



New MDRT Study Sheds Light on Americans' Employee Benefits Patchwork

Financial advisors should discuss employee benefits with clients to learn where clients are protected – and where they are not

PARK RIDGE, Ill. (January 30, 2024) – As the new year begins, tens of millions of Americans have a new array of employee benefits options they selected in last year's open enrollment period. These benefits provide critical, if conditional, financial protections to families across the country. According to a new MDRT study, 39.2% of U.S. workers say they will have employer-provided term life insurance in 2024, and 33% say they will have employer-provided long-term disability insurance. For financial advisors heading into new-year planning sessions, knowledge of clients' employee benefits protections is a crucial piece of the full picture of clients' overall financial well-being.

Insurance Offerings

A strong 69.7% majority of U.S. workers say they will have at least one employer-provided insurance policy in 2024, other than health insurance. In addition to term life insurance and long-term disability insurance, many employers offer more specific insurance policies to employees. Broken down by individual policy type, 34.1% of U.S. workers say they will have employer-provided short-term disability insurance in 2024. Another 26.3% say the same for accidental death & dismemberment insurance, 17.7% for critical illness insurance and 16% for long-term care insurance.

"Insurance is the bread and butter of many financial advisors, but we must know what protections clients get at work to make sure our offerings are as beneficial as possible," says MDRT President, Greg Gagne, ChFC. "At the same time, it is also advisors' responsibility to discuss the conditional nature of employment-based insurance with clients, and how and when to add permanent coverage into the mix."

Even though financial advisors do not typically sell health insurance, healthcare coverage is still a key component of overall financial health. An overwhelming 92.7% of Americans say they will have health insurance in 2024. This includes 57.7% of Americans who will have private coverage, typically from an employer, a spouse or partner's employer or the Affordable Care Act marketplaces. Another 34.7% will have government-provided insurance, like Medicare or Medicaid.

One facet of health insurance especially important to financial advisors are health savings accounts (HSAs), a tax-advantaged savings tool available to Americans with high deductible health insurance plans (HDHPs). The MDRT survey shows that 43.4% of privately insured Americans say they will have an HDHP in 2024. This includes 47.6% of privately insured men and 39.3% of privately insured women, as well as 50.8% of privately insured Americans with children or adult dependents.

Retirement Savings and Financial Assistance

To most Americans, the first employee benefit that comes to mind is likely retirement savings, in the form of accounts like traditional or Roth 401(k)s and similar plans. The MDRT survey found that 74.9% of Americans say they have at least one retirement savings account, including 46.7% who have an employer-provided account and 37.7% who have a personal account. Men are more likely than women to have both employer-provided (51.3% of men vs. 43.6% of women) and personal accounts (46.1% vs. 31.8%).



While many financial advisors discuss retirement planning with clients, advisors may miss important context if they only discuss personal accounts. Only 17.4% of Americans say they manage a personal retirement savings account with the help of a financial advisor. This includes 22.1% of men and 13.6% of women, as well as 20.9% of Americans ages 45 and older and 14.3% of Americans ages 18-44.

Financial advisors should also take care to discuss other employee benefits with clients to ensure clients are taking full advantage of the benefits available to them, especially during important life events. For instance, 31.1% of U.S. workers say they will be eligible for paid parental leave in 2024, and 9.3% say the same for fertility treatment assistance. Some clients may also reap other financial benefits from their workplaces: 16.8% of U.S. workers say they will be eligible for bonuses or profit-sharing in 2024, 12.7% for student loan repayment assistance and 7.9% for stock options.

Tens of millions of American workers take advantage of employee benefits from current and past employers every year. As the exact elections will differ from client to client, financial advisors must take stock of their clients' employee benefits protections as they chart out plans to help clients reach their financial goals.

Survey Methodology

This survey was fielded by G&S Business Communications on behalf of MDRT. The online survey took place on December 8, 2023, with a representative U.S. sample of 1,198 adults, ages 18+. The sample has been balanced for age and gender to reflect the demographic composition of the United States.

About MDRT

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