

# Know the difference: health insurance vs. supplemental insurance



No matter how large of an employer you are, [creating a benefits plan](#) can be tricky — especially when it comes to insurance. There are so many types to choose from, each promising different benefits for what seems like overlapping coverage, and it can become cumbersome. Fast.

But understanding the basics makes the process more efficient and effective. Knowing the difference between health insurance and supplemental insurance will help you do just that.

## What does health insurance cover?

Health insurance is a type of insurance coverage that helps pay for health and medical expenses. Depending on the plan and the care provided, it may cover all or a portion of routine checkups, emergency care, surgeries, treatment for chronic illnesses and more.<sup>1,2</sup> Whether a carrier makes payments directly to the provider or reimburses people who are insured once they pay out-of-pocket depends on the plan.<sup>1</sup> For many employers, offering health insurance isn't optional. As of 2014, employers with 50 or more full-time equivalent employees are required to offer health insurance in accordance with the [Affordable Care Act](#)<sup>3</sup> — part of why more than 20 million previously uninsured Americans have been insured since the Act's introduction.<sup>4</sup>

## What is supplemental insurance and what does it help cover?

In contrast, supplemental insurance is exactly what its name implies — supplemental. And what is it supplementing? Health insurance ... plus dental, vision and any other insurance you can think of. If health insurance is the steak and potatoes, supplemental insurance is the wine and dinner rolls — not the core of the meal, but offerings that enhance it and help it feel more complete. Depending on the specific plan, supplemental insurance can help you close the gap between what health insurance covers and what you're responsible for paying out-of-pocket. And unlike health insurance, some types of supplemental insurance can also help with expenses that aren't directly related to medical care. Paying benefits directly to the insured (unless assigned otherwise) to use as they see fit, [Aflac's supplemental insurance](#) can help people cover expenses such as transportation to and from treatments, lodging and other nonmedical expenses incurred because of the need for care.

## Health insurance has its limits — and supplemental insurance helps you level up

Despite its name, health insurance was never designed to cover everything about your health. That's why there's [dental insurance](#). And [vision insurance](#).

Enter supplemental insurance.

It's not trying to replace health insurance. And it's not trying to step in for dental and vision coverage either.



Instead, it's a booster for your employees' existing coverage, helping fill in gaps where their other forms of insurance may leave them vulnerable. Supplemental coverage can give people more robust protection than what health insurance gives alone.

And it's not just your employees who have additional protection with supplemental insurance. In a recent survey of 1,200 business decision-makers such as yourself, 50% said that offering supplemental insurance helps them recruit employees, and 60% said it helps them retain employees. Additionally, in a recent survey of over 2,000 employees, 70% of those enrolled in supplemental insurance said they are extremely or very satisfied with their benefits package — a difference of 28 percentage points from those who are not offered the plans.<sup>5</sup>

Some things just go together — hands and gloves, pen and paper, burgers and fries. Health insurance and supplemental insurance are one of those combos.

**Want to level up your employees' protection? Check out [Aflac's supplemental insurance products](#) — then contact your Aflac benefits advisor or visit [Aflac.com/business](#).**

<sup>1</sup> Medical News Today. "What is health insurance?" Updated 6.6.2021. [Accessed 9.2.2021](#).

<sup>2</sup> Bankrate. "What is health insurance?" [Accessed 9.2.2021](#).

<sup>3</sup> Verywell Health. "How Obamacare Changed Employer-Sponsored Health Insurance." Updated 2.21.2021. [Accessed 9.2.2021](#).

<sup>4</sup> CNBC. "How the Affordable Care Act transformed our health-care system." Updated 12.29.2019. [Accessed 9.2.2021](#).

<sup>5</sup> Aflac. "Aflac WorkForces Report: Workplace Benefits Trends Executive Summary." Published September 2020. [Accessed 9.2.2021](#).

This is a brief product overview only. Coverage may not be available in all states. Benefits/premium rates may vary based on plan selected. Optional riders may be available at an additional cost. Policies and riders may also contain a waiting period. Refer to the exact policies and riders for benefit details, definitions, limitations and exclusions. For availability and costs, please contact your local Aflac agent/producer.

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Notice: Dental and vision benefits are not considered minimum essential coverage for pediatric dental or vision plans in accordance with the Affordable Care Act (ACA). Aflac's insurance plans are not an alternative for comprehensive health insurance.

Applies to Policy Series QN81000. In Idaho, QN81100MID. In Oklahoma, policy form QN81100MOK. Applies to Policy Series QNV1000. In Idaho, QNV1100MID. In Oklahoma, policy form QNV1100MOK.

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