

Understanding Perceptions of Chronic Care

Key findings from the 2023 MassMutual
Chronic Care Study with a focus on
working Americans



An introduction to the 2023 MassMutual Chronic Care Study

Health and financial wellness benefits have long been viewed as separate entities within the worksite benefits landscape. Yet as medical costs continue to rise and higher inflation puts added stress on employees' wallets, many Americans who have a chronic illness are one health issue away from financial hardship.

To help address the need for practical solutions to the growing financial burden of chronic illness, MassMutual® contracted PSB Insights to conduct the 2023 MassMutual Chronic Care Study¹ surveying 2,102 Americans on their attitudes, awareness, and preparation for dealing with a chronic condition.

Of this group, 1,113 respondents were classified as working Americans who brought different perspectives on the financial and emotional impacts a chronic condition might have. This study explored:

- Changing consumer attitudes about the potential of suffering a chronic illness and ways to secure chronic care coverage.
- How well Americans are prepared and protected against the financial impact of a chronic illness.
- How voluntary benefits can help strengthen the financial safety net for working Americans who may one day suffer a chronic health condition.

Working Americans are defined as currently being employed at least 32 hours per week.

INTERESTED IN PURCHASING A LIFE INSURANCE POLICY WITH A CHRONIC CARE BENEFIT



• **77%**
of Americans

• **81%**
of working
Americans

¹ All statistics quoted in this white paper are from the 2023 MassMutual Chronic Care Study unless otherwise noted.

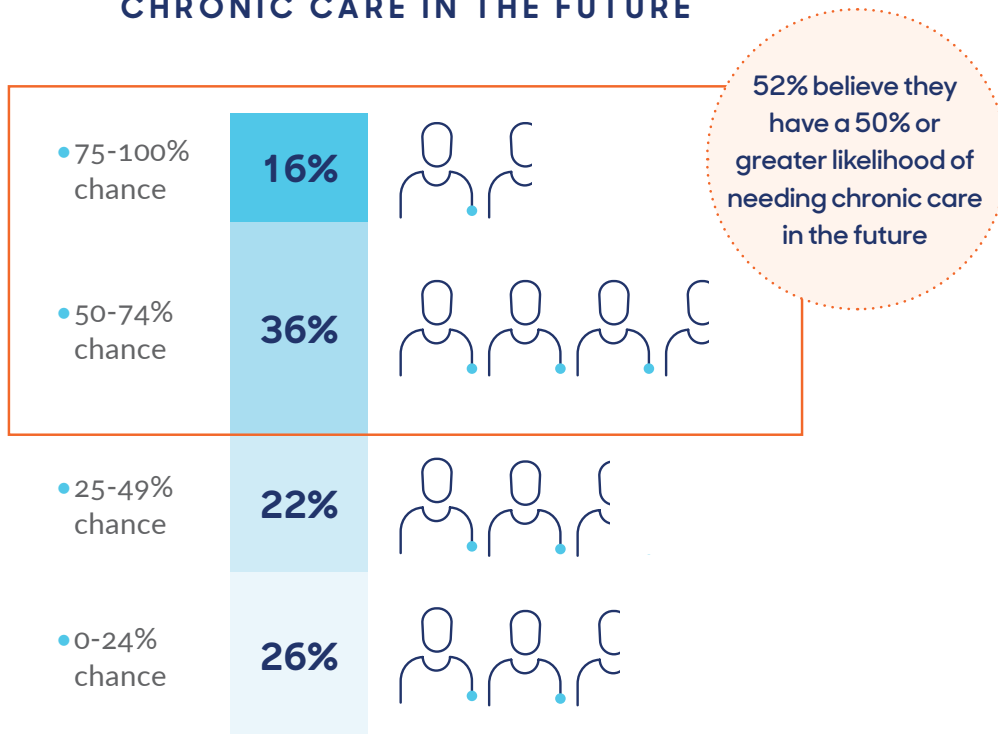


How much do Americans know about the threat of a chronic condition?

