Canadian Life & Health Insurance Association
Association canadienne des compagnies d'assurances de personnes

Canadian Life & Health Insurance Facts

2026 EDITION

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Association canadienne des compagnies d'assurances de personnes

Supporting a stronger, more resilient Canada

In a time of economic uncertainty and growing global competition for investment, Canada's life and health insurers continue to make a significant contribution to the economy while supporting the health and financial security of Canadians.

Life and health insurers are among the country's largest investors in long-term assets in Canada. In 2025, they held nearly **$1.3 trillion** in assets domestically and over **$1.6 trillion** in assets internationally. Insurers also contributed **$12.7 billion** in taxes to federal and provincial governments and employed more than **180,000** Canadians.

Insurers held **$108 billion** in provincial, territorial, and municipal government bonds and an additional **$25 billion** in federal government bonds. They hold **$51 billion** in domestic infrastructure, including projects related to transportation, energy, and communication networks. As Canada's need for investment continues to grow, the industry remains well positioned to provide the long-term capital needed to support this growth.

Beyond their economic contribution, insurers provide financial protection and access to care to millions of Canadians. The industry supported nearly **30 million** Canadians with **$83.8 billion** in benefits through retirement and savings plans, **$18.3 billion** in life insurance benefits along with **$54.7 billion** for disability, supplementary health, accident and other benefits.

Most Canadians don't think about their health benefits as part of the healthcare system. Health insurance provides access to prescription drugs, mental health support, dental, vision, and paramedical care. On their own, these may seem like small moments of care but when added together over millions of Canadians, they're part of something bigger, more people accessing care earlier, more support outside already strained settings, and less pressure on Canada's healthcare system.

Prescription drug costs continued to account for the largest share of health benefits at **$18.1 billion**. Claims for paramedical services, including physiotherapy and mental health, increased by **9 per cent** as demand grew for services that support ongoing physical health and well-being. **Eleven million** Canadians had disability coverage, receiving **$10.5 billion** in benefits to help replace wages when they were unable to work.

Protecting access to these benefits is equally important. Through education, detection, and industry-wide collaboration, insurers are working to prevent increasingly sophisticated benefits fraud and help keep health insurance plans accessible and affordable.

This year's *Canadian Life & Health Insurance Facts* shows Canada's life and health insurers continue to be there for Canadians. Together, with the investments that help drive economic growth, along with the millions of individual moments of care our industry provides, they add up to something bigger: a stronger, more resilient Canada.

Stephen Frank
President and CEO

In 2025, Canada's life and health insurers...

- Invested **$51 billion** in Canadian infrastructure, including projects related to transportation, energy, and communication networks.
- Contributed **$12.7 billion** in federal and provincial taxes.
- Supported Canadians with **$157 billion** in life, health and retirement benefits, which is 10 per cent higher than the previous year.
- Provided more than **$18 billion** in prescription drug coverage, up 44 per cent in five years, helping Canadians access the medications they need and stay on treatment.
- Paid **$18.3 billion** in life insurance benefits.
- Managed private pension assets valued at over **$470 billion** helping Canadians build greater retirement security.

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Industry Profile

CLHIA's Member Companies

CLHIA's **66 member companies** account for 99 per cent of Canada's life and health insurance business.

They include **five types of insurers:**

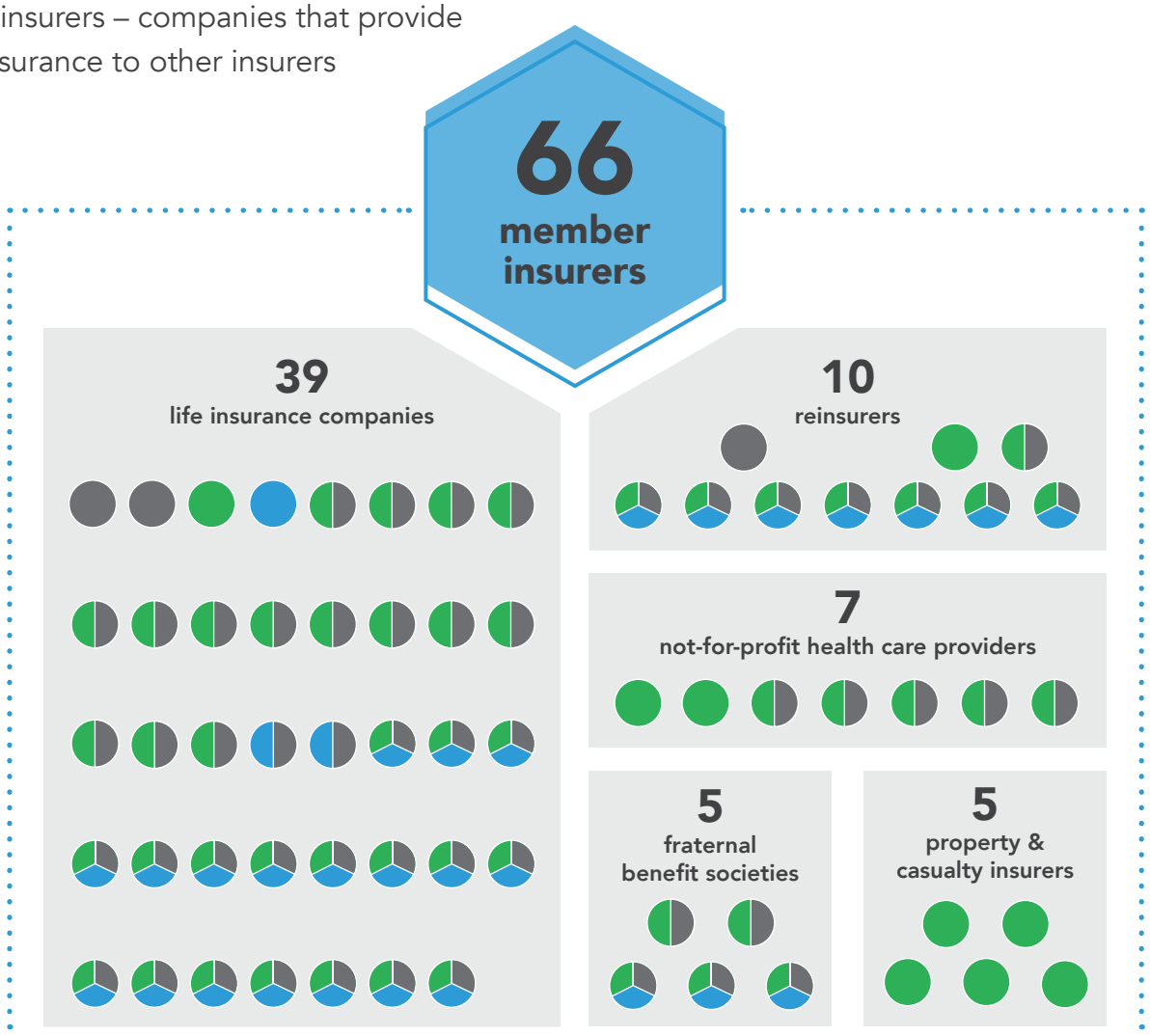
- life insurance companies
- not-for-profit regional health benefits providers
- fraternal benefit societies
- property and casualty insurers who offer health insurance products
- reinsurers – companies that provide insurance to other insurers

What CLHIA's members offer

These companies and their subsidiaries offer products across **three main lines of business** that are profiled in this edition:

- Life insurance products
- Health insurance products
- Retirement solutions

Some insurers offer all three business lines, while others offer one or two.



