



BENCHMARKING:
ARE YOUR BENEFITS COMPETITIVE?



CLEARVIEW
BENEFITS



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Knowing that benefits can be used to attract, engage and retain employees, you want to be sure you have a benefit package that is competitive for the kind of workers you're trying to recruit and keep.

We're here to distill some benchmarking information from Kaiser's 2016 Employee Health Benefits Survey, and to help you understand how to use the information so your benefits package meets the needs of your ideal workers to grow the business of your dreams.

STEP 1 - BENCHMARK FIRST AGAINST YOUR TOTAL BENEFITS STRATEGY

It's easy, at first look of this data, to believe you are contributing too much or too little compared to the average employer. Before plunging in to comparing your plan to the data, be sure you take a step back to consider your total benefits strategy. This may seem obvious, but it is at least a good reminder to pause and consider before moving forward. Your medical premiums may be a little higher, but you may offer a more robust company match to your 401(k) than your competitors. Or maybe you are offering tuition reimbursement or student loan repayments. Your strategy might even be to significantly outpay the competition in salaries rather than providing as much contribution toward benefits. Benchmarking health plan data should never be viewed in a vacuum. Your total compensation and benefits say something about your company culture. Make sure you're considering how all of your benefits are working together to recruit and retain the talent that is specific and differentiating for your company.

STEP 2 - CONSIDER YOUR SPECIFIC DEMOGRAPHICS

Organization size, percentage of lower-wage workers, industry, region, average age of employees, employee income range, etc., all affect the averages of medical cost sharing listed in the reports. As an example, older workers prefer employers to concentrate on their retirement contributions while younger workers are more concerned about paying off their student loans.

60% OF WORKERS 50 YEARS OLD AND OLDER ARE WORRIED THAT SOMETHING MAY DELAY THEIR RETIREMENT
([Investopedia](#))

86% OF EMPLOYEES SAID THEY'D STAY WITH A COMPANY FOR AT LEAST FIVE YEARS IF THEIR EMPLOYER HELPED PAY DOWN THEIR STUDENT LOANS ([American Student Assistance](#))

Retail workers have the lowest average annual medical premiums while government workers have the highest. The South has the lowest average annual medical premiums while the Northeast has the highest. Small firms have higher average annual medical premiums for single coverage while large firms have higher average annual medical premiums for family coverage. Firms with lower wage earners have higher average annual medical premiums than those with a higher percentage of employees making higher wages.



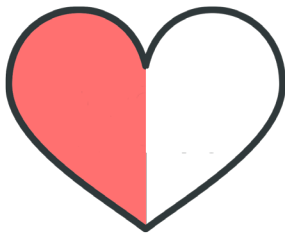
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Where you should focus your efforts with benefits dollars, depends on the type of employee you are trying to attract and retain to help your business grow. For full details of the research and statistics, visit the Kaiser report [here](#). So, how do small and large employers compare?

SMALL EMPLOYERS (3 - 199 EMPLOYEES)

LARGE EMPLOYERS (200+ EMPLOYEES)

WHO OFFERS HEALTHCARE?

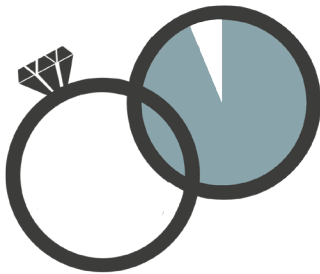


50%

90%

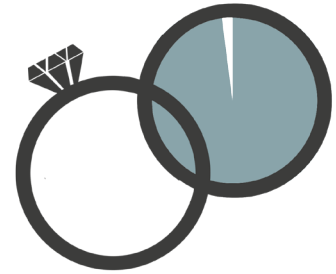


SPOUSE COVERAGE?

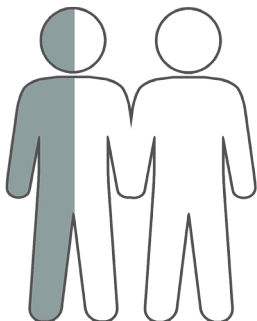


89%

99%

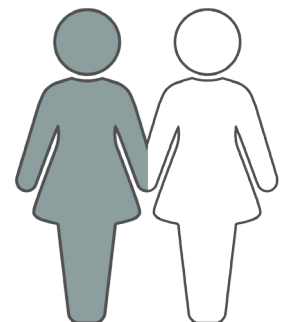


COVERAGE FOR SAME-SEX DOMESTIC PARTNERS?



