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9 BENEFITS TRENDS TO WATCH IN 2019

Upcoming trends in employee benefits,
benefits cost control and benefits technology.



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WELCOME TO THE 2019

Benefits Trends Report

In this in-depth report, we'll cover upcoming trends in three specific areas of benefits administration: employee benefits, benefits cost control and benefits technology.

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EMPLOYEE BENEFITS

Chapter 1



Remote and Flexible Work Policies

Work From Anywhere, Anytime

Remote work isn't a new trend, though it is certainly on the rise across the nation. In fact, a recent Gallup workplace study found that over 40% of Americans now work remotely at least some of the time.

Benefits of Remote/Flexible Work

Studies have shown that remote work can help close the gender gap in some industries. A Women In Technology report revealed that 51% of women felt being a working mother made it difficult to advance their careers, and 33% of women left tech because it did not allow enough flexibility for a healthy work-life balance.

Remote Work Policies Have Been Found to:



Reduce employee churn and turnover



Increase productivity



Attract and retain working mothers



Increase overall engagement



Increase efficiency



Increase workforce diversity

Companies with remote work policies have almost four times as many women CEOs at S&P 500 companies when compared to companies without a remote work policy.

According to the [State of Telecommuting 2017 Report](#), remote work has increased 115% in only 10 years, making remote work opportunities less of a 'nice to have' option and more of a necessary business strategy to remain competitive. *The report also outlined a few other key findings:*

- 4 million U.S. employees work from home at least half of the time
- Telecommuting is more common among employees over 25 and is most common among baby boomers
- It is predicted that 38% of full-time staff will be working remotely in the next decade

Curious about what your company can do to capitalize on this growing trend?

First, understand that shifting to a flexible or remote workforce won't happen overnight. This strategic decision involves advance planning and process development prior to implementation.

You will need to first determine if remote work makes sense and is feasible for your organization, and then clearly outline the expectations, guidelines and training to determine how to keep your remote workers engaged.

If full remote work isn't feasible for your company, consider a flexible work policy that allows employees to address family or personal matters during work hours to foster a better work-life balance.

Student Loan Repayment and Retirement Savings

Finding Financial Nirvana

The student loan debt struggle is real and is projected to have a significant impact on the U.S. economy. But, just how bad is the current state of student loan debt?



\$1.48 Trillion

Total U.S. student loan debt



44.2 Million

Americans with student loan debt



\$351

Average monthly student loan payment

Financial experts predict that the student loan crisis will slow down general spending over the next several years and stifle the housing market as more debt carriers focus on paying off loans versus investments or frivolous spending.

The good news? Unique benefits companies like [Tuition.io](#) are on a mission to disrupt employee benefits and provide a valuable service for employees. Student loan repayment programs and general financial counseling are growing in popularity and are a great way to recruit and retain top employees.

Late-Career Employees Are Unprepared For Retirement



\$280,000

Average cost of health-care for retired couples



21%

Percentage of retirees with <\$1,000 in savings



\$6.8-14 Trillion

Estimated retirement savings gap

Just like with student loans, niche companies that specialize in 401(k) and general retirement fund optimization are on the rise. Companies like [Bloom](#) work to help employees better understand and maximize their savings while tech solutions that automate and incentivize savings are being built into existing platforms to encourage savings.

Want to help your employees find their financial nirvana?

Talk to your insurance broker about potential gaps in your current benefits offerings and how you can help set your workforce up for long-term financial success through unique financial assistance and education perks and programs.