Americans with a chronic health issue often face out-of-pocket medical costs that can push them into debt, despite having health-related insurance. They also may suffer loss of income if their ability to work is compromised.

Nearly a third of Americans currently have a chronic condition, and more than half expect the chance of needing chronic care at some point in their life.

CHANCES OF NEEDING CHRONIC CARE IN THE FUTURE



31% Currently have a **CHRONIC ILLNESS**





Growing awareness about chronic care needs

The 2023 MassMutual Chronic Care Study examined if awareness of chronic health issues has grown among Americans, especially in the wake of the COVID-19 pandemic.

Consider these key findings:

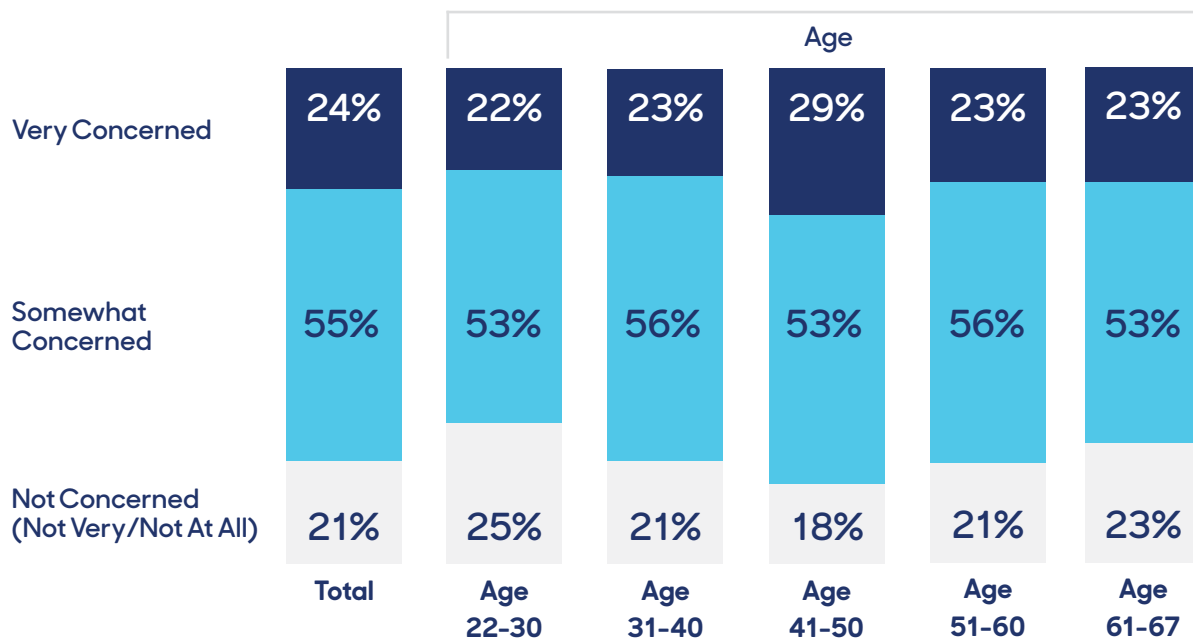
Americans are concerned about chronic illness and its impact on their lives.

- 79% of survey respondents — across age groups — said they are very or somewhat concerned about the impact of a chronic condition or illness.

- Working Americans’ concerns about chronic illness mirror all Americans’ concerns with 24% very concerned and 55% somewhat concerned.
- Half of survey respondents feel that they can wait until they’re 40 or older to start preparing financially for chronic care.
- This is despite the fact that **54% of young adults** (ages 18-34) already have at least one chronic health issue, and nearly one in four have two or more chronic conditions.²

