

# Health & Benefits

Employee Benefits Benchmark  
SASHRM 2023



Property & Casualty | Employee Benefits | Private Client Services | Consulting | Financial & Wealth

# Risk Strategies Benchmark Introduction



## How does your business measure up?

- Using your company's demographic and plan information – we benchmark all angles of your benefit plan against the RSC's Benefit Meta Study. This report is comprised of data from the leading national reports representing 30,000 employers. Dataset includes: PWC, Kaiser, Mployer, MetLife and SHRM.

## Curious about how other companies are responding to rising healthcare costs?

- Knowing how other employers are addressing their benefits decisions can allow you to anticipate the shifting benefits landscape and evolve before your competition responds.

## Taking it to the next step and benchmarking all benefit program offerings

- Medical Plans are just a starting point. We also share how your total benefits program is comparable to competitors, helping you fill the unknown gaps.

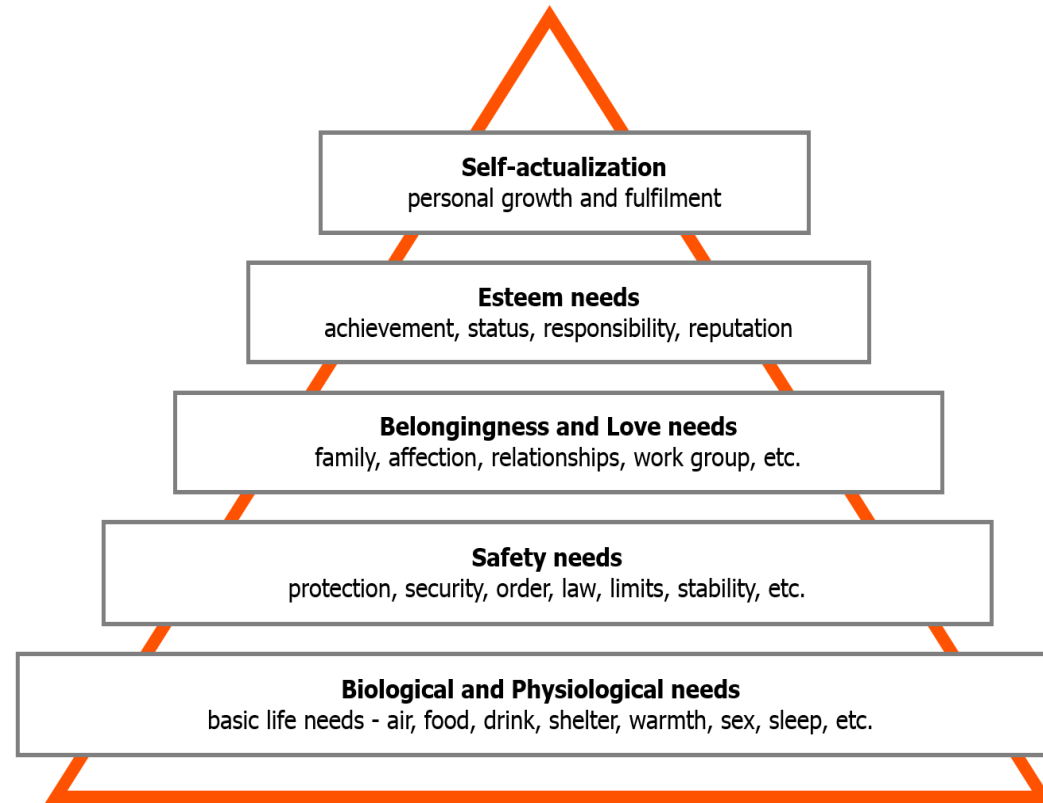
## Industry peer comparisons based on size, location and demographic profile

- Region: Midwest Great Lakes
- Industries: Manufacturing, Distribution, Skilled Workers, Administrative Support



