

Group Optional Benefit Premiums in Canada: A Closer Look

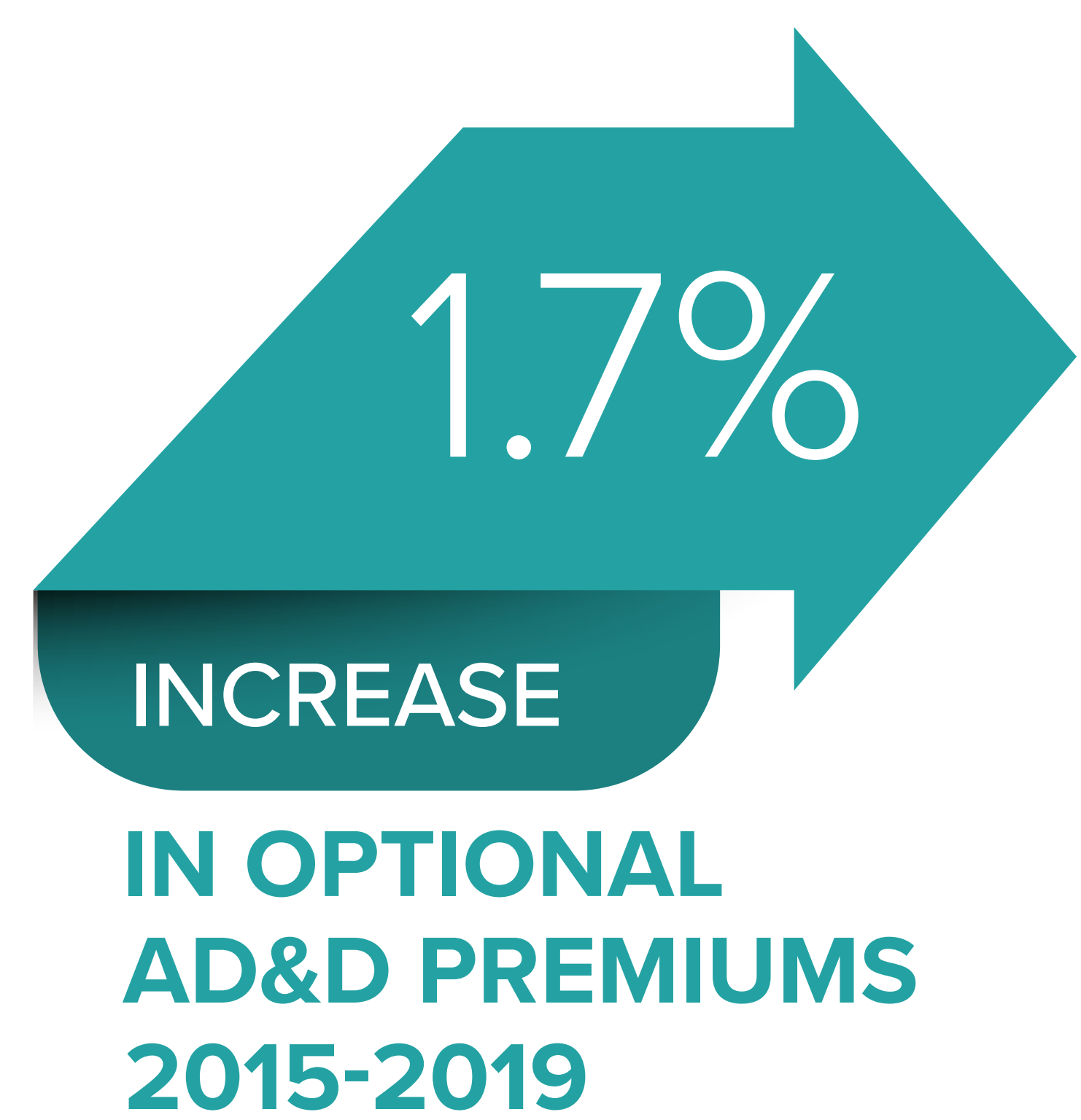
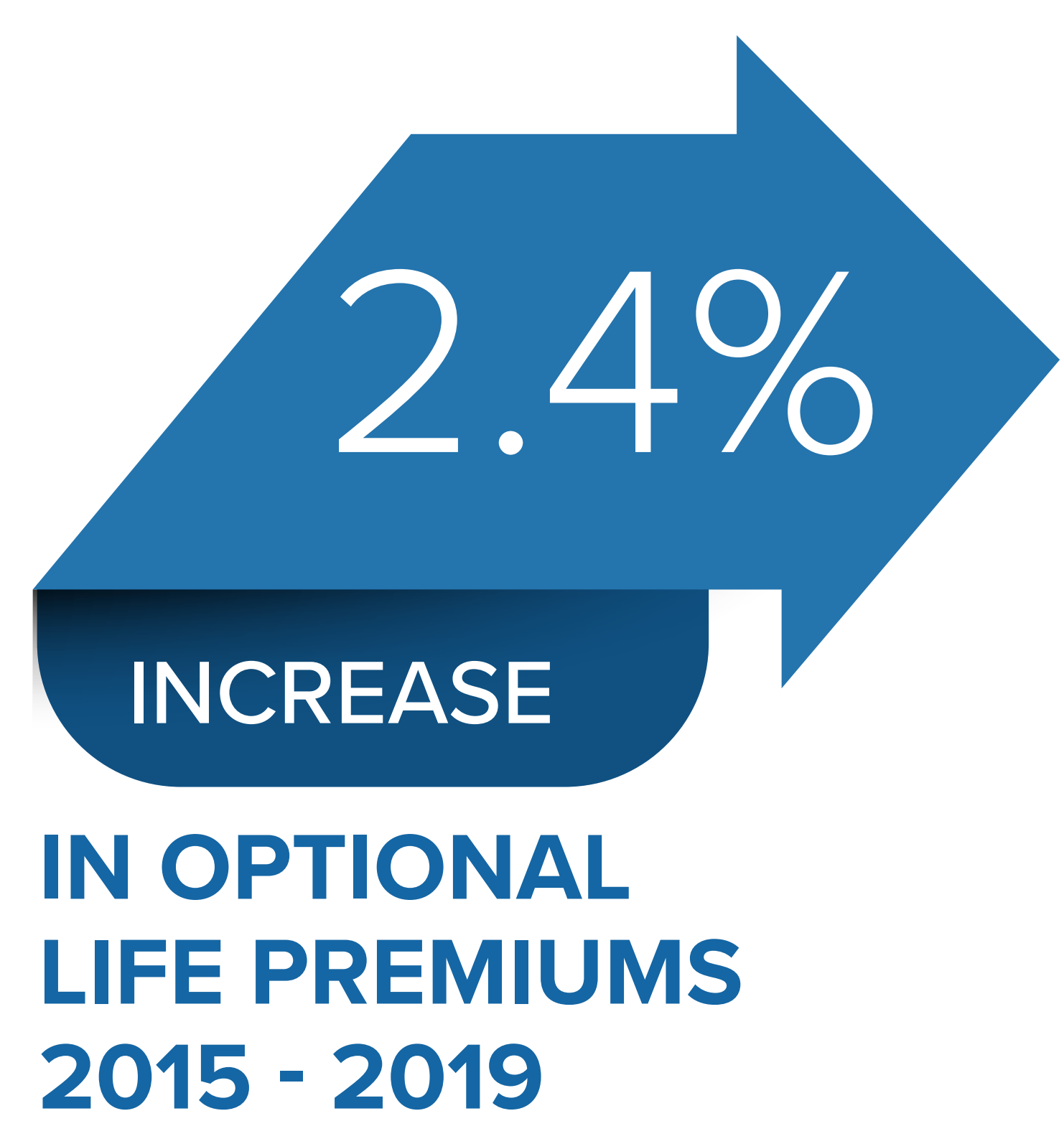
RGA Group Reinsurance conducted a survey of Canadian insurers on group optional products to assess the growth in premium in the past five years. Results from the 13 respondents were revealing.