Disclaimer: This chart is not representative of the relative business lines within a given company.

CLHIA's Member Companies

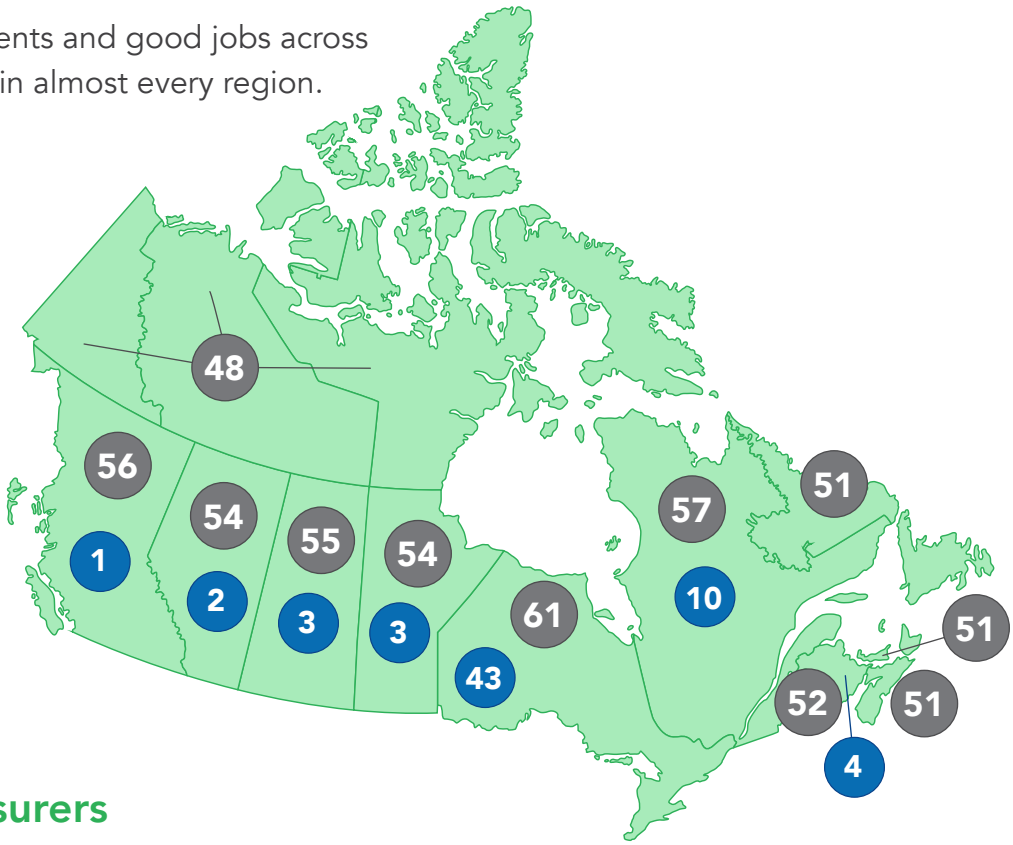
Where our members are

Our members provide investments and good jobs across Canada and have head offices in almost every region.

Insurers operating in the province / territory

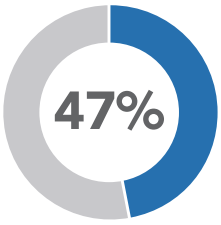
Insurers headquartered in the province

For a list of CLHIA member companies, visit clhia.ca/members

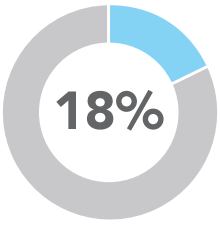


Strong and reliable insurers

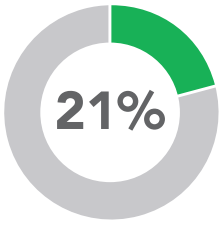
CLHIA's members include some of the longest continually operating companies in Canada. More than a third have been providing insurance for 100* years or more.



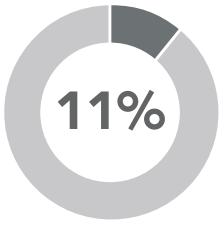
in operation 100 years or more



in operation 75 to 99 years



in operation 50 to 74 years



in operation 25 to 49 years

Our members give back to their communities

Canadian life insurers support charitable initiatives, particularly in the areas of health and wellness, social services, and disaster relief.

$60 million donated in 2025

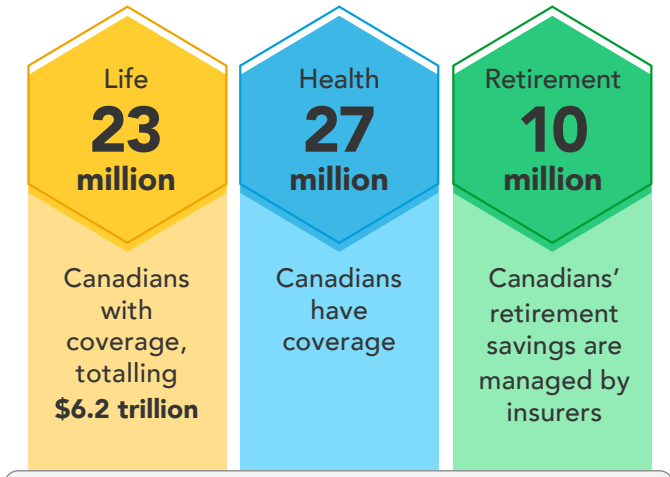
**These figures are based on a current review of our member companies' incorporation dates and reflect their years in operation as of 2026.*

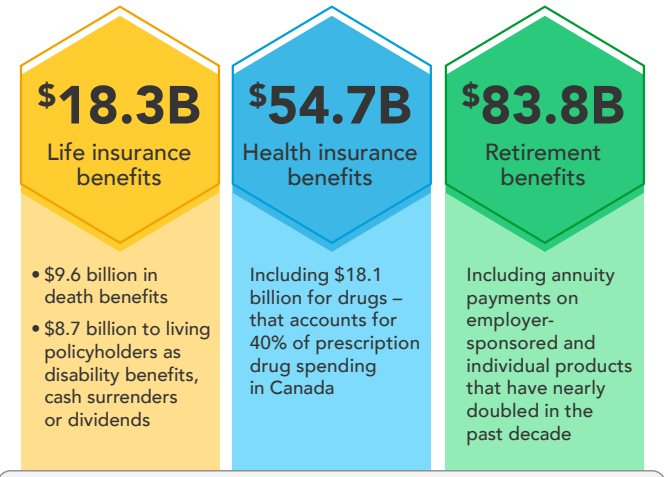
The Canadian Life & Health Insurance Marketplace

Canada's life and health insurers provide financial protection for nearly 30 million Canadians

In 2025, life and health insurers supported Canadians with **$157 billion in benefits** while providing a high degree of customer satisfaction.

Total benefits paid for life, health and retirement have increased **86 per cent** from a decade ago.