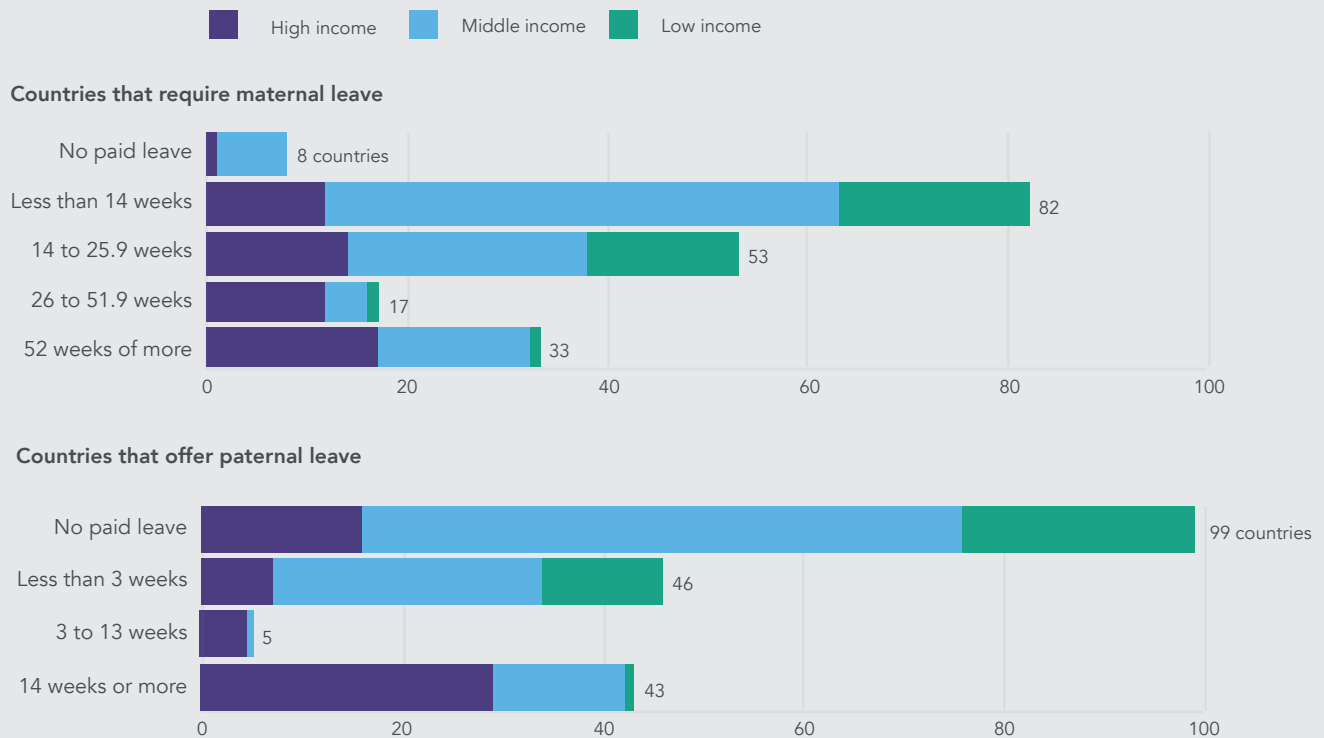
Maternity/Paternity Leave and Better Benefits

Push for Parental Perks

It's no secret that the United States leaves a lot to be desired compared to the rest of the world when it comes to perks for parents. In fact, the U.S. is one of the few countries that does not require paid maternity or paternity leave.

The good news is that even modest benefits will go a long way to recruit and retain hardworking talent through the family years, particularly among female employees.

Family Leave Around the World, By Duration



For the U.S. specifically, only 38% of organizations offer any form of paid parental leave, and only five states (California, New York, New Jersey, Rhode Island and Hawaii) currently have legislation in place to mandate paid leave. In fact, the only legal requirement that applies to all U.S. companies is the Family Medical Leave Act, which guarantees 12 weeks of unpaid maternity leave, though FMLA has several loopholes and gaps that can leave parents unprotected.

How can you impress parents and families?

To better recruit and retain your top talent, consider incorporating a few of these employee benefits for parents into your overall compensation plan. Remember to assess the needs and wants of your workforce and to talk with your benefits adviser about the best course of action.