Financial concerns cut across age groups

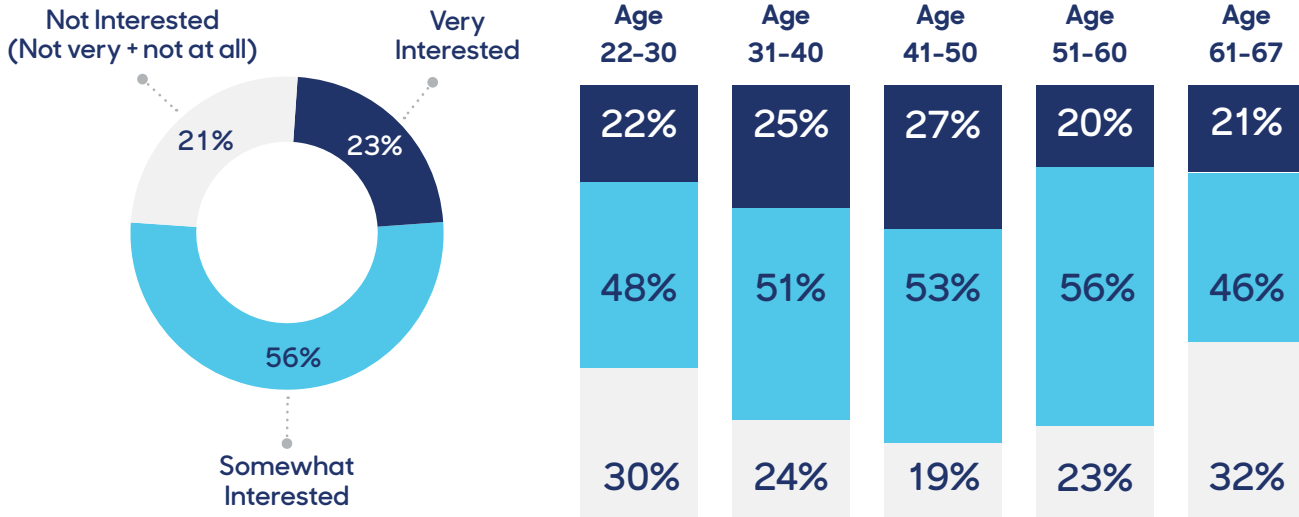
CONCERN OVER THE IMPACT OF CHRONIC CONDITION OR ILLNESS





OF YOUNG ADULTS (ages 18-34) already **HAVE AT LEAST ONE CHRONIC HEALTH ISSUE**, and **NEARLY ONE IN FOUR** have two or more **CHRONIC CONDITIONS**.²

Interest in learning about chronic care coverage peaks at ages 41-50, although there is a nearly equal level of interest from ages 31-40.



- More than 1 in 5 Americans and working Americans (22%) said that COVID-19 has increased their personal chances of requiring chronic care in the future.

