

# TODAY IN HR

October 2016



## Communicating Employee Benefits

The benefits you offer to your employees matter more than ever before. They comprise 20-30% of compensation spending, but not all employees understand the true value of the benefits they receive.

Most employees also need help to navigate through their benefit choices to make the best decisions and they look to their employer to provide that guidance. As we prepare for open enrollment season, here are some tips to consider when communicating benefits to your workforce:

**Communicate early and often.** Have a plan and make sure important information such as enrollment dates are distributed to all benefits-eligible employees and reinforced before and throughout the enrollment period. Other key messages to highlight include plan changes and new benefits, eligibility requirements and resources for employees. Send emails repeatedly and post information in break rooms and other high traffic areas.

**Don't forget to highlight what employees get for free.** Most employers offer some benefits that are at no cost to employees. Since these benefits are not part of the "buying decision" during open enrollment, they are often overlooked. Remind your employees of every benefit that you offer including highly valued ones such as employee assistance programs (EAP) and employee discounts. Some health carriers, such as Engage's partner, Aetna, also offer sophisticated online wellness tools and services that definitely should be highlighted such as telemedicine services and mobile apps.

**Explain pre-tax savings.** Some employees don't understand the value of enrolling in pre-tax benefits. You can provide free tools to help them understand how pre-tax deductions work. Online paycheck calculators let employees see how their take home pay will be affected both before and after pre-tax deductions. (Visit [www.paycheckcity.com](http://www.paycheckcity.com)).

**Give examples of how different benefits can complement each other.** Sometimes, pairing certain benefits can offer a savings to the employee and provide them with coverage that leaves them feeling more secure. For example, when looking at health insurance, employees typically focus on the cost of a doctor visit, the deductible and the cost of prescriptions. There is usually a trade-off between either paying higher out-of-pocket costs or higher premiums. However, if you pair a benefit like a hospital buffer plan with medical coverage, then the cost scenario changes. The hospital buffer plan will pay a flat amount if the employee is hospitalized. The employee can then take a lower cost medical plan with a higher deductible to save on monthly premiums and add a hospital buffer plan that protects them in the event that they have to be hospitalized.

**Avoid information overload.** Give employees ample time to read enrollment guides, but assume they won't always read every email or plan brochure provided to them. Be prepared to answer questions and make sure employees know where to go to find information.

The better employees understand all of their benefits options, the more likely they are to take full advantage of them.

For clients offering Engage benefits, our benefits team is available to help ensure your open enrollment process runs smoothly and to assist in benefits communications for your employees and new hires.

QUESTIONS? CALL (727) 566-2950 OR TOLL FREE (888) 780-8807

[WWW.ENGAGEPEO.COM](http://WWW.ENGAGEPEO.COM)



*This communication should not be considered legal advice. Copyright © 2016. All Rights Reserved.*