Family Benefits On The Rise

-  Paid Maternity Leave
-  Paid Paternity Leave
-  Counseling Services
-  Adoption/Fertility Assistance
-  Child Care Assistance
-  Lactation Support

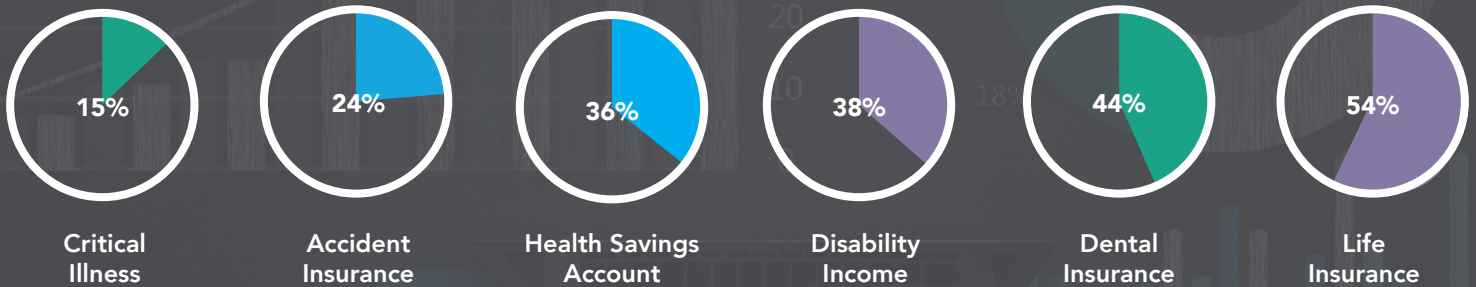
Growth In Ancillary Offerings

Offering Something For Everyone

Record low unemployment rates and fierce competition for talent across the country are pushing companies to think outside of the benefits box and find innovative new ways to attract top talent. As recruiters and HR teams feel the squeeze, many are looking to voluntary benefits to fill potential gaps in traditional health care offerings and as a way to offer something new and innovative as an employee perk.

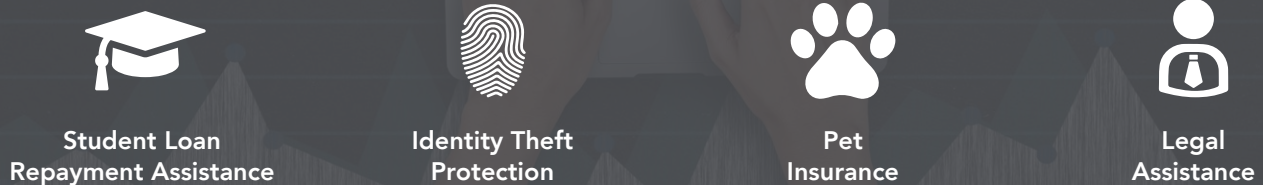
Most popular voluntary products

These voluntary benefits represent the most commonly offered options for employees. Do you currently offer these voluntary perks for employees? If not, you might be behind the curve. Consider this a general benchmark for your ancillary offerings.



Voluntary perks on the rise

Now that you've covered the basics, diversify and expand your voluntary portfolio with a few surprising benefits. The following ancillary products are on the rise and are hot topics heading into 2019.



Curious about how you can diversify your benefits portfolio?

First, take the time to evaluate the needs of your workforce and current gaps in your benefits offerings. Conduct both quantitative and qualitative research via surveys, focus groups, etc. to gather direct feedback from your workforce.

Then, ask your benefits broker or technology provider for recommendations on cost-effective benefits solutions that can help close the gap and better address workforce needs and wants. Don't forget to support and promote your new benefits through strategic communications and education initiatives!



BENEFITS

COST CONTROL



Chapter 2

Telehealth On The Rise

Health Care From Anywhere, Anytime

Gone are the days of waiting hours at urgent care for a quick fix to knock out that mystery cold. As frustrations have grown among employees that are fed up with the hassle of current treatment options and among employers that are concerned about their bottom line, technology has evolved to provide more convenient health care alternatives.

The average telehealth visit costs only \$40 while in-office visits average \$125 per visit

~75% of doctor, urgent care and ER visits are either unnecessary or could be safely handled via phone or video

Benefits of Telehealth



Increases access to health care



More cost-effective for employers and employees



Improves the quality of health care



Employees will actually use it (if you educate them)

What is telehealth?

Programs differ in scope, features and functionality, but the basic premise is the same: remote health care. Typically, an employee will be able to connect with a certified health care provider, either via video call or phone call, and discuss symptoms and treatment plans. Telehealth visits are much more cost effective and efficient than traditional doctor's office or emergency room visits, a win/win for employers and employees.