Coverage

In 2025, life and health insurers provided financial protection for nearly

30 million Canadians

Benefits

In 2025, life and health insurers supported Canadians with

$157 billion in benefits

How insurance is sold

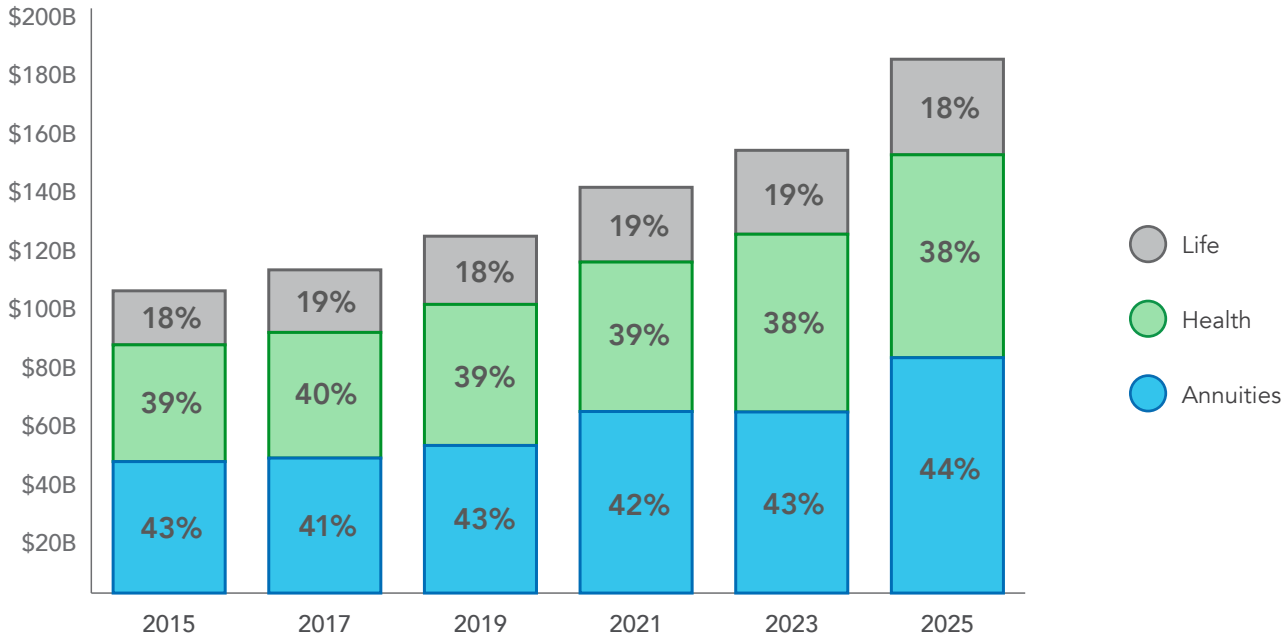
Life and health insurance products are sold as:

Group plans which provide coverage for a group of people – employees, or members of a union or association – under one contract.

Individual policies which provide coverage for one person or a family.

Life and health insurers collected $183 billion in premiums

Total premiums and annuity contributions increased $15 billion to $183 billion in 2025.* This was led by annuities (including segregated funds), up 10.5 per cent; life insurance, up 10.4 per cent; followed by health insurance**, up 6.5 per cent.



Insurers are focused on customer satisfaction

Insurers process hundreds of millions of claims annually, yet according to the OmbudService for Life and Health Insurance only about one in every 100,000 claims results in a complaint.

** Includes premiums of $3.9 billion from foreign branches operating in Canada.*

*** Based on revised health insurance premiums for 2024*

Lines of Business

Life Insurance

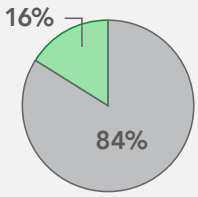
Life insurance

provides financial security to beneficiaries when an insured person dies. Benefits are often used to replace income, pay a mortgage or other debts of the deceased, or contribute to an estate.

Sold as

Most life insurance - **84 per cent** - is purchased by individuals through an agent or advisor.

2025 life insurance premiums



$32.7B

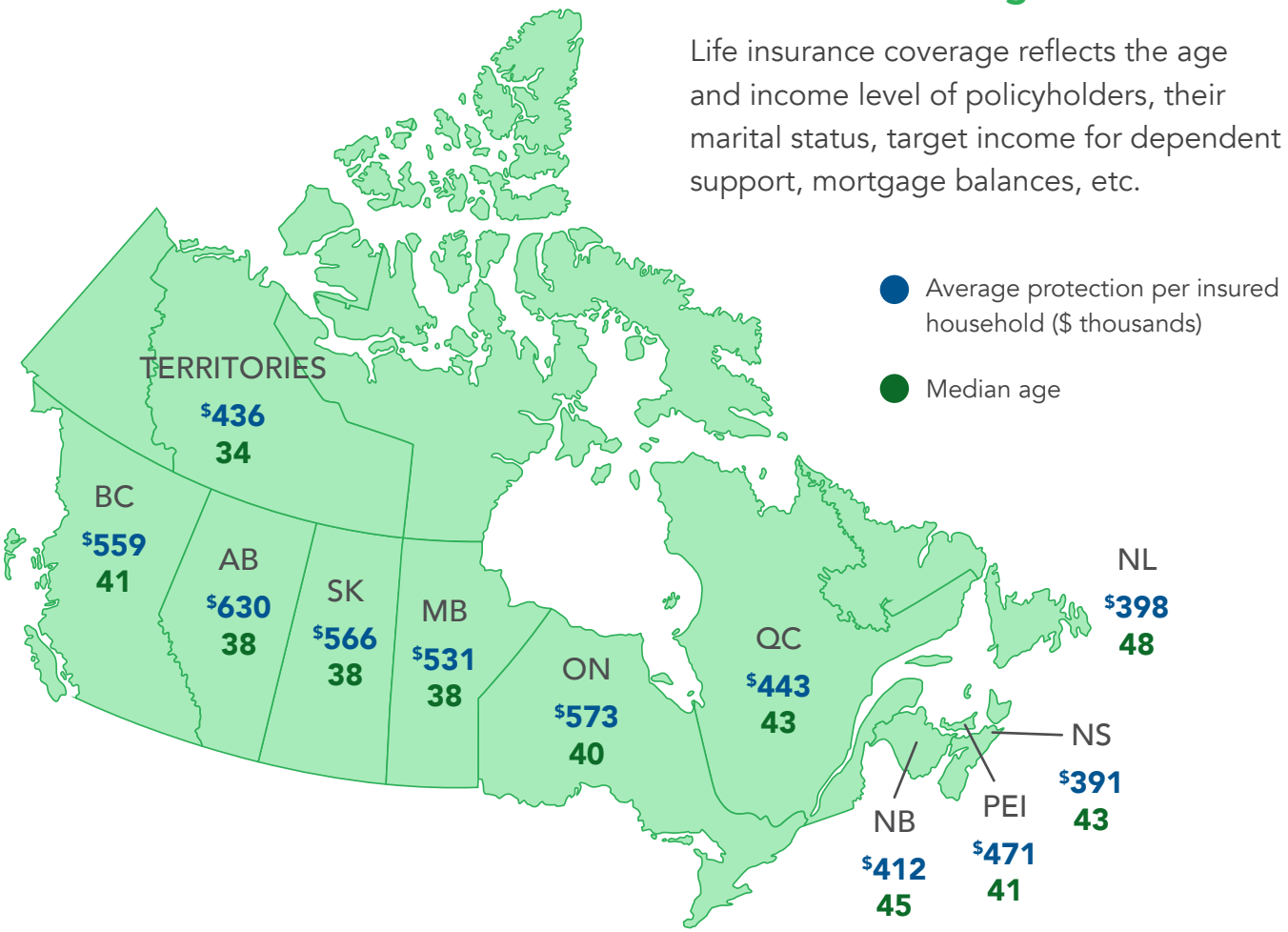
- Individual policies
- Group plans

Related products

Supplementary benefits, such as payments on accidental death, disability, critical illness – or a waiver of required premiums upon disability – can be added to life insurance products.