# Why offer Employee Benefits

## Maslow's Hierarchy of Needs



ChangeCom  
Strategic Change Management & Communications



# Why offer Employee Benefits

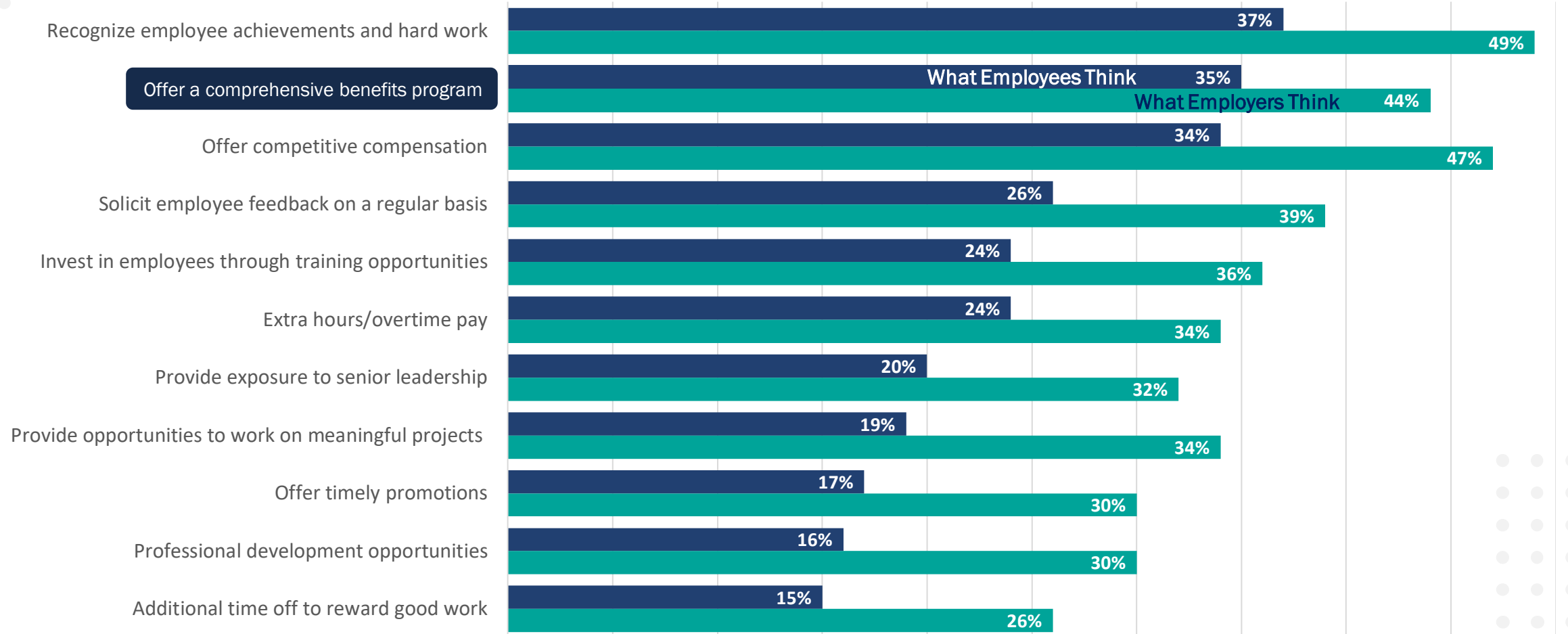


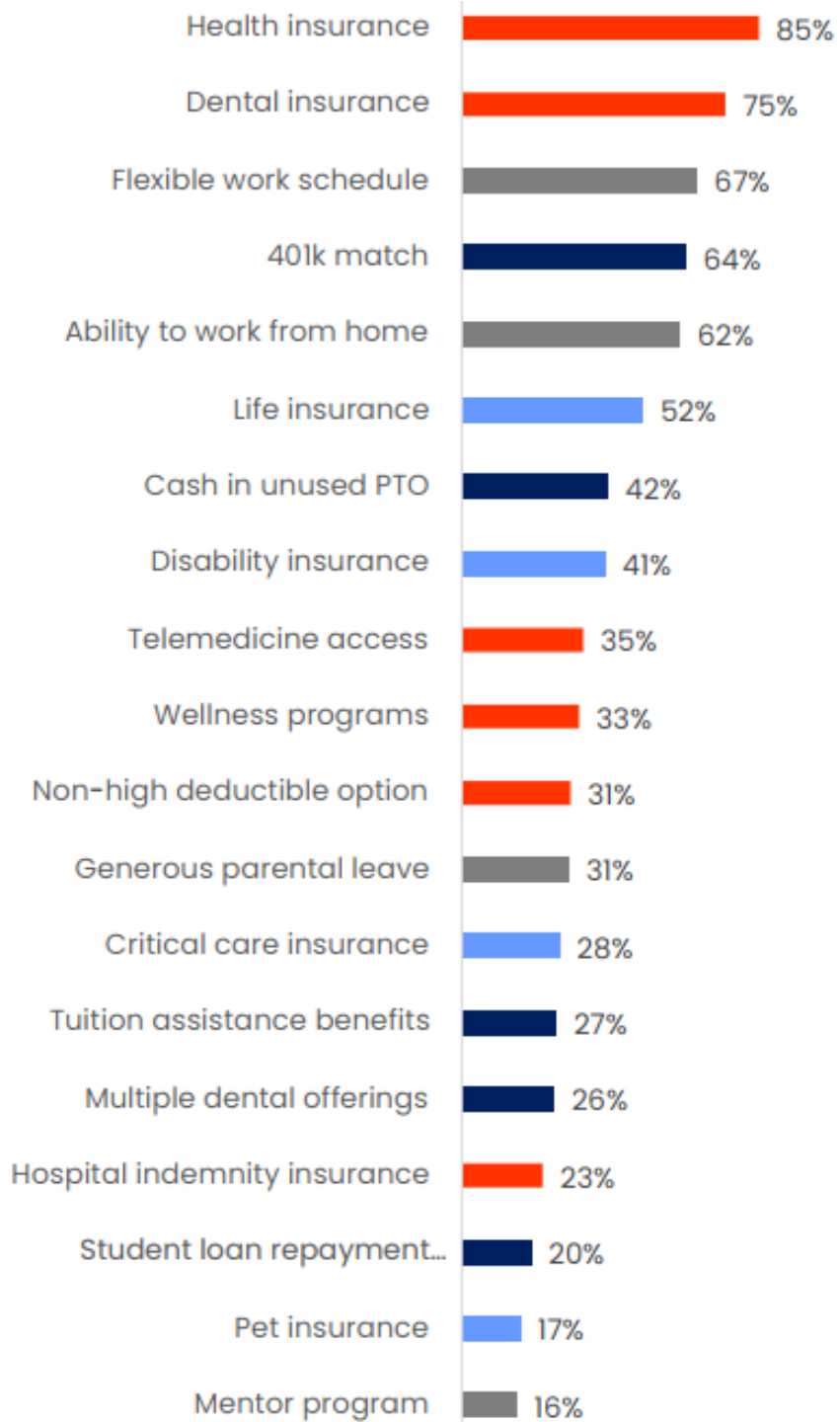
- 41 years old
- 66% married/divorced
- 2 dependent children @ home
- Education:
  - 36% high school only
  - 38% trade/some education
- \$24.26 per hour (13% less than national ave.)



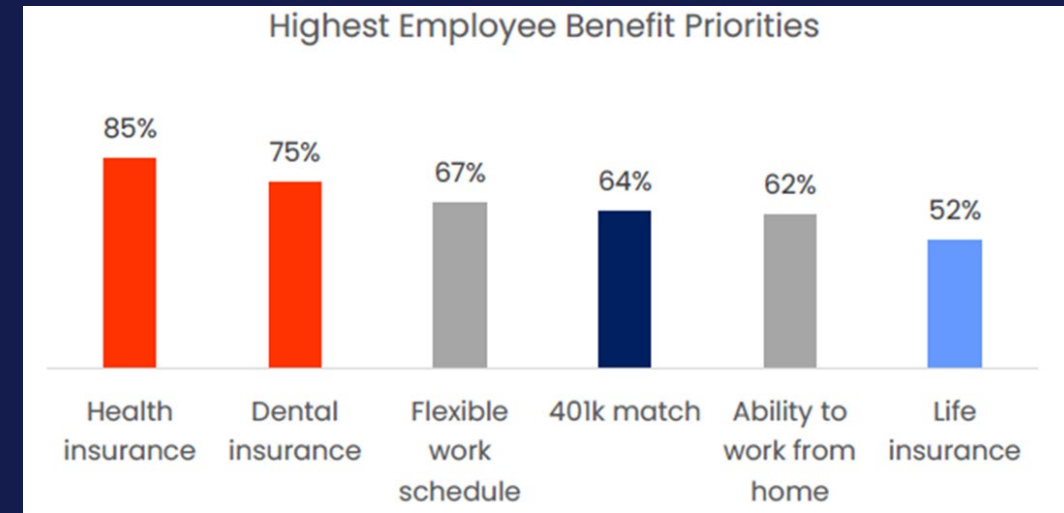
# Company Benefits

# Employee Perception Gap





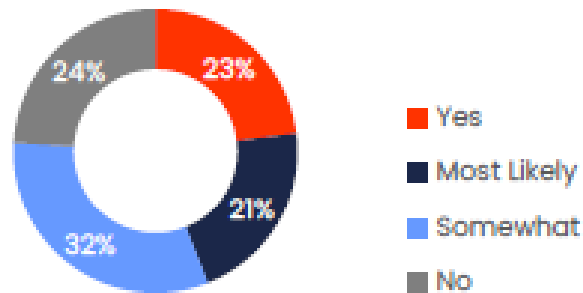
- Employee Prioritization of Benefits



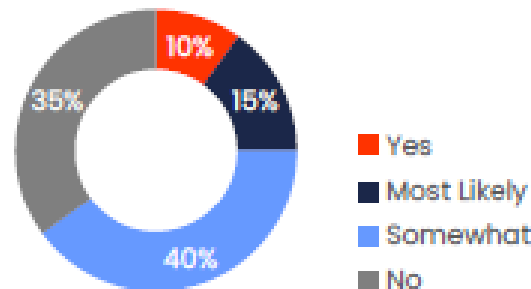
# How does your Company Comp & Benefit Strategy Compare?