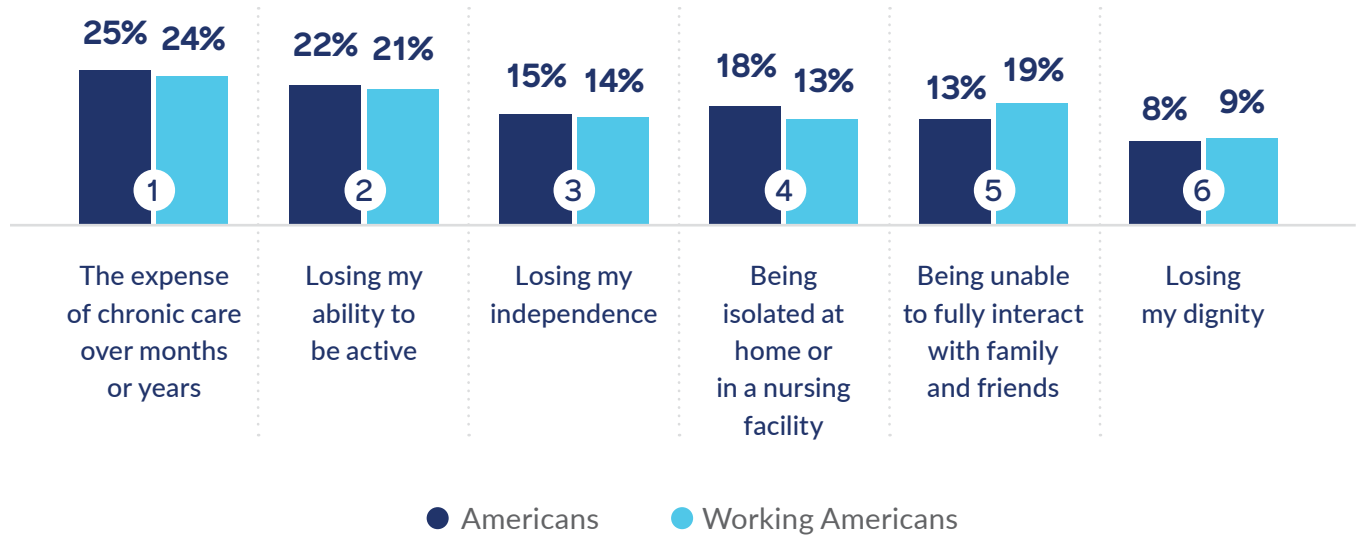
² Chronic Conditions Among Adults Aged 18-34 Years, Morbidity and Mortality Weekly Report, US Department of Health and Human Services/Centers for Disease Control and Prevention, July 29, 2022. Accessed April 2023. https://www.cdc.gov/mmwr/volumes/71/wr/mm7130a3.htm?s_cid=mm7130a3_w



More education is needed

While many Americans realize the threat a potential chronic condition poses, our study discovered that many may not be as prepared financially for it as they might believe. That knowledge gap could be why they expressed a lack of urgency when asked about their chronic care plans.

BIGGEST CONCERN ABOUT CHRONIC CARE AMONG AMERICANS AND WORKING AMERICANS



The 2023 MassMutual Chronic Care Study found that:

Both Americans and working Americans must consider three factors when thinking about suffering a chronic condition: how to pay for care, how long it will last, and what it will cost.

Both Americans and working Americans indicated they may use a combination of group health insurance and their savings to pay for chronic care.



55%

of all Americans plan to use savings to pay for chronic care needs.

59%

of working Americans plan to use savings to pay for chronic care needs.

55%

of all Americans also plan to rely on health insurance.

62%

of working Americans plan to rely on group health insurance to pay for chronic care.

While employer-sponsored health coverage typically covers a large portion of medical costs, employees are still responsible for plan deductibles, co-pays, and any out-of-pocket maximums, which can place an often overwhelming financial burden on families.

Duration of illness:

- Nearly two-thirds of working Americans and Americans believe that Medicare covers nursing home care for more than the 10 days it actually covers.

31%

of all Americans agree that chronic care would last 10 years or more.

Cost:

- Nearly half of those who expect to use savings to cover chronic illness expenses have less than \$100,000 saved – an amount that is unlikely to cover more than a year or so of basic nursing home care.

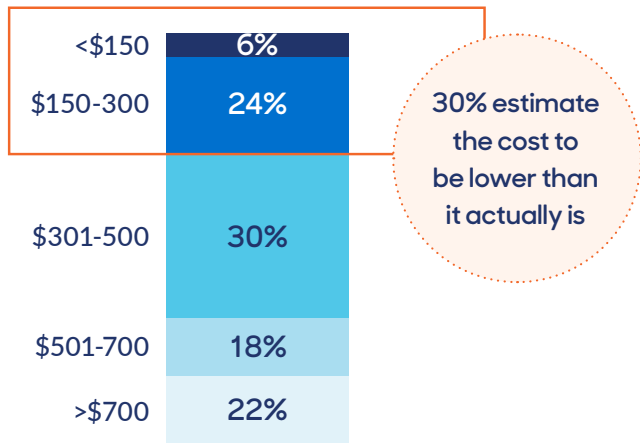
30%

of working Americans estimate that chronic care, if needed, would go on for 10 or more years.

