



Five Things Washington's Best Employers Are Doing

Successful employee benefit strategies used by Washington's best employers and how every company can use them.

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It's easy to buy Ping-Pong tables and create a hip space to boost your company's recruiting and employee retention. Cultivating a culture that promotes employee engagement, satisfaction, and a shared sense of purpose is a much more difficult endeavor, but it results in creating some of the most sought after workplace environments. Further, organizations that are intentional about creating a rewarding and meaningful benefits plan fitting their culture are well received by their employees, and the best employers in Washington State are no exception. But what exactly makes a benefits plan "meaningful"? To answer this question, let's take a look at what the leading Washington employers are doing:

1 PROVIDE OPTIONS

Top companies strive to have a diverse workforce with correspondingly diverse health needs. A well rounded benefits plan supports these broad needs by offering options to employees. As the cost of medical insurance has rapidly increased in the last decade, the idea that one plan fits every health and risk profile is no longer true. Too often, companies only offer one medical plan, forcing most of the employees to either over- or under-insure themselves. Providing choice with at least a dual plan option gives people the flexibility to right-size their coverage; for example, a company may offer a Qualified High Deductible Health Plan with a Health Savings Account alongside a more traditional plan. Top companies are creative while considering budget constraints and employee demographics, allowing them to offer a more tailored benefits package instead of a one-size fits all approach.

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2 SUPPORT DECISIONS WITH DATA

Every company is competing for the best talent; attractive employee benefits play an important role in recruiting and retaining a skilled workforce. The mistake many companies make is not using data to compare the quality of their benefits programs to peer companies. There are several benchmarking reports available that can be broken down by geography, size of company, and industry. This is information your employee benefits consultant should already be providing for your review. Additionally, surveying employees' to assess their benefits satisfaction can yield additional valuable data. Examples of meaningful findings can include your employees' general satisfaction, whether or not a current and expensive benefit isn't being utilized, and if implementing a more affordable option would be beneficial to the company and the employee.

3 HAVE A WELLNESS STRATEGY

People spend more time at work than anywhere else, so whether or not a company wants to play a role in their employee's health, they will. Best workplaces have a culture that encourages positive physical, mental, and financial health. Healthier employees have better productivity and attendance, less absenteeism, and a higher tenure. Top companies are forward thinking and use value based design plan strategies, which reduces the cost of receiving proactive care and helps avoid catastrophic healthcare crises (after all, 70% of healthcare cost is related to lifestyle disease and illness). Another approach to wellness can be small and inexpensive steps encouraging healthy lifestyles, such as a tobacco surcharge or rewards for increased health awareness by completing a biometric or health risk assessment. The Affordable Care Act allows companies to use 30% of their premiums to incentivize healthy behavior. Like it or not, companies play a role in the health of their employees. Establishing a work culture that fosters healthy habits will serve your population well as you grow. Is your company helping employees live healthier lives?

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4 EDUCATE EMPLOYEES OFTEN

On average, an employee's paycheck only represents 80% of their total compensation. Considering it represents up to 20% of their income, few people confidently understand how their benefits work. All companies educate their employees during onboarding and annually at open enrollment; but best workplaces also do so throughout the year. Utilizing monthly themes can help employees understand how to take advantage of their benefits, by covering topics

such as how to become a better healthcare consumer or how their company sponsored benefits fit into their retirement planning. Now with more choices available, it is vital to equip employees with information and tools to better understand benefits. Employees will appreciate what they understand. How well do your employees understand their benefits?

5 HAVE AND SHARE A MULTI-YEAR PLAN

Top companies have clearly defined goals and a strategic plan to achieve them. Often, the cost of employee benefits is a top five line item expense, if not the highest behind payroll. Organizations need to share a long-term strategy with their employees that also align with company growth and goals. There are more strategies available than ever before to help companies offer strong benefits and create better users. Many are based on how claims are financed, networks with steverage incentives, pricing and quality transparency tools, and education. Top companies have developed a longer term strategic approach to their benefits package rather than making hasty decisions during the renewal cycle. Does your company have a plan through 2020?

Creating an attractive and valuable benefits plan can be a daunting task, but will yield positive results for both employer and employee. An experienced and trusted benefits consultant can help put you on the right path, like other outstanding Washington employers.

Parker, Smith & Feek is a full service brokerage firm providing commercial insurance, risk management, surety, benefits, and personal insurance solutions. Walt Winter is Vice President and an Employee Benefits Executive at Parker, Smith, & Feek and leads the firm's Technology Practice Group. You can reach him at (425)-709-3764, or wrwinter@psfinc.com



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