## Employee Churn, Compensation & Comprehension

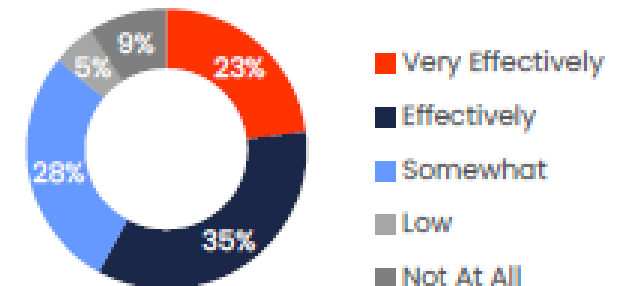
Leave a job for better benefits?  
(e.g. healthcare and 401k match)



Accept lower pay for better benefits?  
(e.g. healthcare and 401k match)



Were Benefit options clearly explained?

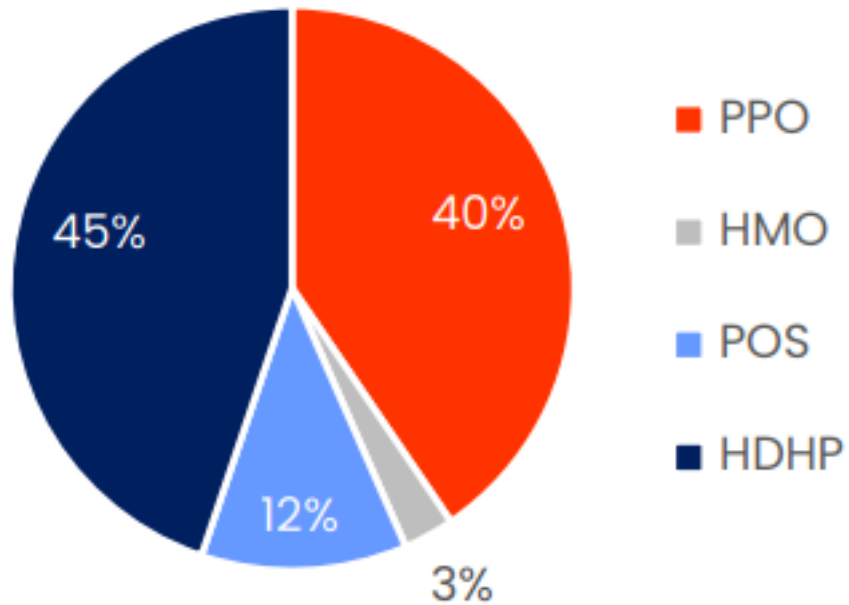


# Health & Benefits Plans

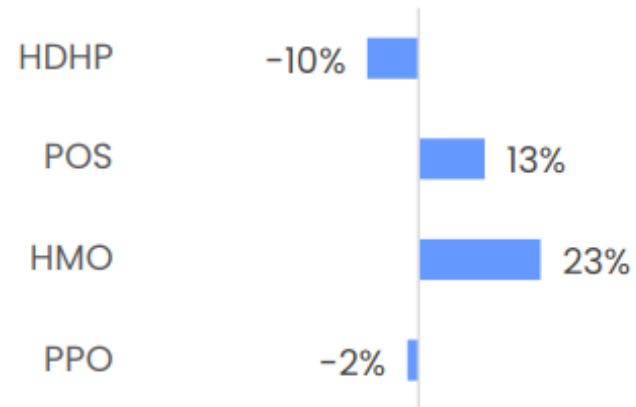


# Medical Plan Types in the Sheboygan Area

% of Employees by Plan Design



Enrollment by Plan Type  
% Change YOY



# of Medical Plans Offered

1	24%
2	34%
3	29%
4	5%
5	4%
6+	4%
<b>3.28 is Ave. # of Plans</b>	

# Annual Premium & Cost Share

## Total Annual Cost per Person

### Single

\$7,095

\$5,856

\$8,262

Below

