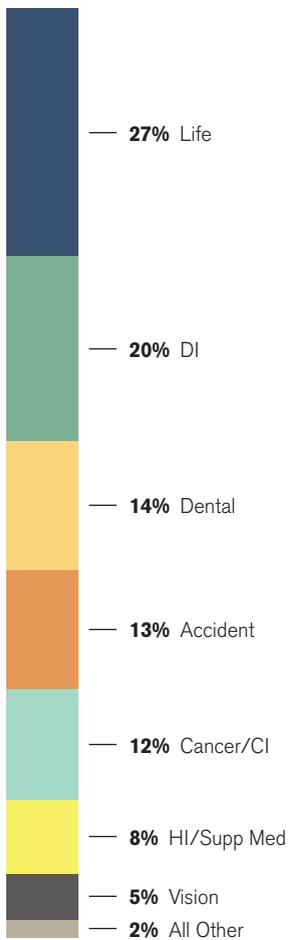


## PLOT POINTS

By Gil Lowerre and  
Bonnie Brazzell

# Another solid year for voluntary sales

Mix of sales by  
product line for 2016



### LAST MONTH, WE REPORTED

voluntary new business annualized premium (sales) for 2016 were \$7.630 billion, up almost 7 percent over 2015 sales. This column takes a closer look at these results by product line and platform.

Term life was again the top-selling line of business this year, followed by dental, short-term disability (STD), accident and hospital indemnity. The graph (left) shows the mix of sales by line of business.

Life insurance sales overall were up nearly 6 percent in 2016, reaching \$2.074 billion. Term accounted for 77 percent of this, and sales for the line were up about 3 percent over 2015. UL/WL sales were up 18 percent in 2016 after a down year in 2015. By product, 48 percent of the UL/WL sales were for universal life products and 52 percent were for whole life.

Total disability sales were \$1.51 billion in 2016. Short-term disability still represents the majority (66 percent) of this amount. Both STD and LTD sales showed increases in 2016, with STD up 7 percent and LTD up almost 11 percent.

The accident product line saw



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another increase in 2016, but the rate was a modest 2 percent compared to 11 percent in 2015 and 9 percent in 2014. Total accident sales were \$957 million.

Critical illness sales increased 13 percent in 2016 after increases of 25 percent in 2015 and a 20 percent increase in 2014. Cancer sales continued to lag behind. In fact, cancer sales for 2016 were down almost 4 percent as compared to 2015. Critical illness NBAP was \$556 million compared to \$332 million for cancer.

Hospital indemnity, gap and supplemental medical products garnered about \$622 million in sales for 2016, up after a down year in 2015. The year-over-year change was up 16 percent.

When looking at voluntary sales by product platform, group product sales continued to dominate individual products. The mix for 2016 was almost 70 percent group and 30 percent individual. Sales for both platforms increased by almost 7 percent over 2015 results.

The graph below shows the results over the last 10 years.

In our next column, we will review the results by distribution segment and the percentage of voluntary business coming from takeovers.

*The annual U.S. Voluntary/ Worksite Sales Report is the industry's most comprehensive and reliable source of data on voluntary/ worksite sales and inforce premium. This year's study includes data from 1997 through 2016 and detailed results for 65 carriers. The report is available only to carriers participating in the survey. For more information about participating in next year's survey, contact us at [info@eastbridge.com](mailto:info@eastbridge.com).*

