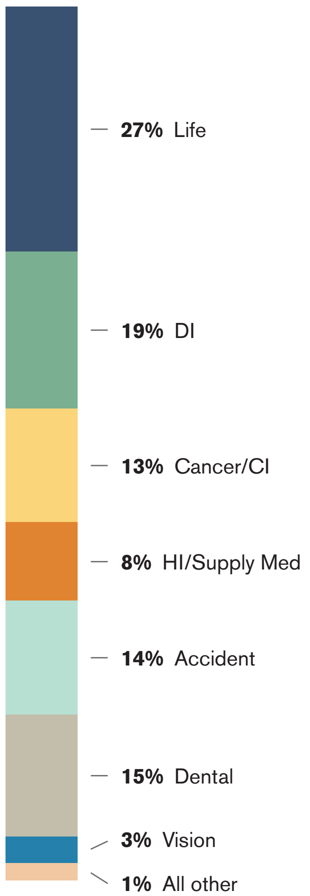
PLOT POINTS

By Erin Marino and Nick Rockwell

Voluntary sales continue to grow, part 2

Mix of sales by product line for 2019



IN LAST MONTH'S column, we reported that voluntary new business annualized premium (sales) for 2019 was $8.832 billion, up 4.5% over 2018 sales. This article highlights sales by product line and platform.

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

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Life insurance sales overall were up 7% in 2019, at $2.4 billion. Term accounted for 76% of total life premium, and sales increased by 8% compared to 2018. UL/WL sales were up 3% this year.

Total disability sales were $1.6 billion in 2019. Short-term disability sales continue to represent the majority (70%) of disability sales. STD sales were down 1%, while LTD sales were up 3%.

The accident product line saw another year of growth at a 3% increase in 2019 after a 7% increase in 2018. Total accident sales were $1.2 billion.

Critical illness sales increased 12% in 2019 after increases of 12% in 2018 and 21% in 2017. Cancer sales decreased by 1% in 2019. Critical illness NBAP was $846 million, compared to $340 million for cancer.

Hospital indemnity, gap and supplemental medical products sales for 2019 were up 18%, compared to 2018, at $760 million.

When looking at voluntary sales by product platform, group product sales continued to dominate individual products. The mix for 2019 was 71% group and 29% individual. Group product sales increased by 9% and individual sales increased by 5% compared to 2018.

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

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 2019 and detailed results for 70 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.*

Group vs. individual sales (millions)