In-Line

Above

### Family

\$21,396

\$17,558

\$26,069

Below

In-Line

Above

Composite Budget  
\$11,300

## % of Premium Paid by the Employer

### Single

78%

64%

92%

Below

In-Line

Above

### Family

77%

65%

89%

Below

In-Line

Above

Employer's Pay 77.5% of Premium

# Monthly Premium & Cost Share

**\$ Monthly Premium Paid by the Employer\***



EE:	\$457
EE/CH:	\$836
EE/SP:	\$938
EE/FF:	\$1,332

**Average Premium**

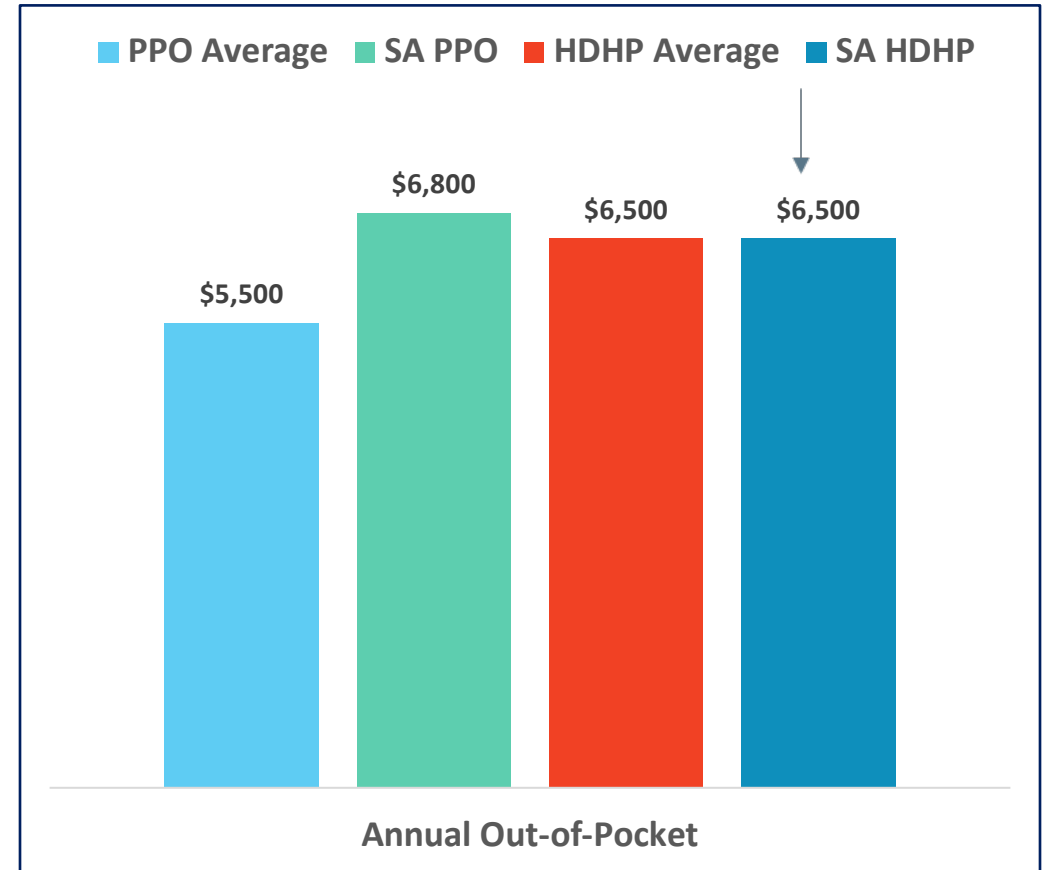
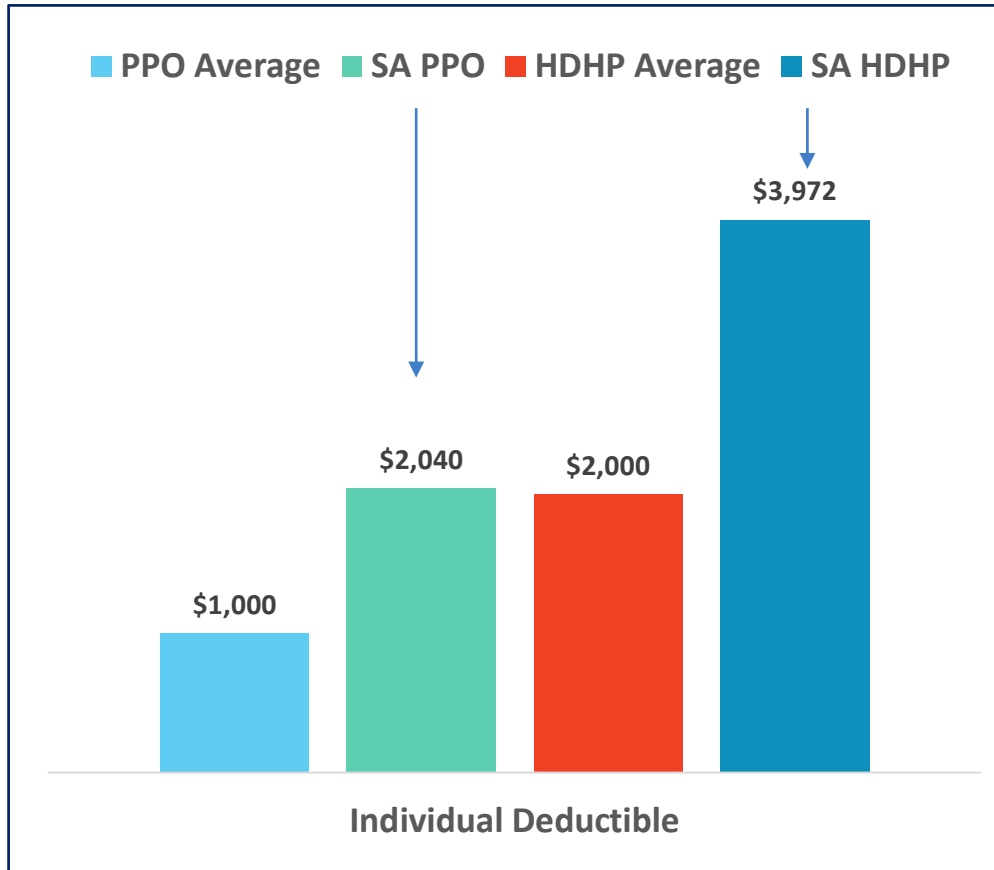
EE:	\$596
EE/CH:	\$1,106
EE/SP:	\$1,270
EE/FF:	\$1,775

EE:	\$139
EE/CH:	\$269
EE/SP:	\$331
EE/FF:	\$443

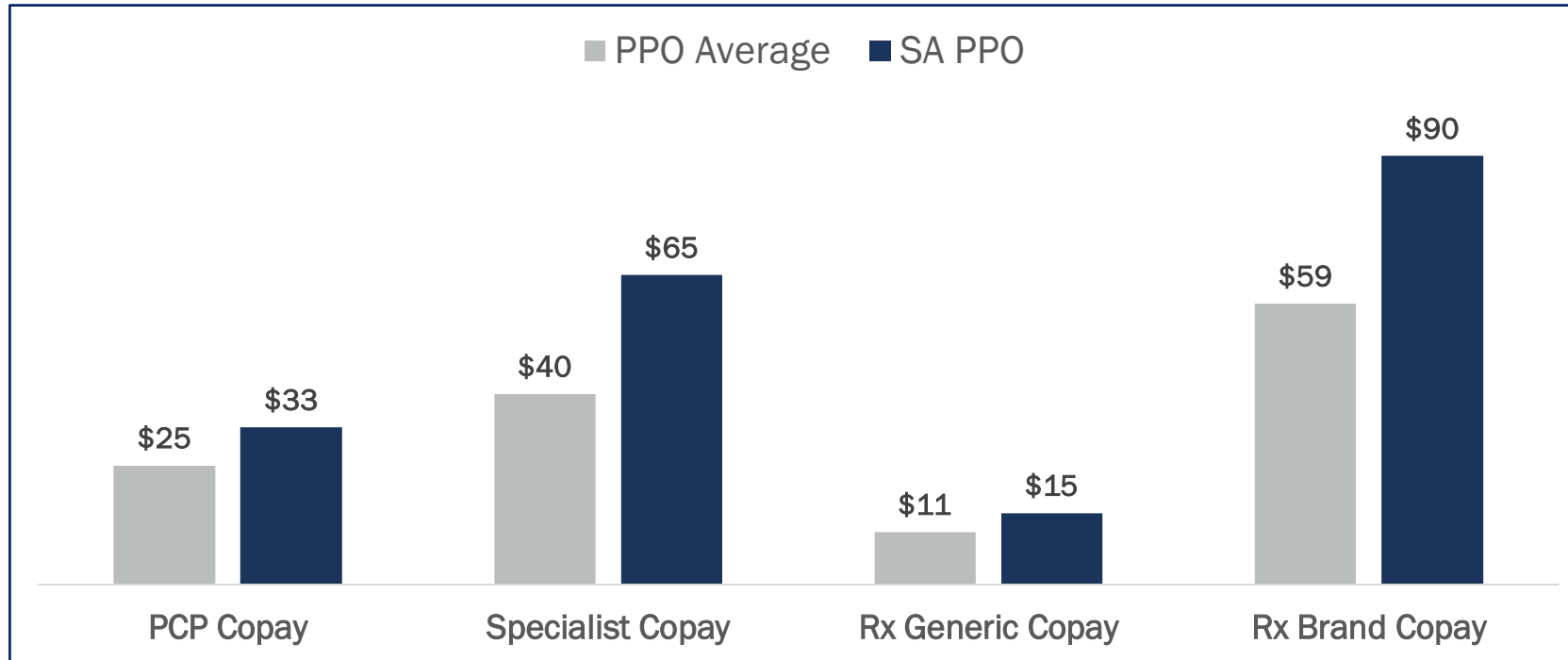
**\$ Monthly Premium Paid by the Employee\***