Curious about what your organization can do to embrace and encourage the use of telehealth?

Education and engagement are essential to a successful implementation strategy. Put your new telehealth program front and center and push education initiatives before, during and after open enrollment.

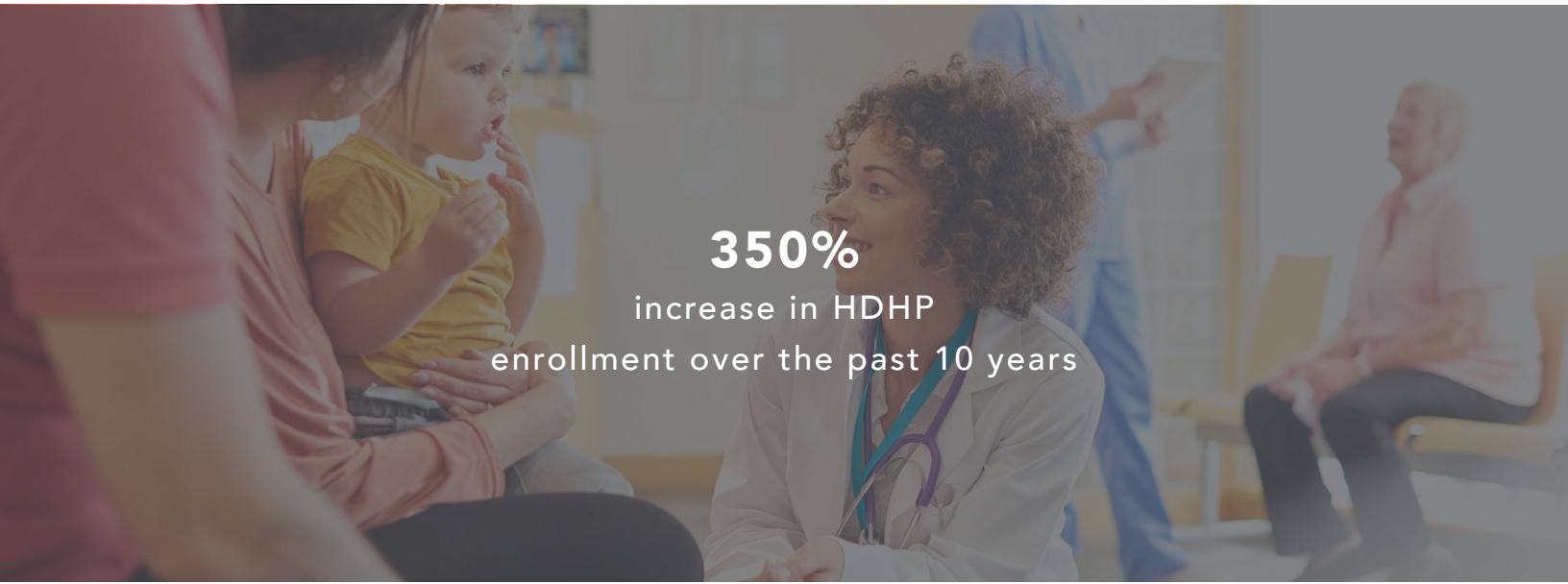
Additionally, consider piloting the new program with a select group of employees to gauge interest, gather feedback and push word of mouth recommendations within the organization.

Sources: [Healthcare Informatics](#) [American Telemedicine Association](#) [Employee Benefits News](#) [SHRM](#)

HDHPs and Plan Diversity

Choose Your Health Care Destiny

As the cost of health care continues to rise, employers are looking for creative ways to control costs without cutting corners. Though 'High Deductible Health Plans' (HDHPs) are certainly not a new concept, they have grown in popularity as an option for both employers and employees to save money.



350%
increase in HDHP
enrollment over the past 10 years

While the total number of companies offering a high deductible plan option is on the rise, the number of organizations offering *only* a high deductible plan is stagnant.