Protection and age breakdown

Life insurance coverage reflects the age and income level of policyholders, their marital status, target income for dependent support, mortgage balances, etc.



23 million Canadians own $6.2 trillion in life insurance coverage

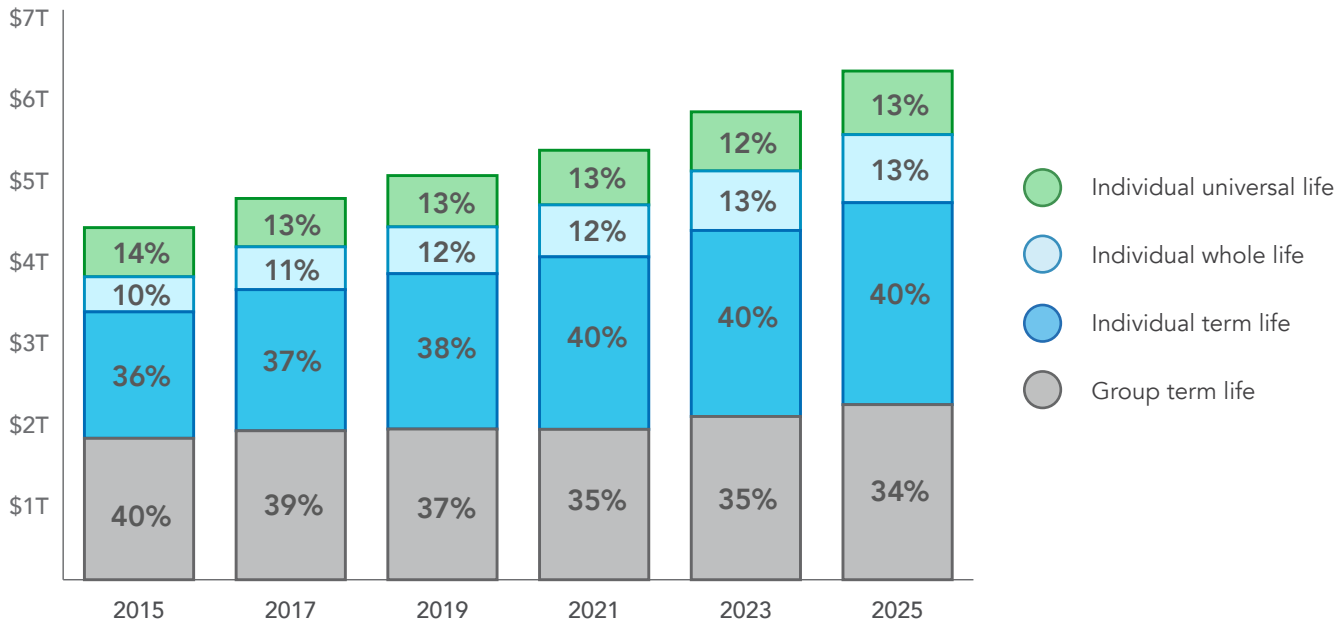
Total coverage has increased steadily over the past decade. The increase may be due to individuals needing to cover larger mortgages and a higher cost of living.

The average life insurance protection per household in Canada is **$533,000**.

That's up from **$509,000** in 2024 and approximates five times household income.

Individual life coverage continues to grow

Individual life insurance now equals **66 per cent** of the value of total policies in-force, up from 60 per cent in 2015 – driven primarily by term life insurance.



Health Insurance

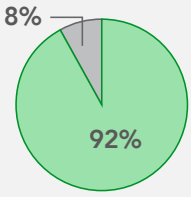
Health insurance

provides coverage for hospital and medical expenses not covered by public health plans, such as prescription medicines, vision care, dental care and mental health supports. This type of insurance can also provide income replacement for those unable to work due to disability.

Sold as

Ninety-two per cent of health insurance is purchased through a group plan.

2025 health premiums



$69.4B

- Individual policies
- Group plans

Related products

Supplementary health insurance; travel insurance; critical illness insurance; disability insurance; accidental death and dismemberment insurance; and healthcare spending accounts.

Workplace benefits helped 27 million Canadians access the medications they need

For many Canadians, having benefits means being able to fill a prescription when they need it and stay on treatment over time. Through workplace benefits, **27 million** Canadians can access a wide range of prescription drugs, including specialty medications to treat serious, chronic, and complex health conditions which allows them to receive treatment earlier, and prevent conditions from becoming worse, requiring more intensive care.

Drug claims grew by about 7 per cent in 2025. Drugs to treat inflammatory conditions, diabetes, asthma, chronic obstructive pulmonary disease, as well as cancer, accounted for over a third of all drug benefits paid*.

Express Scripts. 2026 Drug trends report

Helping Canadians afford high-cost prescription medication

Some medications can cost upwards of $50,000 annually. Through the Canadian Drug Insurance Pooling Corporation (CDIPC), many CLHIA members work together to pool these costs across multiple plans, helping maintain access to coverage.

In 2025, the 21-member insurance companies belonging to CDIPC's high-cost drug framework provided Extended Policy Protection Plans (EP3s) to almost 19,000 small- to medium-sized employers who had at least one employee with annual drug costs exceeding $10,000. This EP3 framework is one of the world's only privately funded and managed solutions to pool high-cost drugs.

High-cost drug inflation outpaced the Consumer Price Index for 2025 by almost 400 per cent. Despite this, CDIPC member companies continue to help Canadians access expensive medications by pooling the cost of high-cost drug claims, protecting individuals and families from significant out-of-pocket expenses.

CDIPC at a glance

EP3s benefited almost **44,000** employees and their families, whose annual drug claims exceeded $10,000.