# Health Plan Deductible & Out-of-Pocket

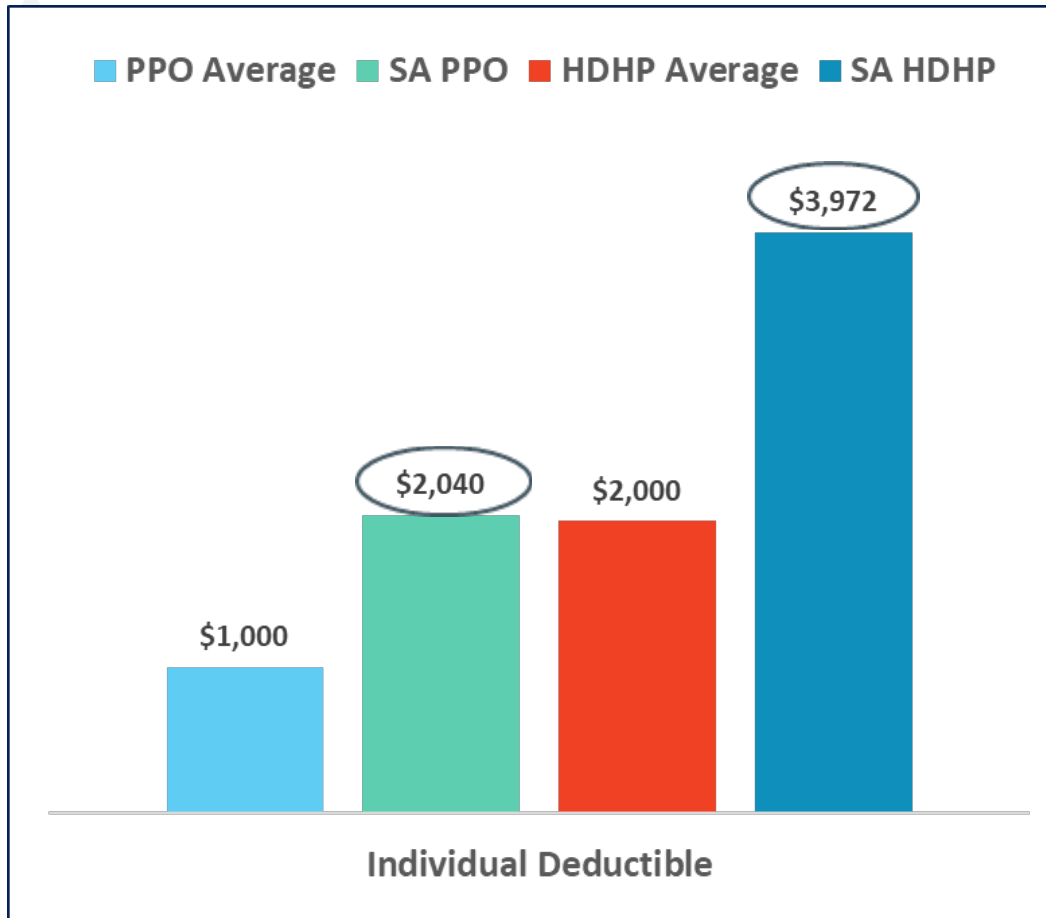


# Co-Pays



**Regardless of Plan Type -PPO, HMO, POS or HDHP, the Co-Insurance Average is 80% after Deductible.**

# When is a health plan not a benefit?



Employer Plan Claim Distribution by Member				
Annual Claims	Subscriber Count	Expense	% of Group	Annual Claims
\$0	20%	0%	20%	\$0 Claims
<=500	23%	0.97%	43%	Under \$500
<=1000	12%	1.84%	55%	Under \$1,000
<=2000	13%	3.73%	68%	Under \$2,000
<=4000	11%	6.07%	78%	Under \$4,000
<=6000	5%	5.31%	84%	Under \$6,000
<=30000	11%	32.89%	95%	Under \$30,000
<=100000	5%	49.19%	100%	Under \$100,000
<=1000000	0%	0%		
	100%	100%		

# Local & Regional Health Plan Trends

- RX represents 32% of all Medical Claims
- 92% of RX are Generic
  - Average Cost
- 92% of RX are Brand:
  - Average Cost
- 1% of RX are Specialty Biotech
  - Average Cost
  - Represent 92% of RX Spend
  - Cost Increase of %
  - # of New RX in 2023

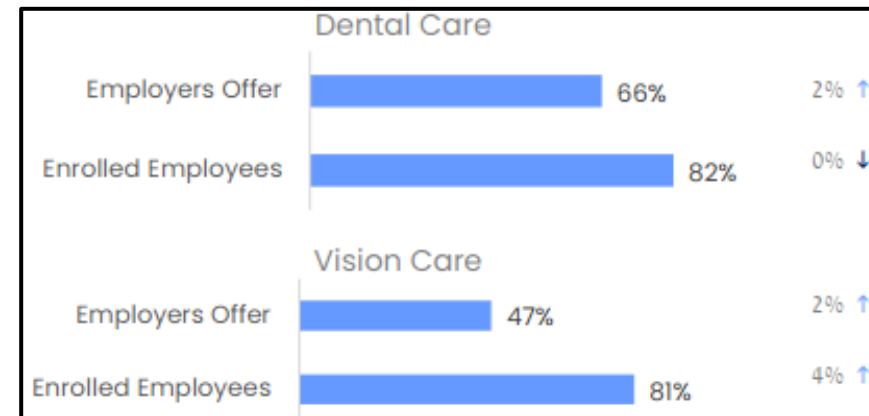
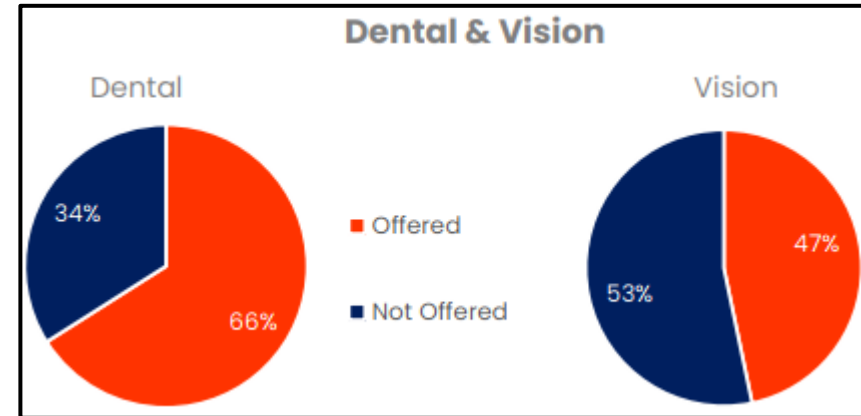