The trend indicates that more employers are favoring providing employees with options when it comes to choosing their own health care destiny. However, that doesn't mean employers aren't nudging employees towards HDHPs. Education initiatives and decision support tools are also on the rise to help better educate and inform employees about their health care options.

65%
of large organizations offered an HDHP in addition to a traditional PPO health plan; only 5% offered an HDHP as a total replacement for traditional PPO plans in 2018.

How can you better engage employees with your high deductible plan(s)?

High deductible plans can lead to big savings for both employers and employees, but great communication is key to success.

First, take the time to truly understand your workforce and why a high deductible plan could be appealing. Whether it's the lower monthly premium that might be appealing to millennials or the network availability that might be appealing to mid and late-career segments, take the time to define and communicate the advantages of an HDHP.

Be sure your message is heard loud and clear through a holistic communications plan. Create both print and digital resources for your workforce to reference and consider embracing technology with features like in-system video support and decision support.

Finally, be smart with your plan design and language. Ditch the phrase 'high deductible' and re-name your plan something more appealing, like 'HSA-eligible plan'. And, in your education pieces, avoid HR jargon; use plain, simple language to explain complex concepts.



BENEFITS TECHNOLOGY

Chapter 3



Data-Driven Decisions

Using Artificial Intelligence for HR

Artificial intelligence is poised to have a dramatic impact across multiple industries over the next few years. For health care specifically, several companies are already revolutionizing the way we process data, diagnose conditions and approach treatment through more convenient and efficient technology.

Just this year, the Food and Drug Administration approved the use of artificial intelligence for diagnostics. Specifically, the technology will be used in ophthalmology to analyze and diagnose eye images to identify diabetic retinopathy. And, AI is already being used in the telemedicine field to better triage patients for faster health care services.

The health care AI market
is projected to top
\$34 billion by 2025

Use Cases for AI in Benefits



Decision Support



Employee Engagement



Cost Reduction



Personalization



Predictive Analytics

From an employee benefits and HR perspective, more technology companies are adopting and incorporating AI into solutions to better engage and support employees throughout the entire career lifecycle, from recruiting and engagement to benefits support and more. AI also unlocks greater potential in the data analysis arena, which could eventually lead to more powerful data analytics and forecasting.

How can you save money and improve the employee benefits experience with AI?

Before you dive head first into embracing new and exciting technology opportunities with AI, it's important to first have specific goals in mind for what you're trying to accomplish. This will help you and/or your benefits adviser select the appropriate technology solution.

AI is being used to better recruit and onboard employees, to help employees make better benefits and financial wellness choices through decision support, to help reduce health care costs and increase treatment efficiencies through telehealth — and these are just a few examples of how AI is being used in health care.

Set your goals and then start a dialogue internally or with your insurance broker to see how you can save time and money through AI-powered solutions.

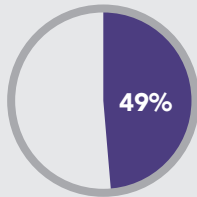
Sources: [Health Analytics](#), [FDA](#), [98point6](#).

Decision Support Tools and Technology

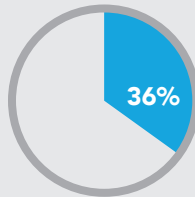
Help Us Help You

As employee benefits grow in cost and complexity, employees feel less and less confident about making informed decisions. Recent data demonstrates just how uncomfortable many employees feel about making one of their most expensive annual decisions.

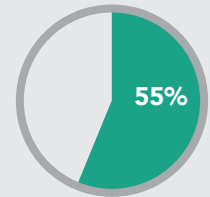
The good news is: employers are listening. And, as technology has advanced and matured, there are more options available than ever to help your employees make informed health care decisions.



Employees that say making health insurance decisions is 'always very stressful'



Employees that say open enrollment is 'extremely confusing'



Employees that say they would like help from their employer when choosing a health plan

Benefits of Decision Support



Increased engagement with benefits programs



Cost savings for employers and employees



Increased education and understanding

If you're worried that employees will be hesitant to adopt decision support, note that 88.8% of employees in a Pacific Benefits survey felt that decision support tools were at least 'somewhat effective'. And, a Jellyvision report cited that 79% of employees believe their company has their best interests at heart when providing information on benefits.

