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Benefits Refresh: Keeping Pace with the Evolving Workplace

Data-driven personalization and customization are critical tools for adapting benefits strategies to employees' changing needs.

The pandemic has changed the structure of the workplace in lasting ways. About half of all workers—on average—had returned to the office by July 2021. Like any other workplace shift, remote, hybrid and flexible work environments have led to changes in employees' benefits needs. Employees are looking for benefits and perks like flexible time off and support for mental health and well-being.

Employers can take cues from employees to help them adjust and update their benefits packages. But to be most successful in providing benefits that attract and retain the best talent, employers should leverage data their brokers and insurance carriers can provide alongside their recommendations.

Arizent partnered with Ameritas to survey HR professionals to find out what benefits they offer and what tools they use to plan and adjust benefits packages. We'll take a look at the results, and get some advice from Ameritas about what data to use when planning benefits for the upcoming year.

Understanding benefits challenges, priorities and options

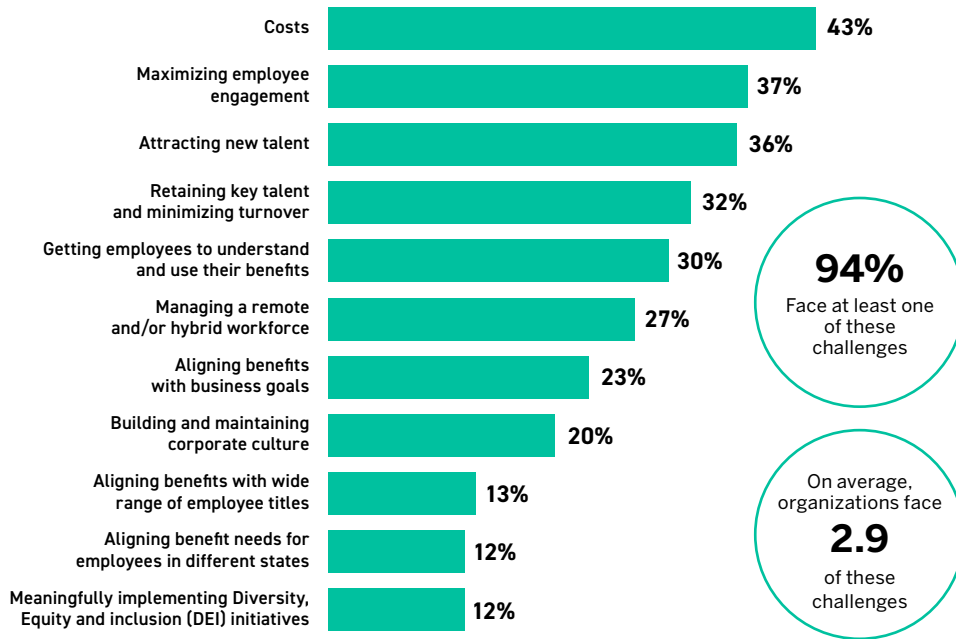
One thing not changed by the pandemic is that employers continue to look for ways to offer comprehensive and relevant benefits while maintaining their budgets. Among their biggest challenges in the coming year, HR professionals cite benefit costs, maximizing employee engagement and attracting and retaining new talent (see Figure 1).

To manage and address these issues, many employers are not only increasing budgets, but are also turning to employee perks such as fun days and redesigned office spaces for safety

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and flexibility. In addition, they are offering flexible work schedules and structures that align better with employee needs. Employers are looking at their current benefit offerings and finding ways to make them more appealing in a hybrid work environment.

Figure 1: Biggest Employee Benefits Challenges Facing Organization, Next 12 Months



Source: Arizent/Employee Benefit News, July 2021

To that end, nearly half of respondents say their organizations have increased telecommuting options, medical benefits and well-being programs over the past 12 months. These professionals indicate that this trend is likely to continue. The companies will not only retain their focus on well-being programs and retirement benefits, but will enhance vacation time and offer paid community volunteering opportunities.

Using better data leads to better benefits decisions

To help them determine what benefits to offer, organizations turn to a variety of information sources, with budget analysis and employee surveys being used most frequently (see Figure 2).

While these sources of information are useful, many employers are not considering all the data at their disposal—or more important, the best data—to make holistic decisions. For example, only one in five respondents report that they use claims analysis or carrier recommendations based on how employees have used benefits to make benefit decisions for the future.