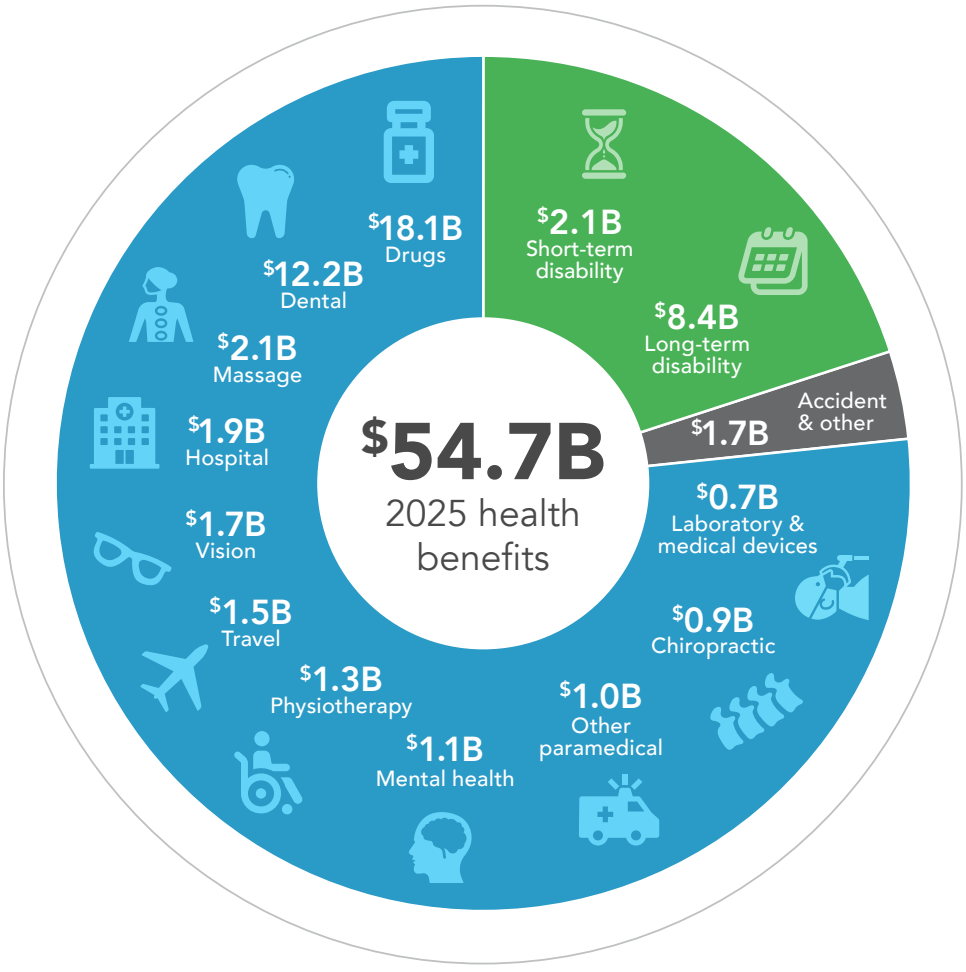
CDIPC's pooling framework of member companies eliminated over **$1.12 billion** in out-of-pocket expenses for high-cost drugs while maintaining the affordability of benefits plans for small- to medium-sized employers.

60 new high-cost drugs were made available through the pool in 2025.

Health benefits help support better outcomes, strengthen access to care and contribute to a more resilient healthcare system

Nearly **70 per cent** of Canadians rely on workplace health benefits to help cover healthcare costs and access the care they need. In 2025, Canada's life and health insurers supported Canadians with **$54.7 billion** in total health benefits, up 4.1 per cent over the previous year. This included **$42.5 billion** for prescription drugs, dental, mental health support, and other paramedical services.

2025 health insurance benefits by coverage type



Supplementary health
$42.5 billion
27 million individuals

Disability
$10.5 billion
11 million individuals

Accident & other
$1.7 billion
20 million individuals

Protecting health benefits through industry collaboration and an anti-fraud program

Preventing fraud is a vital way to help keep benefit plans accessible, affordable and reliable for 27 million Canadians who depend on them. Fraud schemes are becoming increasingly sophisticated and organized. Common examples include false claims, billing for services that were never provided, and other forms of abuse. When fraud occurs, it can reduce the coverage available to Canadians, drive up premiums, and make health insurance plans less affordable for individuals, families, and employers.

The CLHIA currently supports three collaborative tools that enhance insurers' own fraud detection programs. These tools include a shared registry of provider alerts, industry wide pooling of de-identified claims data to allow the identification of suspicious activity, and a framework for joint investigations between insurers.

Anti-fraud program impact through 2025

Education campaigns about how to recognize benefits fraud and abuse reached more than **15 million** Canadians and were seen over **18 million** times.

Over 750 alerts about potential fraud involving over **1000 entities** were recorded in our alert registry.

Data from over **205 million claims** was analyzed using artificial intelligence and generated over **17,000 alerts** for potential fraud.

Collaboration with insurers resulted in over **100 joint investigations** of suspected provider fraud.

How impact has grown since 2024

Shared registry of provider alerts

50% more alerts shared

De-identified claims data

31% increase in actionable alerts

Joint investigations between insurers

150% increase in joint investigations

Retirement Solutions

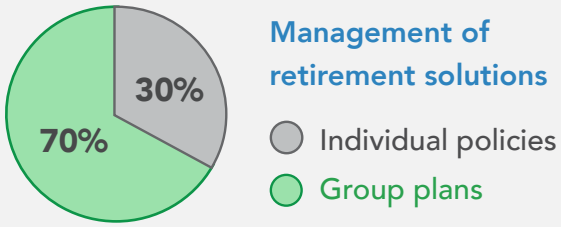
Retirement Solutions

Canada's life and health insurers play a major role in helping Canadians save for retirement by offering both **group retirement savings plans** through employers and other group sponsors and **individual retirement solutions** directly to Canadians.

Offered as

RRSPs; TFSAs; Defined Contribution pension plans; Deferred Profit-Sharing Plans; non-registered savings plans; Pooled Registered Pension Plans, and Voluntary Retirement Savings Plans in Quebec.

Life and health insurers also offer risk management, investment solutions and payment solutions for Defined Benefit (DB) pension plans.



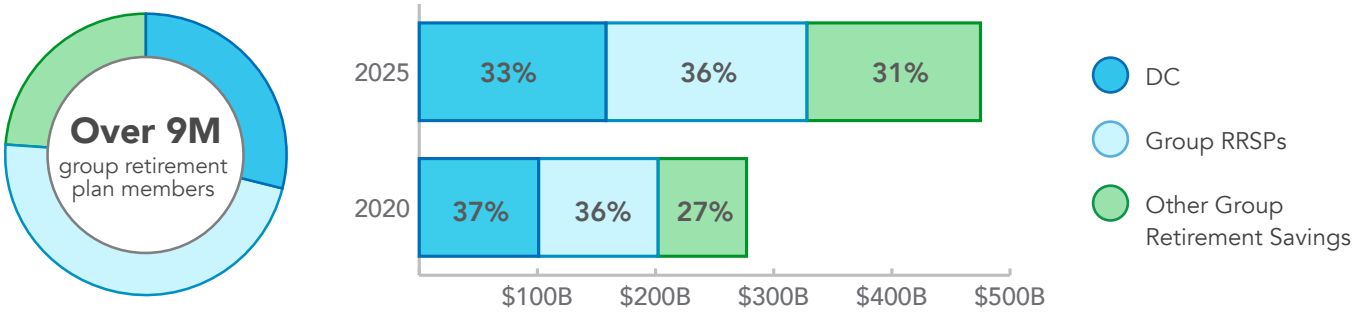
Helping Canadians build greater retirement security

In 2025, CLHIA members managed **private pension assets** valued at **over $470 billion.**

Of small- and medium-sized businesses that offer group retirement savings plans, over **eighty-five per cent** provide Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSAs) to their employees through life and health insurers.

Insurers are among **Canada's largest providers of workplace retirement programs** and play a significant role in reducing the administrative burden on employers that offer retirement programs.

Insurers manage over $470B in assets for group retirement plan members



Workplace retirement plans managed by insurers are beneficial to employers and other group sponsors

Plans administered by insurers help Canadians build retirement savings through automatic payroll deductions, employer/member contributions, and access to diversified investment options. By pooling assets across plan members, these plans can offer lower costs, professional oversight, and tools to support better financial decision-making.

