



Engaging With Employees About Life Insurance

Consumer insights to inform your workplace benefits marketing, product, and distribution strategy

#HelpProtectOurFamilies

Size of the Market

- According to the 2022 Insurance Barometer study, 55 percent of workers say they have life insurance coverage through their workplace.
- Currently, only 43 percent of workers in small firms (under 100 employees) have access to an employer-paid life benefit versus 78 percent of workers in larger firms.
- Of the generations, Millennials are most likely to rely on employer-sponsored life insurance and least likely to own individual coverage.
- Nearly half of uninsured workers said they planned to buy life insurance coverage in 2022.

Workers' Perceptions About Life Insurance

- Approximately 4 in 10 employed Americans believe their workplace life insurance (theirs or another family member's) is sufficient to meet their life insurance needs. Half of Millennial workers rely on this coverage to protect their loved ones.
- The majority of workers (56 percent) with children under age 18 have workplace life insurance coverage. Nearly a third (29 percent) rely solely on their workplace coverage to protect their families.
- More than 8 in 10 U.S. workers are interested in having their employer offer a life insurance benefit — 4 in 10 are extremely interested in workplace coverage.
- Generation X and Millennial workers and those with children under age 18 are the most interested in workplace life insurance.
- Two thirds of workers (67 percent) think employers should be required to offer a life insurance benefit to their employees.
- Only 57 percent of employees who are offered life insurance at work feel they understand the benefit extremely or very well.
- More than a third (37 percent) of Americans who only have workplace life insurance coverage say their families would struggle financially in less than six months should a wage earner die unexpectedly.
- Having life insurance coverage helps financial security. Seven in 10 Americans with workplace life insurance say they feel financially secure, compared with 47 percent of uninsured Americans.
- Many employed Americans are uncertain whether their employer offers a life insurance benefit. Only about 6 in 10 can definitively say whether their employers offer it or not.

- The top reasons employees give for not understanding their benefits (including life insurance) are:



How Workers Want to Learn About their Workplace Life Insurance

- Overall, 80 percent of employees prefer some type of digital communication about their benefits, including email, online portals, virtual meetings, webinars, videos, social media, or text messages.
- Nearly two thirds of employees — especially younger workers — want to receive information through some sort of meeting or interaction that would enable them to ask questions (including in-person or virtual meetings, benefit fairs, webinars, or telephone).
- Four in 10 employees want the opportunity to meet either one-on-one or by phone, providing them with a forum to ask questions in private and receive personalized attention.
- Frequent communication improves understanding. Employees who receive benefits information frequently throughout the year, rather than only during open enrollment, are more likely to believe they understand their life insurance benefits (74 percent versus 53 percent).
- Just 4 in 10 employees think their employers do a good job communicating their life insurance benefit to their workforce.

LIMRA sources:

2022 Insurance Barometer Study, 2022 BEAT Study: Benefits and Employee Attitude Tracker, Mind the Gap: Do Employers Understand Employees' Benefit Priorities? (2018), Life After COVID: Employees' Views on Life Insurance (2022)