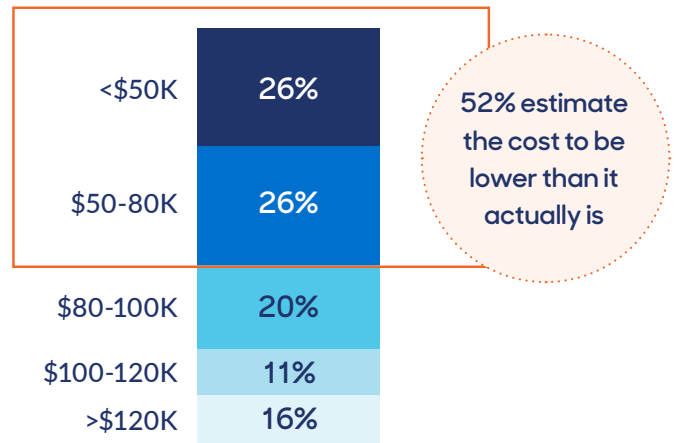
Many believe the cost of care is lower than it actually is, particularly when it comes to estimating the annual cost of nursing home care.

HOW MUCH DOES CHRONIC CARE COST?

2 hours of daily home-based care (weekly expense)



Basic nursing home care (annual expense)



Among working Americans, the results are in line with the overall findings:

- 70% of working Americans correctly estimate that 2 hours of daily home health care would cost more than \$300 per week.
- 53% of them underestimate the annual cost of basic nursing home care.



Working Americans focus: The power of voluntary benefits

According to our survey findings, a third of working Americans (33%) feel that their financial situation has gotten worse in the last three years and 21% feel their health has declined. This worry can have far-reaching effects beyond an employee's wallet, impacting everything from their health to productivity to even their ability to continue working.

And this can have a cascading effect on employers, too. When workers leave their jobs, reduce their hours, or take a leave of absence due to the impact of a chronic illness, it costs employers money and vital productivity.

Employers looking to build a more resilient and productive workforce understand the importance of providing a solid foundation of voluntary benefits their employees can use to meet whatever financial challenges lie ahead. And this is especially true of unexpected chronic care expenses that aren't covered elsewhere.

Given the prevalence of chronic health conditions and their cost, it's not surprising that eight in 10 workers (81%) are very or somewhat interested in learning more about how they might purchase chronic care coverage through their employer.

Here's what the 2023 MassMutual Chronic Care Study revealed about their preferences:

- 81% said that they were either very or somewhat interested in purchasing life insurance that offered a chronic care living benefit.
- 78% said they were very or somewhat interested in purchasing chronic care coverage through their employer.
- 34% believe they already have a plan that covers chronic care.
- 21% plan on purchasing a plan that covers chronic care.
- Only 11% of working Americans are familiar with a life insurance policy that has a living benefit covering a chronic condition.

WORKING AMERICANS' INTEREST IN PURCHASING A LIFE INSURANCE POLICY WITH A CHRONIC CARE BENEFIT



- **26%**
Very Interested
- **55%**
Somewhat Interested

A more holistic vision of financial wellness

As chronic illness touches more employees' lives, group whole life insurance can provide another financial safety net to help employees navigate unforeseen events and protect their financial security. Employers need education about the risk that chronic care may pose to their employees and their business.

Notes:

A series of horizontal dotted lines for writing notes.

Worksite Better.

Group voluntary benefits remain essential, now more than ever, and MassMutual Worksite is committed to today's working Americans – and all those that support them – with a focus on improving engagement, inspiring action, building confidence, and creating a pathway to financial well-being.

[To learn more, contact your benefits broker or advisor.](#)

The product and/or certain features may not be available in all states. State variations will apply.

Group Whole Life Insurance (GPWL), (policy/certificate forms MM-GPWL-2014 and MM-GCWL-2014, and MM-GPWL-2014 (NC) and MM-GCWL-2014 (NC) in North Carolina), is level-premium, participating permanent life insurance. The GPWL policy and GCWL certificates are issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001