Workplace retirement plans can offer Canadians a key advantage

For workplace retirement plans, employees generally own their assets directly. When they leave an employer, they can typically transfer the balance to a personal RRSP or TFSA, a new employer's plan if permitted, or a Registered Retirement Income Fund (RRIF) at retirement.

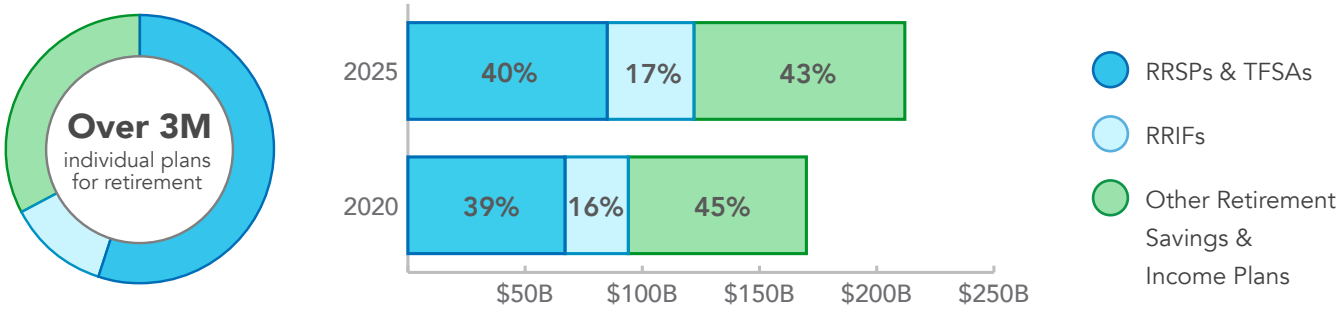
This portability gives employees the ability to consolidate their retirement savings into one place rather than having multiple small accounts that could be harder to track in the future.

Insurers offer individual retirement solutions to meet the needs of retiring Canadians

Increasing life spans, the trend away from DB pensions and lower and more volatile investment returns make saving for income security throughout retirement a challenge for Canadians.

Insurers offer products to convert retirement savings into guaranteed income. Traditional annuity products and other innovative solutions provide an excellent way of meeting retirement needs by managing volatility and longevity risks.

Insurers manage over $210B in assets for individual plans



Segregated funds

This uniquely Canadian life insurance industry product combines **investment growth with insurance protection** when offered through an individual annuity contract. They are offered as individual retirement and investment solutions, and within certain group retirement arrangements.

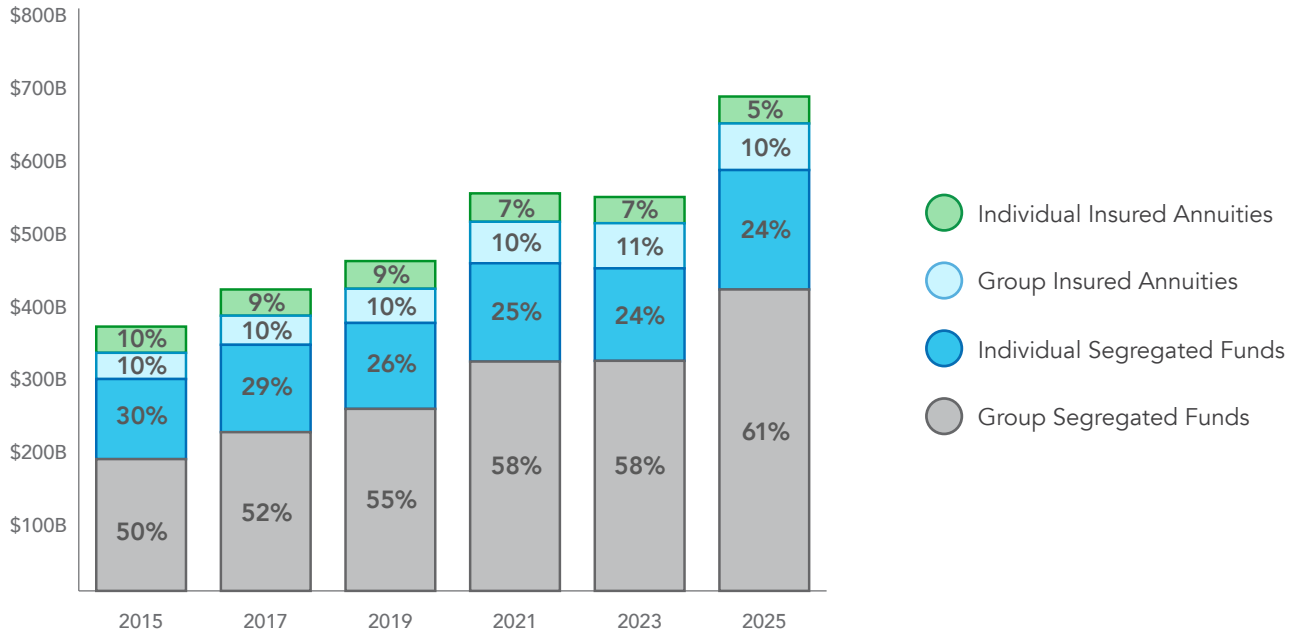
They are commonly used as an investment solution for group and individual products within:

- RRSPs
- TFSAs
- RRIFs
- Life Income Funds
- Non-registered savings plans

85%
of assets are invested in segregated funds* – up from 80% a decade ago

Building financial wealth through group and individual plans

Insurers manage over $680B assets for retirement savings and income plans.

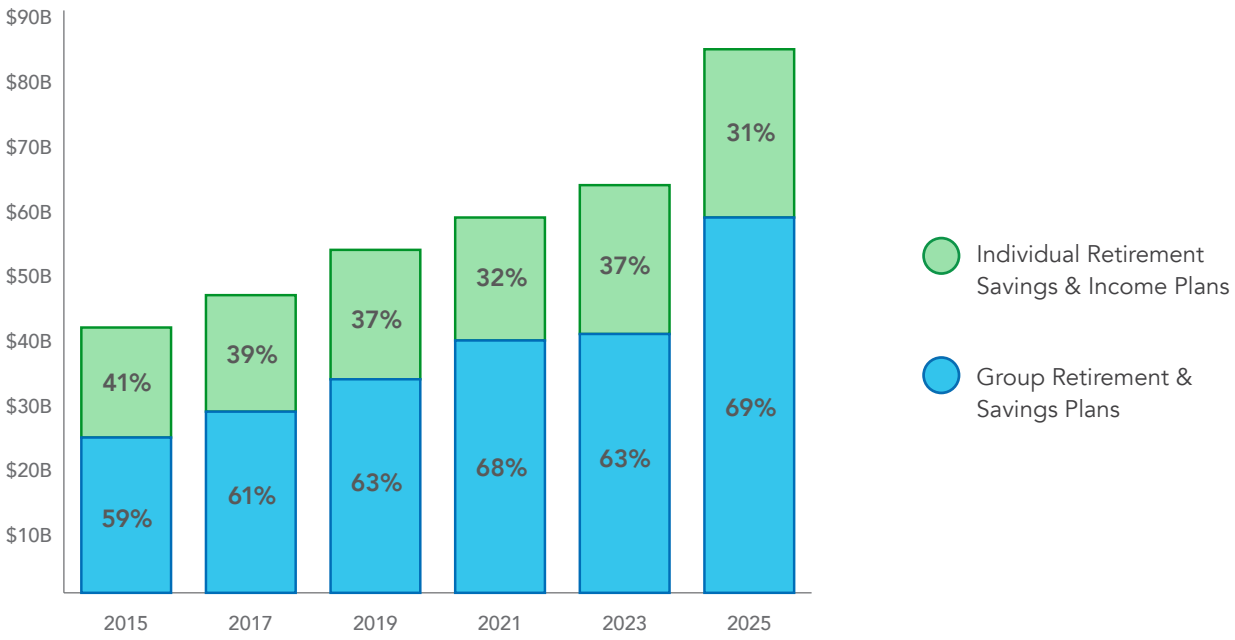


** See "How Insurers Invest"*

Retirement Solutions

In 2025, insurers supported nearly 10 million Canadians with $83.8 billion in benefits