Survey conducted August 2020

Optional group life and accidental death and dismemberment (AD&D) premiums remain relatively flat

Potential contributors:

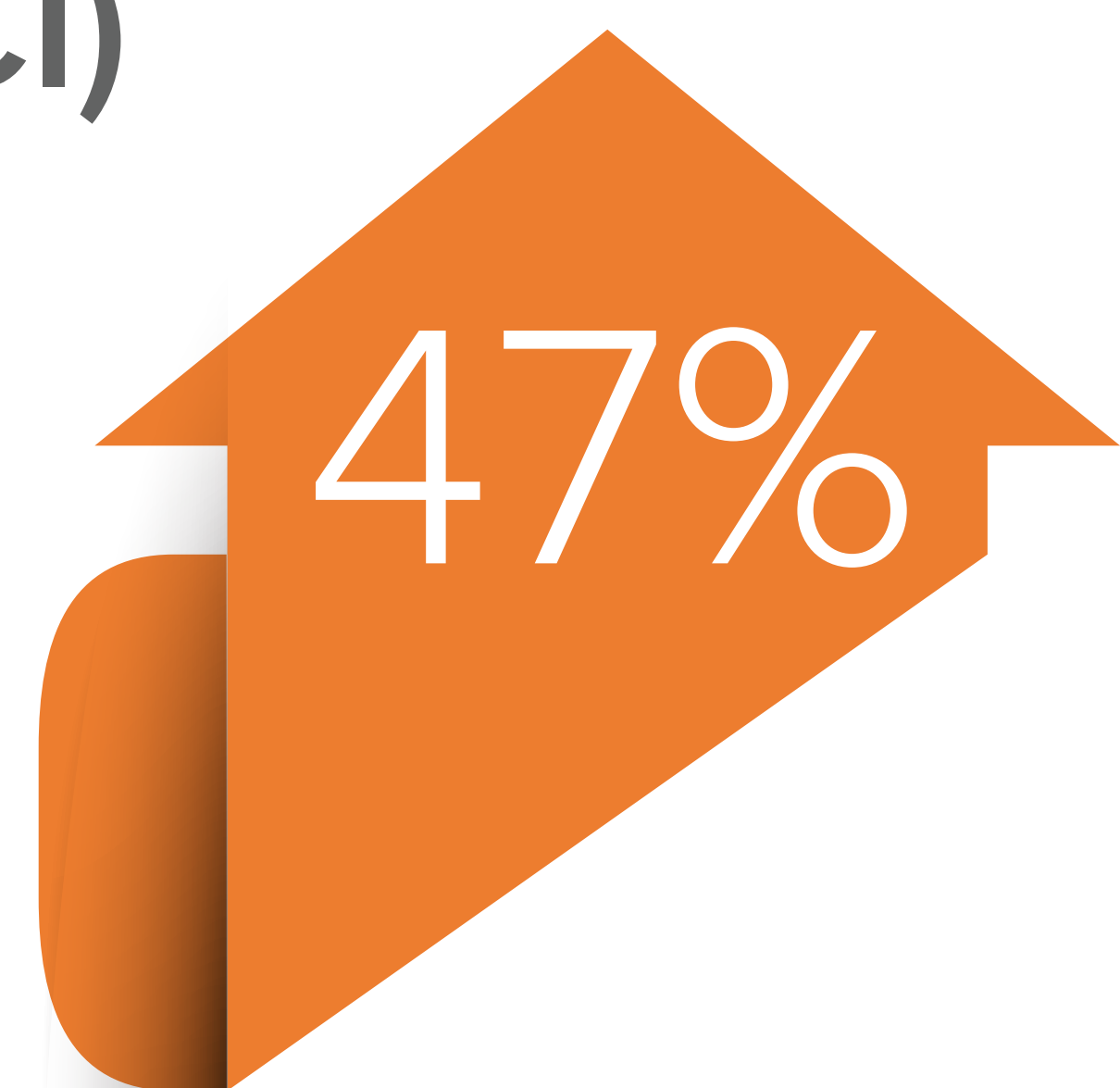
- 1 Unfamiliarity**
Most employees are not aware of the many advantages of purchasing optional coverage
- 2 Inflexibility**
Carriers require employees to have basic life and AD&D before purchasing optional life and AD&D
- 3 Complexity**
Applying for optional coverage can be lengthy due to the application process and medical evidence requirements
- 4 Portability Limitations**
If employees leave the employer, there is rarely a convenient and inexpensive way to keep the optional coverage
- 5 Out-of-Pocket Cost**
This insurance is typically 100% employee-paid



Is group critical illness (CI) building momentum?

Though a smaller benefit, CI has experienced steady growth.

INCREASE IN OPTIONAL CI PREMIUMS 2015-2019



Potential contributors:

- 1 Awareness**
Carriers and brokers promote CI resulting in more employers offering it to their employees
- 2 Universality**
Carriers see CI as necessary to compete
- 3 Accessibility**
More carriers allow employees to purchase optional CI without having Basic CI
- 4 Simplicity**
Carriers will allow a certain amount of optional CI without medical evidence

To learn more about additional survey results and how to put its findings to work for you, [contact RGA.](#)