32%

49%





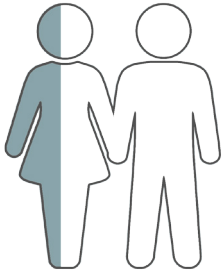
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SMALL EMPLOYERS (3 - 199 EMPLOYEES)

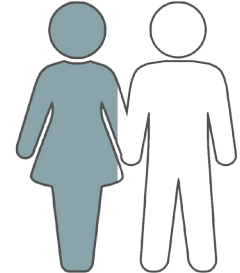
LARGE EMPLOYERS (200+ EMPLOYEES)

OPPOSITE-SEX DOMESTIC PARTNER COVERAGE?

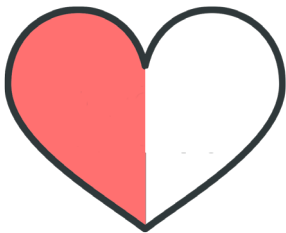


26%

42%



HEALTH & WELLNESS PROGRAM?

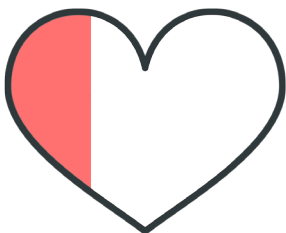


46%

83%

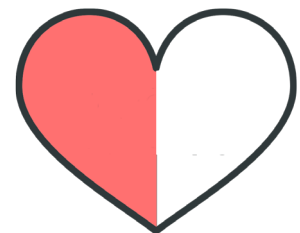


BIOMETRIC SCREENING INCLUDED?



20%

53%

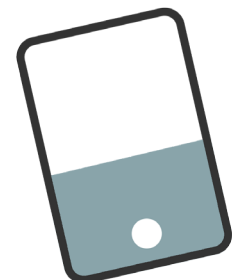


TELEMEDICINE INCLUDED?



**NO
DATA**

39%





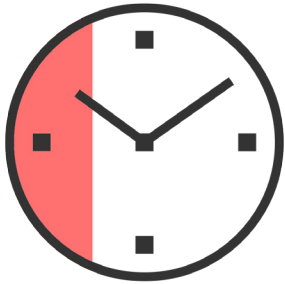
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SMALL EMPLOYERS (3 - 199 EMPLOYEES)

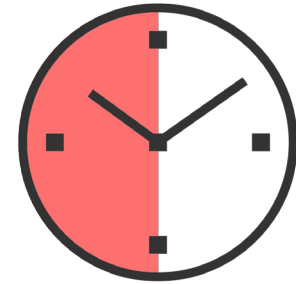
LARGE EMPLOYERS (200+ EMPLOYEES)

PART-TIME BENEFITS?



20%

53%



CDHP ENROLLMENT

65%

29%

STEP 3 - REVIEW ALL ASPECTS OF YOUR PLAN

Once you look at the benchmark information in light of your total compensation plan, your current and desired employee population needs and wants and your competitive marketing position, it's time to see if anything needs realignment. Compare your plan information to the benchmarking data that most closely aligns to your Total Compensation & Benefits Strategy. You can do this yourself, but it might be time to call the professionals.

This is the perfect time to contact an expert to delve into the data to tell you where you might be missing the mark as well as why your plan is performing the way it is. A good broker will both be able to show you where you have gaps as well as why they are happening and ways to make sure you can attain and maintain competitive benefits at the lowest possible cost.



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STEP 4 - MAKE STEPS TO MOVE TOWARD YOUR GOALS

You've identified where you have some gaps. Now it's time to make a plan. There are likely things you can change immediately to shore up your plan and take steps toward your goals. Other changes may need to be made a little over time. Have your broker partner put together a 3 year plan with immediate and long-term action items. Make sure they are equipped to implement your plan, helping you align your medical plan with your total compensation and benefits strategy.

STEP 5 - COMMUNICATE YOUR COMPETITIVE ADVANTAGES

Extra! Extra! Read All About It!

You've done a lot of work to make sure you can offer your employees the best total benefits package at a price that doesn't break the bank. All that work won't pay off if you keep quiet about it.

45% of employees say they only receive communications about their benefits around open enrollment time, and another 30% say they only receive benefits communications a couple of times a year.

(Prudential, Employee Benefits Today & Beyond, 2016)

Take some time and highlight what makes your benefits unique and able to fit your employees' needs. Some perfect opportunities to do this include during the recruiting process, during onboarding meetings, any time an employee has a life event and during enrollment periods. You can even get creative and start highlighting specific pieces of your benefit plan all year round. Keeping the differentiation of your benefits strategy in front of your employees is key to ongoing satisfaction with what you have to offer.