- Group plan members received **$57.7 billion** in benefits.
- Individual plans received more than **$26.1 billion** in benefits.



Since 2015, benefits have increased at an average rate of **7%** per year

84% of benefits are provided through segregated funds

Glossary

Life insurance

Term insurance provides cost-effective, temporary coverage. Premiums typically increase over time in five, 10 or 20 year "steps". Term insurance usually provides a right to convert to permanent insurance with the same insurer without further underwriting, providing consumers with the ability to adjust coverage features to address long-term needs.

Permanent insurance – such as universal life or whole life – meets life-long protection needs. In addition to death protection, cash values are accumulated and can be used for financial emergencies, or to supplement retirement income. Premiums can be paid over a set number of years or for life.

Whole life insurance is a type of permanent life insurance that provides coverage for your lifetime. It has fixed premiums and builds up cash value.

Universal life insurance allows consumers to select – and change – premium levels and investment options while the insurer assumes the risk related to death.

Health insurance

Supplementary health reimburses a variety of expenses, such as prescription drugs, dental, hospital and medical expenses that are not covered by provincial government plans.

Disability insurance helps replace lost income due to disability (frequently integrated with public pension plans, workers' compensation benefits and Employment Insurance), usually paying around two-thirds of earnings.

Accident & other insurance includes coverage for accidental death and dismemberment, long-term care and critical illness.

Retirement solutions

An **annuity** provides guaranteed lifetime income backed by an insurer. These products convert a lump sum of savings into a predictable income stream for life, or for a specified period, helping retirees manage the risk of outliving their savings. The monthly or annual payment is generally known in advance and remains stable, providing certainty and predictability for Canadians.

A **Variable Payment Life Annuity*** provides retirement income protection. This product pools investments and longevity risks from multiple retirees, which can result in higher expected income compared to traditional annuities and allow for continued income during their lifetime. However, the annual payments are variable – adjusted based on market returns and the mortality experience of the pool.

**Available only in Quebec*

Industry in Detail

How Insurers Invest

Insurers are a significant source of long-term investments in Canada

Over $1.1T

of stable industry investment is driving economic growth and innovation across Canada. What the industry earns from these investments helps reduce the cost of insurance for Canadians.

90%

of insurers' assets are held in long-term investments. The long-term nature of insurers' liabilities is especially well suited to financing infrastructure investments.

Insurers' investments support the economy and governments

$51 billion
Infrastructure investments

$108 billion
Provincial, territorial & municipal government bonds

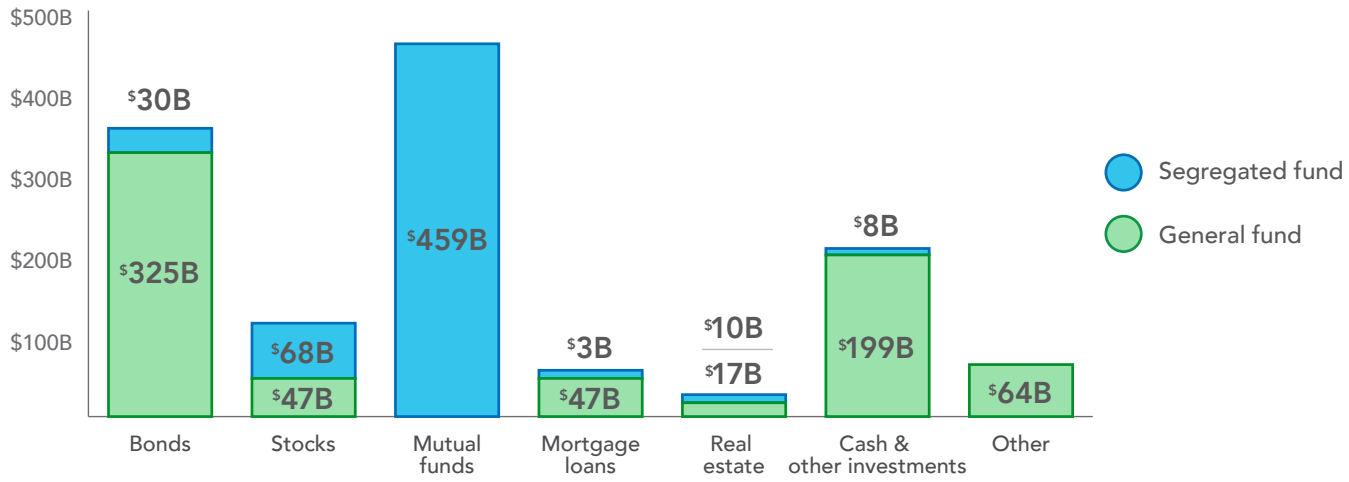
$25 billion
Federal government bonds

How Insurers Invest

Insurers' investments help cover future claims and contribute to Canada's economic growth

Segregated funds have grown at an annual average rate of **7.1 per cent**. Their share of total industry assets has increased from 38 per cent to **45 per cent** over the past decade.

General funds have grown at **4 per cent** annually over the past decade. General fund investments include amounts for policyholder benefits (expected future contractual claims), and other liabilities.



Canada's life and health insurers remain a pillar of financial strength and stability

In 2025, Canadian life and health insurers' total capital ratio* was **136 per cent****, significantly exceeding the regulatory supervisory target of 100 per cent.

With capital levels well in excess of the high standards set by regulators, Canadians can rely on life and health insurers to safeguard policyholders, clients, and creditors. This financial strength is a key reason why Canadians can rely on their insurers in times of need.

