>

¹¹HealthPayer Intelligence: Policy and Regulation News, "Top 10 Healthcare Spending Categories in the United States," <https://www.healthpayerintelligence.com/news/top-10-healthcare-spending-categories-in-the-united-states>, September 20, 2017.

¹²HealthCare.gov, "Make Your Health a Priority—Get Marketplace Insurance," <https://www.healthcare.gov/blog/new-year-new-health-insurance>, January 6, 2017.

¹³Centers for Medicare & Medicaid Services, The National Health Expenditure Accounts, <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html>, December 6, 2016.

¹⁴Kaiser Family Foundation/Health Research & Educational Trust 2017 Employer Health Benefits Survey, <https://www.kff.org/report-section/ehbs-2017-section-6-worker-and-employer-contributions-for-premiums>, September 19, 2017.

¹⁵Department of Health and Human Services, ASPE Data Point, <https://www.aspe.hhs.gov/system/files/pdf/256751/IndividualMarketPremiumChanges.pdf>, May 23, 2017.

¹⁶Amino, "Survey Shows Americans Are Seriously Worried About Healthcare Costs—But Don't Know What to Do About It," <https://www.amino.com/blog/survey-shows-americans-are-seriously-worried-about-healthcare-costs>, March 21, 2017.

¹⁷National Rural Health Association, "About Rural Health Care," <https://www.ruralhealthweb.org/about-nrha/about-rural-health-care>, accessed August 2018; and U.S. Department of Health and Human Services, *Health, United States, 2016: With Chartbook on Long-Term Trends in Health*, 2017.

We're
here to
help.

Do you have questions?

Want to discuss your supplemental health insurance needs and options?

Contact your Washington National agent or **(800) 525-7662** to learn more.

LIMITED-BENEFIT POLICIES: These policies have limitations and exclusions. For costs and complete details of coverage, contact an agent. Premiums are based on the level of coverage selected.

The benefits described in these policies do not cover all nonmedical expenses. The benefit payment you receive can be used to pay any of your medical or nonmedical costs not paid by any other insurance.

A hospital is not a bed, unit or facility that functions as a skilled nursing facility, nursing home, extended care facility, convalescent home, rest home, home for the aged, sanatorium, rehabilitation center, place primarily for providing care for alcoholics or drug addicts, or facility for the care and treatment of mental disease or mental disorders.

The facts in this document represent the U.S. population, are provided for information only and do not imply coverage under the policies or endorsement of the companies or policies by the cited sources.

Products cited in this article are issued by Washington National Insurance Company (home office: Carmel, IN). These policies and certain benefits and/or riders are subject to state availability.

Washington National Insurance Company
Home Office
11825 N. Pennsylvania Street
Carmel, IN 46032

WashingtonNational.com

© 2018 Washington National
(10/18) 185903

HLTH-BK