There's nothing to lose and a whole lot to gain by testing out a decision support component during your next open enrollment!

Want to get started with decision support?

Talk to your benefits broker or technology provider to inquire about existing tools or add-ons for your benefits administration software. If your current benefits platform does not offer or integrate with decision support tools, it might be time to start evaluating new solutions.

Your Decision Support Tool Should Be Able To:

1. Guide employees through the benefits shopping experience
2. Make plan coverage recommendations
3. Match employees with the plan and coverage that are a true best fit
4. Explain *why* the recommended plan and coverage level are a good fit
5. Be a fun, relatable experience that employees actually want to use

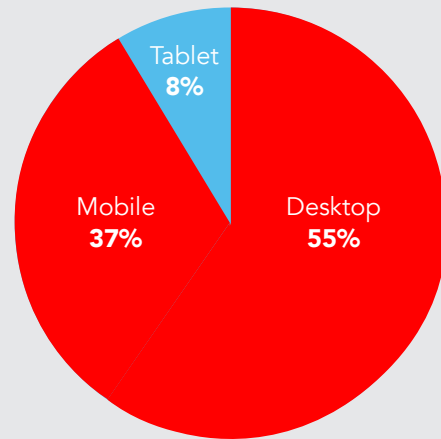
Benefits On The Go

A Mobile-First Approach to Employee Benefits

More than 70% of online time in the U.S. is spent on mobile devices, and that number is rapidly growing. Despite the growth in screentime across the board, consumer behavior hasn't quite caught up in the SaaS space for usage via mobile.

Almost 50% of U.S. residents access the internet via a mobile device on a regular basis. But, many benefits enrollment and education systems are also behind the curve on embracing mobile, resulting in a lackluster enrollment experience.

Even if your employees aren't ready to complete their benefits enrollment from start to finish on their mobile device, offering a fully mobile-friendly (responsive) benefits experience has other benefits. And, embracing mobile isn't limited to just the benefits shopping and enrollment experience.



Internet Usage by Device Type (U.S.)

Why Mobile for Benefits

On-demand access on any device

Seamless document upload and proof of insurance

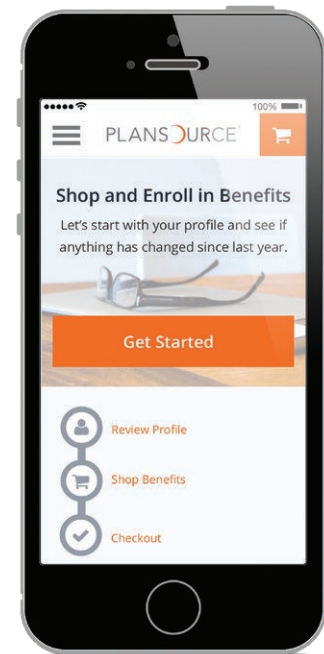
Text message alerts for HR

Ready to embrace mobile for employee benefits?

Investing in text message alerts is the easiest way to dip your toes in the mobile-friendly waters. Keep in mind that text campaigns are opt-in, so employees must consent to receive messages. However, this does also allow you to reach significant others and dependents that might be involved in the benefits decision making process.

To go 'all in' on mobile, invest in a responsive benefits enrollment system and/or benefits education website. This will allow employees to access benefits information at their convenience on any device.

Complete the mobile benefits experience by partnering with a technology company that offers a mobile app solution, which will provide perks like paperless proof of insurance, document upload via mobile and much more.



About PlanSource



At PlanSource, we are devoted to creating the best benefits experience possible.

Helping people get the coverage they need is immensely important. Benefits give people peace of mind, access to invaluable health care, and can even save them from financial ruin. It's a responsibility we take seriously. That's why we are honored to partner with thousands of organizations on custom benefits programs, services and human capital management tools that help millions of employees and their families when they need it most.

PlanSource provides a cloud-based solution for benefits administration and human capital management that is affordable, intuitive and highly configurable to support any benefits strategy. Combined with a range of complementary benefit services, PlanSource is an employer's single and complete source for benefits administration software.

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