136%
total capital ratio

* *Measured as total capital resources (available capital, surplus allowance and eligible deposits) as a per cent of regulatory capital required to cover risks.*

** *136 per cent is for federally regulated life and health (re)insurers excluding fraternal benefit societies and life & health (re)insurers who operate in Canada on a branch basis.*

Insurers' Tax Contributions

Life and health insurers play an important role in supporting Canada's economy

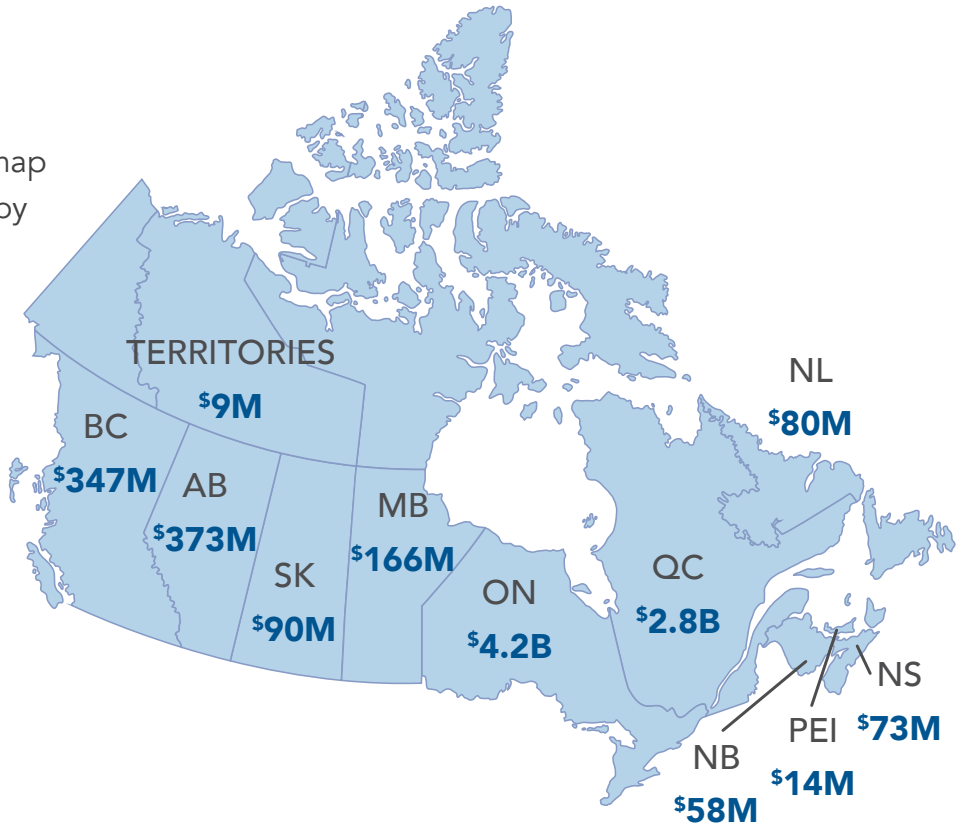
With operations across Canada and a strong economic footprint, life and health insurers continue to strengthen the economy by contributing **$12.7 billion** in taxes* supporting both provincial and federal governments.

	Federal	Provincial	Total
Taxes borne**:	$2.6B	$4.5B	**$7.1B**
Taxes collected***:	$1.9B	$3.7B	**$5.6B**
Total tax contributions:	$4.5B	$8.2B	**$12.7B**

Provincial breakdown

The amounts shown on the map are the total taxes collected by each province.

For a complete tax breakdown, visit: clhia.ca/facts



* *Nearly 50 per cent of total tax contributions are premium-based taxes which directly impacts the cost of insurance products in Canada. The industry's contribution is especially high for health insurance, accounting for about 50 per cent of value-add generated. See Piling On - How Provincial Taxation of Insurance Premiums Costs Consumers, C.D. Howe Institute.*

** *Taxes borne are taxes paid by insurers directly to governments.*

*** *Taxes collected are taxes that insurers collected from customers and employees and paid to governments on their behalf.*

International Operations

Canadian life and health insurers are trusted at home and around the globe

20
countries & territories

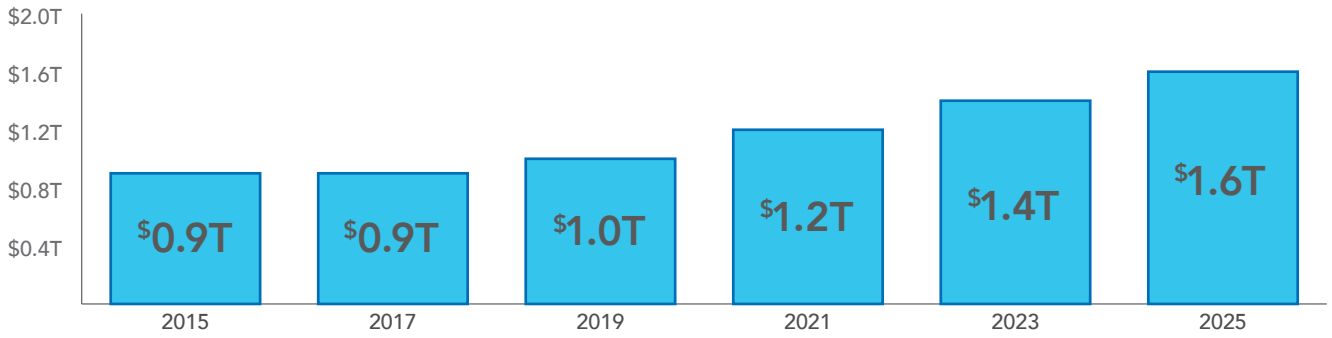
90 million
people protected outside of Canada

235,000
people employed outside of Canada

3
Canadian life and health insurance companies are among the largest in the world

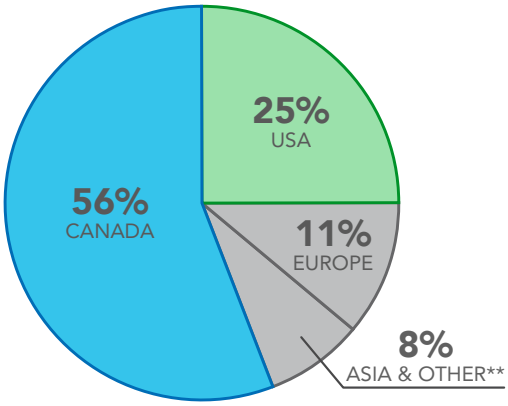
Canadian insurers continue to grow their international operations

Assets held by Canadian life and health insurers on behalf of all policyholders outside of Canada amounted to **$1.6 trillion** at the end of 2025, almost twice the level from ten years ago.



Source of insurance service revenue

International operations contributed **44 per cent** of the insurance service revenue* of Canadian life and health insurers in 2025.



** This is a measure as defined in IFRS 17 and has been used since 2023.*

*** Includes the Caribbean and Latin American countries*

For simplicity, we use the letters K, M, B, and T to refer to thousands, millions, billions and trillions, respectively.

Wherever possible, figures presented here relate to the Canadian life and health insurance business of companies of all national origins. However, where relevant, the numbers relate only to the worldwide business of Canadian companies.

Canadian Life & Health Insurance Association

Association canadienne des compagnies d'assurances de personnes

Canadian Life & Health Insurance Facts, 2026 Edition **presents authoritative, factual information about the life, health and annuity business of all federally registered and provincially incorporated insurance providers in Canada (including the health business of property and casualty insurers), unless stated otherwise.**

The sources of material for this publication include information from these insurance providers as well as relevant data from government agencies, regulatory bodies, and other associations. Their assistance is acknowledged with thanks.

The CLHIA is a voluntary association whose member companies account for 99 per cent of Canada's life and health insurance business. These insurers provide a wide range of financial security products including life insurance, annuities (including RRSPs, RRIFs and pensions) and supplementary health insurance to nearly **30 million** Canadians. They hold **nearly $1.3 trillion** in assets in Canada and employ **over 180,000 Canadians.**

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