- Virtual Health – PCP, Mental Health, Dermatology
- Narrow Networks – PPO, POS & HMO
- Provider Sponsored Health Plans
- Tiered Benefits – reflect provider cost differences.
- ICHRA's
- Specialty RX :
  - Step therapy
  - BioSimilar
  - Offshore, Coupon Matching

# Dental & Vision

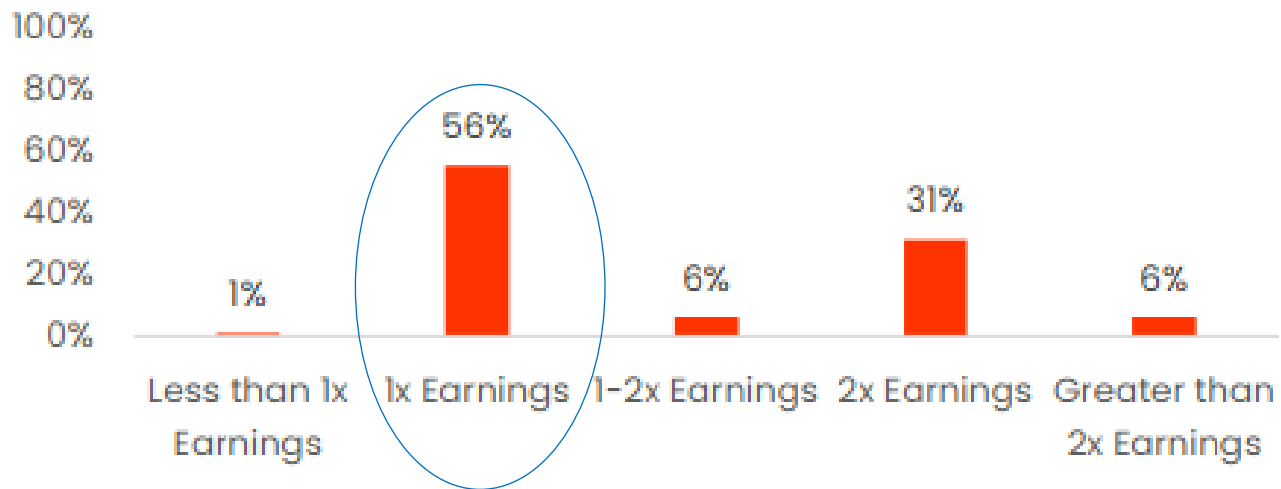
Dental Plan Design		
	National	SA Ave
Individual Deductible	\$50	\$50
Family Deductible	\$150	\$150
Annual Maximum	\$1,500	<b>\$1,000</b>
Coinsurance		
Preventative	100%	100%
Basic	80%	80%
Major	50%	50%
Orthodontia	50%	<b>0%</b>

Dental Premium and Employer Contribution			
	Premium	ER Contrib.	ER Contrib. %
<b>Average</b>			
Employee	\$37.00	\$22.00	59.5%
Employee and Child(ren)	\$81.00	\$45.00	55.6%
Employee and Spouse	\$77.00	\$42.00	54.5%
Family	\$119.00	\$67.00	56.3%



# Employer Paid Group Life Insurance

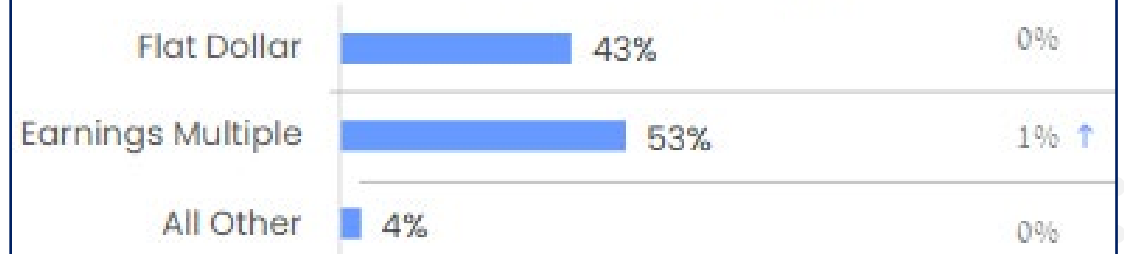
Life Insurance Payouts:  
Multiple of Earnings



