

How Supplemental Benefits Help Texans Manage Financial Risk

Life insurers paid more than \$17 billion in life insurance and annuity benefits to Texans in 2024, providing security and peace of mind during significant periods of life.

But many are surprised to learn that life insurers offer a wide range of other guaranteed financial products that empower Texans through all stages of life. These products are available through the private market or the workplace, helping individuals and families navigate challenging and sometimes unexpected times.



Workforce Stability and Financial Resilience

Supplemental benefits offered by life insurers, such as disability income, accident, and critical illness coverage, help Texas workers manage unexpected expenses without relying on public assistance programs. These benefits strengthen household financial resilience, reduce absenteeism, and support a more stable, productive workforce across the state.

Employer Flexibility and Access

Life insurers' supplemental benefits give Texas employers flexible, affordable tools to support employees at all income levels. These voluntary benefits expand access to financial protection, particularly for small businesses that may not otherwise be able to offer comprehensive benefit packages.



Filling Gaps Without Government Expansion

Supplemental insurance products play a critical role in filling coverage gaps that traditional health plans often do not address. By providing targeted financial protection for out-of-pocket medical costs and lost income, life insurers help Texans manage risk privately without increasing costs to taxpayers.



Other Guaranteed Products Offered by Life Insurers

- **Supplemental Coverage**
 - + Specified disease (e.g., cancer, stroke, kidney failure, etc.)
 - + Accident
 - + Vision
 - + Dental
 - + Hospital indemnity
 - + Burial expense
- **Long-Term Care**
- **Disability**
- **Paid Family Leave**

Policymakers Play an Important Role in Fostering Innovation

Texas has long benefited from a competitive, market-based insurance system that encourages innovation while protecting consumers. When regulatory frameworks are balanced and predictable, life insurers are better positioned to innovate, expand product offerings, and deliver affordable options that meet the evolving needs of Texas families and employers.



A healthy insurance market allows these private, market-based solutions to grow, strengthening financial security for families while expanding access to supplemental insurance products for Texas employers and workers.



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