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## BENEFITS

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### HOW TO TURN OPEN ENROLLMENT INTO A WIN-WIN

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Employees often spend more time researching which smart phone to buy than they do insurance plans during open enrollment, even though medical premiums and cost sharing can mean thousands of dollars out of a family's budget. According to Aflac, 46% of U.S. employees devote 30 minutes or less to the once per year task of signing up for benefits. Nine in ten employees choose the same benefits year after year, and this causes 42% of employees to waste up to \$750 annually because they do not choose the plan that is most beneficial to them.

Employers know that improving benefit offerings and effectively communicating those benefits help attract and retain top talent. Human resource departments are busier than ever and rely on their benefit brokers and/or consultants to help determine a communication plan and execute it. Your marketing campaign should include measurable goals that consider employee demographics, and create messaging based on those factors. Different generations prefer different methods of communication. Baby boomers often still gravitate towards face-to-face meetings or phone calls, whereas millennials tend to favor engaging via email, videos, or text messages. One

company is even using Twitter and Snapchat to send out open enrollment links and increase awareness of deadlines. Because companies are multi-generational, a strategy that incorporates a wide variety of media will be most successful. A strategy that contacts employees at least three separate times with three separate methods is more likely to raise awareness and maximize the perceived value of the benefits package.

As benefit plans become more complex and have more choice, the enrollment strategy becomes more complex. Face-to-face meetings, whether one-on-one or in groups, always offer the most employee engagement and comfort in understanding the benefit plans and how they might affect their families. If face-to-face meetings are not feasible, alternatives include call centers, co-browsing enrollments, and web-based enrollments. Many employers choose to work with enrollment firms that specialize in increasing enrollment and education by offering more than one type of method. These enrollment firms and systems provide consistent communications, daily enrollment reporting, and data feeds that simplify the process for the employer.

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Companies are now offering decision support tools that take an employee's demographic information, lifestyle information, and past medical plan and prescription medication usage to make recommendations as to which plan is most advantageous for each employee. These tools can show the total cost of each plan, including the premium and potential out-of-pocket costs like deductibles, coinsurance, and out-of-pocket maximums. Employees have more options than ever before, but the right tool can make it much easier to compare and purchase health plans. Choosing the right plan can save money and can help an employee feel more comfortable knowing they made the decision that is right for their family.

Gone are the days that an employee started with one company and stayed with that company until retirement. Costs are on the rise and aren't slowing down, so many employers are taking cost-cutting measures just to continue offering benefits. Because of rising costs and the transitory nature of employment, voluntary benefits that an employee can take with them from employer to employer are becoming more popular. Even though the employer doesn't contribute to the premium for voluntary benefits, the employee trusts that the employer has vetted the insurance

company, the price, and the quality of the plans offered. Voluntary plans such as accident insurance, critical illness insurance, and hospital indemnity/medical gap insurance allow employees to choose a plan that fits with their lifestyle, budget, and health needs. Younger employees may choose a higher deductible but add an accident plan that would cover the costs if something happened to them while climbing Mt. Hood (or during any other weekend warrior activity). Additionally, different coverage combinations tend to be more appropriate at various life stages. For example, young families often purchase higher amounts of term life insurance while older employees tend to purchase long term care insurance.

Employers that engage with their employees year-round with a steady flow of information will find that their employees are more comfortable during open enrollment as they are more educated about offerings and all benefits available. Employees who are confident that they are making the best decisions for their family's health and financial future are happier and more productive employees. An experienced benefits broker can help plot out an effective and meaningful communications plan for your employees.