Life Insurance: Fast Facts

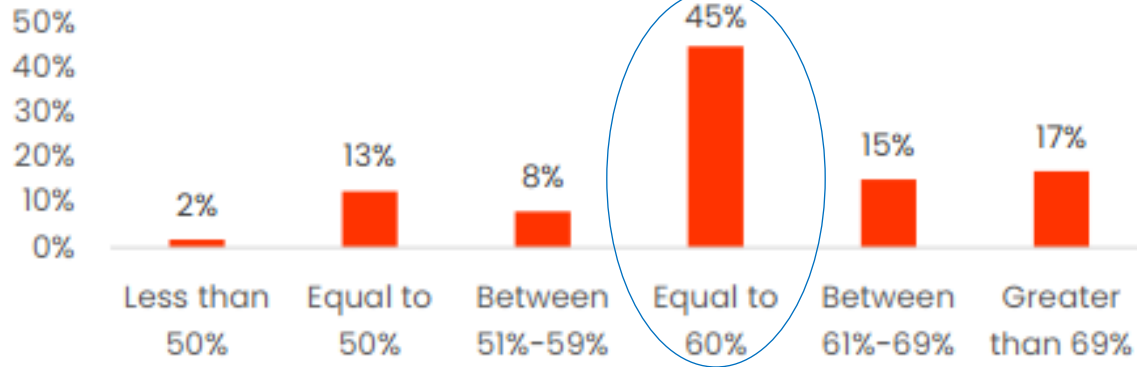


Life Insurance: Plan Types

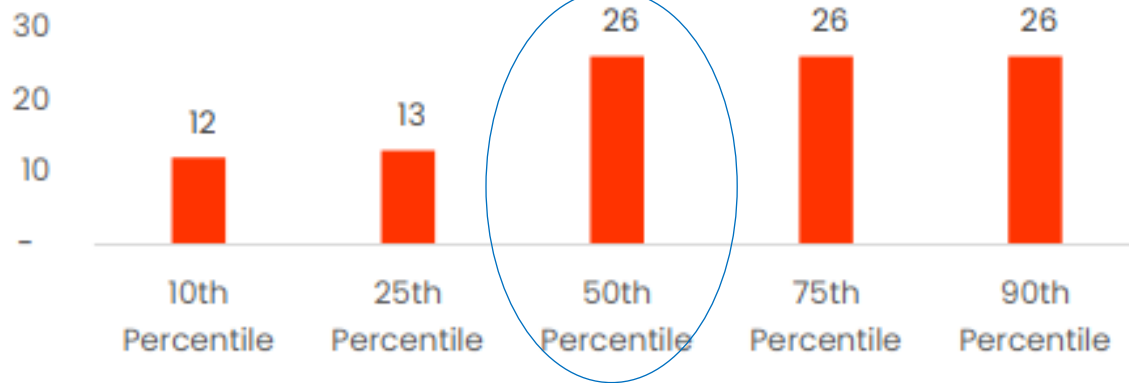


# Short Term Disability

STD: % of Earnings



STD: Weeks Available

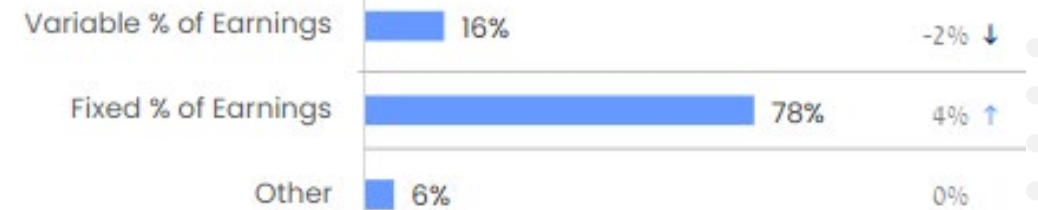


STD: Fast Facts

YOY% Δ

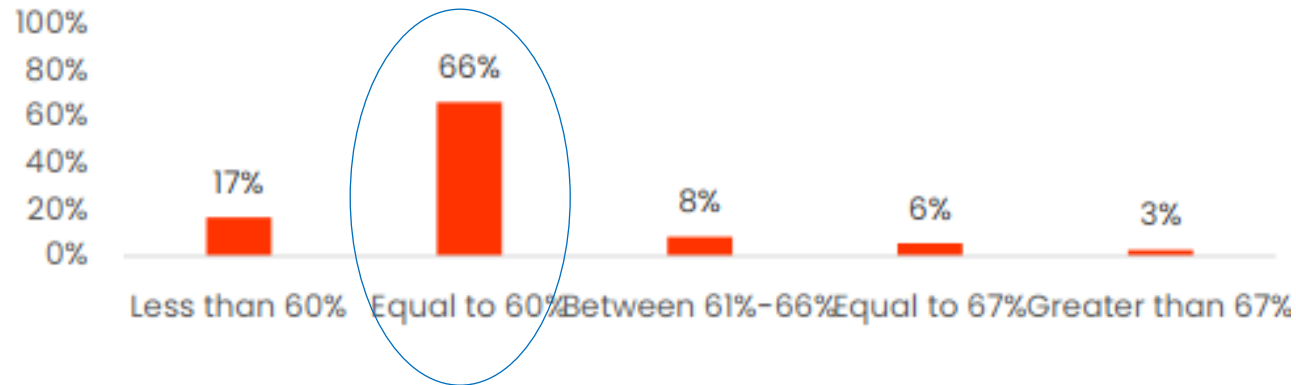


STD: Plan Types



# Long Term Disability

LTD: % of Earnings



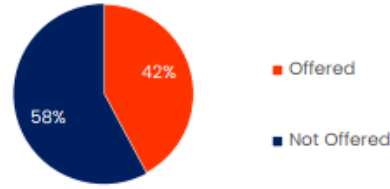
LTD: Fast Facts



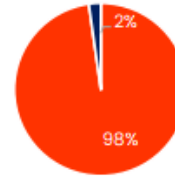
# Paid Leave

- Vacation
- Sick Time
- Holidays
- Family Leave

## Consolidated Leave Benefits

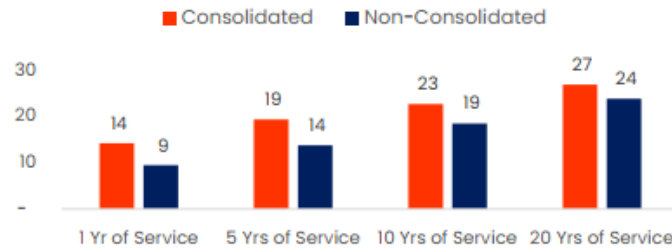


## Paid Vacation

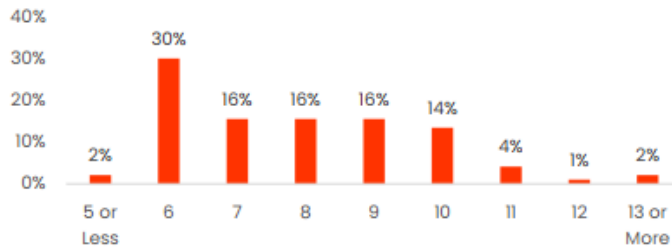


A consolidated leave plan provides a single amount of time off for workers to use for vacation, illness, or personal business. Workers without consolidated leave plans often have separate leave plans for different purposes.