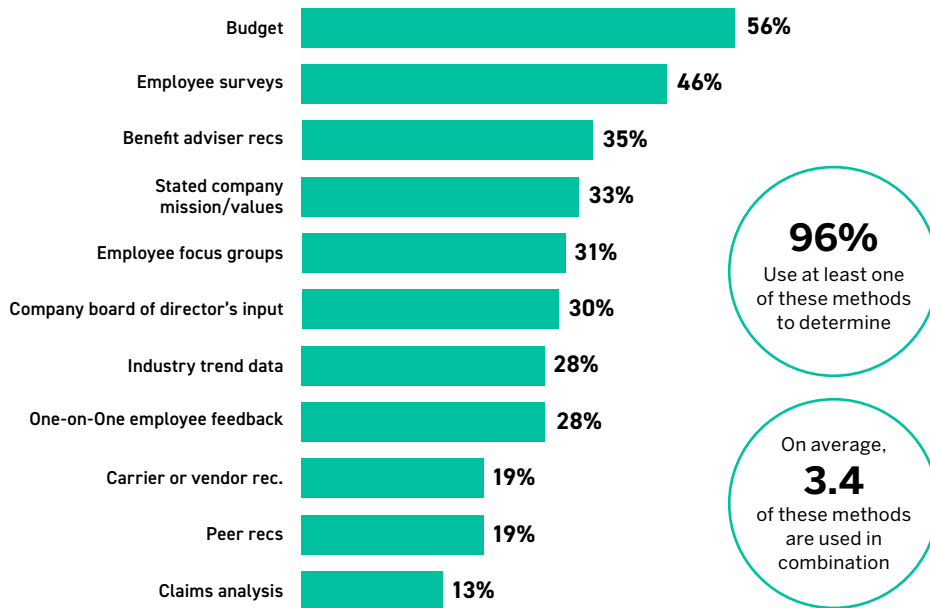
Reviewing actual benefits usage can tell employers not just what employees are engaging with, but also the options they may be overlooking. With that information, HR professionals

AMERITAS TIP:
Employers can ask benefits brokers and insurance carriers to provide detailed reports that show how employees have used their benefit plans.

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can partner with benefits brokers and carriers who can help them decide how best to adjust their plans. Whether employers are looking to offer richer benefits or lower plan costs, detailed report data can help. This data may also reveal the need to adjust benefits communications so employees get the most from their benefits if they aren't using some of the options.

Figure 2: Decision Factors for Benefits Offerings



Source: Arizent/Employee Benefit News, July 2021

Some survey respondents point to an interest in better comparison or analysis tools to benchmark their benefits packages against other employers. They want to compare the benefits they offer with those of average and best-in-class companies of a similar size or in the same industry. Fortunately, this is a wish that many brokers and carriers can help grant, and would be another valuable tool in the HR professional's planning kit.

Ultimately, research suggests that many companies may not fully understand all of the benefits data available, or how they can make use of it. Consider that 43% of HR professionals surveyed say they don't know of any additional information they might need to make better benefits decisions, which is not a surprise given all that they have on their plates. This is where leaning on support resources can really pay off.

Personalizing benefits and benefits communications is key

Benefits brokers and insurance carriers can help employer understand data so they can deliver benefits and benefits communication that are timely and personal.

For example, if benefits utilization reports show that most employees meet their vision plan frame allowance each year, employees clearly value and use the plan. To make it even better,

AMERITAS TIP: Benefits carriers can run reports to show plan design trends within specific industries for the customers they insure. This includes data on the maximum benefit, coinsurance and deductible amounts that are most popular in a particular industry. If certain plan features are prevalent in these results, employers can compare them to their employee survey feedback to reinforce those findings or identify gaps between employee perception and reality.

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an employer might increase the frame allowance, further enhancing employee engagement and retention. Brokers and carriers can provide employee-focused plan information that's easily distributed via employee newsletters or email.

Using benefits data in this way helps to meet employers' and employees' needs. The data is there. Employers just may not realize that their brokers and carriers can help them use it to meet their strategic goals.

Making the most of insurance carriers and brokers as a resource

Employers of all sizes can leverage benefit plan data to evolve along with changing employee needs. HR professionals shouldn't hesitate to reach out to benefit brokers and insurance carriers to explore what they have to offer in the way of pricing assistance, usage and trends data, communication tips and strategies and reporting options. To plan for your consultation, review the feature within this white paper called *Know What to Ask For: Data and Reporting Options for Benefits Planning*.

Know What to Ask For

Data and Reporting Options for Benefits Planning

Your benefits broker and insurance carrier have a wealth of data that can help you build and adjust your benefits package to meet your business objectives. Here's how to prepare:

- 1. Know your business objectives before you meet.** Whether you're competing for talent, trying to increase engagement or cutting costs, your broker/carrier will be able to offer better advice if you're clear about what you're trying to accomplish.
- 2. Find out what data reports your broker/carrier can provide.**
 - a. **Claims experience reports** offer details about the types of benefit claims your employees have submitted.
 - b. **PPO utilization reports** show in-network versus out-of-network visits to help dial in on healthcare benefit expenses.
 - c. **Plan utilization reports** summarize the usage of different plan design elements and features like benefit rewards and incentives.
 - d. **Benchmark reports** show benefit plan design elements for selected industries within an insurance carrier's customer base, so you can compare your offerings to those of your industry peers.
 - e. **Carrier recommendations** derived in collaboration with your broker help you interpret these reports and make appropriate decisions.
- 3. Don't forget about communication.** If employees are not using benefits you offer, they may simply need targeted information on those benefits on a more regular basis.
- 4. Ask for tips on how to offset any unpopular changes you may need to make to a benefits package.**

AMERITAS TIP:
Benefits and benefits communication can both be personalized to meet employees' needs and help fulfill their life goals.

Methodology

The online survey was conducted by Arizent Research/Employee Benefit News—in collaboration with Ameritas—in July 2021 among 100 respondents who work at an organization that provides benefits to its employees. Qualified respondents have at least moderate involvement in providing or recommending employee benefits.



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