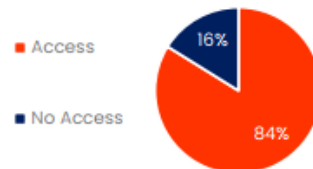
## Consolidated vs. Non: Total Vacation Days



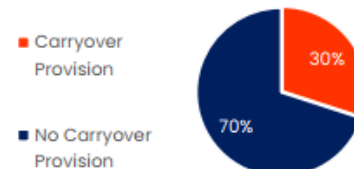
## Avg. # of Holidays



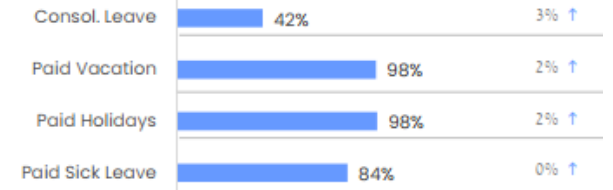
## Paid Sick Leave Offered



## Sick Days with Carryover

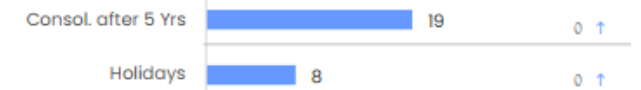


## Leave Benefits: Fast Facts

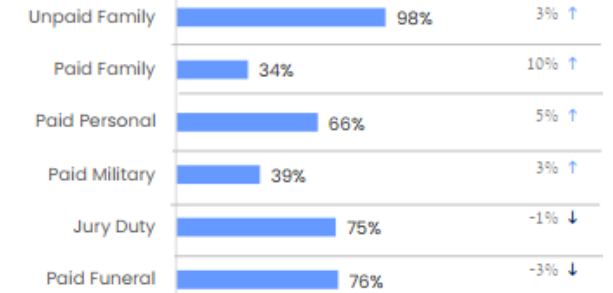


Note: Vacation, holidays and sick leave are inclusive.

## Avg. # of Leave Days



## Other Leave Benefits



## Companies Offering Sick Day Carryover Provisions



# 2023 Trends & Considerations

## Badgercare

- As of April 1<sup>st</sup>, the Federal Government will end their subsidy of the COVID Care's Act funding for Medicaid Expansion.
- If you have a high % of hourly workers, about 5% of those employees are currently waiving their company's health plan in favor of staying on Badgercare (Medicaid) for free.
- Now that the Federal Medicaid Subsidy is ending, those employees and their family members will need to join their company health plan.
- The financial impact on the bottom line will come out to \$10,000 per employee for each employee that joins the company health plan due to this event.

# 2023 Trends & Considerations

- **Two-thirds of employer's plan to make mental health a top concern**
  - *76% of U.S. workers reported at least one symptom of a mental health condition.*
  - *84% of respondents said their workplace conditions had contributed to at least one mental health challenge.*
  - *81% of workers reported that they will be looking for workplaces that support mental health in the future.*
- **Nearly 9 in 10 respondents took measures to address workforce mental health**
  - *More than 40% currently provide manager training, such as general mental health awareness or identification and intervention training. Another 30% are planning or considering this training in the next two years.*
  - *Nearly 40% partner with employee resource groups to address population-specific mental health issues, and another 27% are planning or considering doing so.*
  - *67% of employers currently offer digital behavioral health support. An additional 16% are planning or considering..*

# 2023 Trends & Considerations

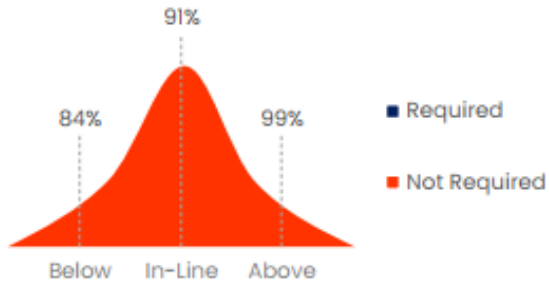
- Extended Telehealth
  - PCP
  - Mental Health
  - Specialty Care (Dermatology is huge)
  - Blue Shield of CA is offering a Telehealth first health plan!
- Specialty Pharma
  - More Cost Share
  - RX Exclusions
  - Biosimilars
  - Humira is off patent

# 2023 Trends & Considerations

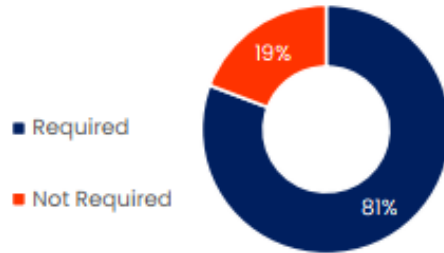
- Chronic Disease & Lifestyle Claims:
  - Obesity & Alcohol use have overtaken Smoking related Claims in Wisconsin
  - Diabetes - People with Diabetes have annual medical expenses that are 2.4 time higher
    - 8.5% of people in Wisconsin live with Type II Diabetes
    - 3.5% additional people are undiagnosed
    - 34% or \$1,560,000 people in Wisconsin have prediabetes.
  - Greatly Expanded Preventative RX List even for HDHP Plans
  - Free Diabetic RX & Visits
  - Integration of Dental, Vision & Medical Claims
  - Diabetic Monitoring and Technology
  - Heart & Liver

# Retirement & Incentive Compensation

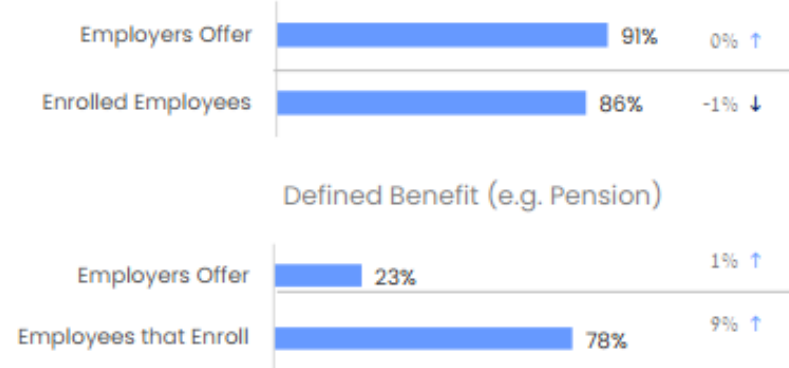
**Defined Contribution Offer Rates**



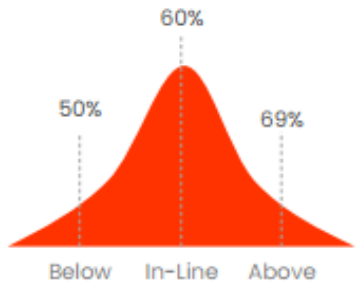
**Defined Contribution Employee Contribution**



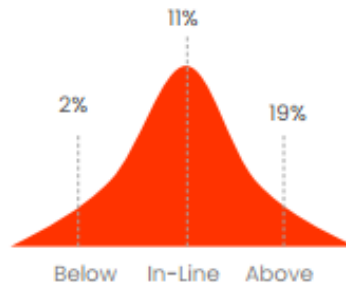
**Defined Contribution (e.g. 401k/IRA)**



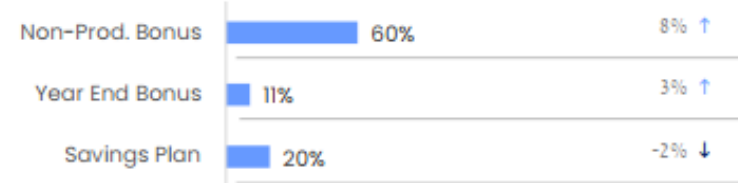
**Non-Production Bonus**



**Year End Bonus**



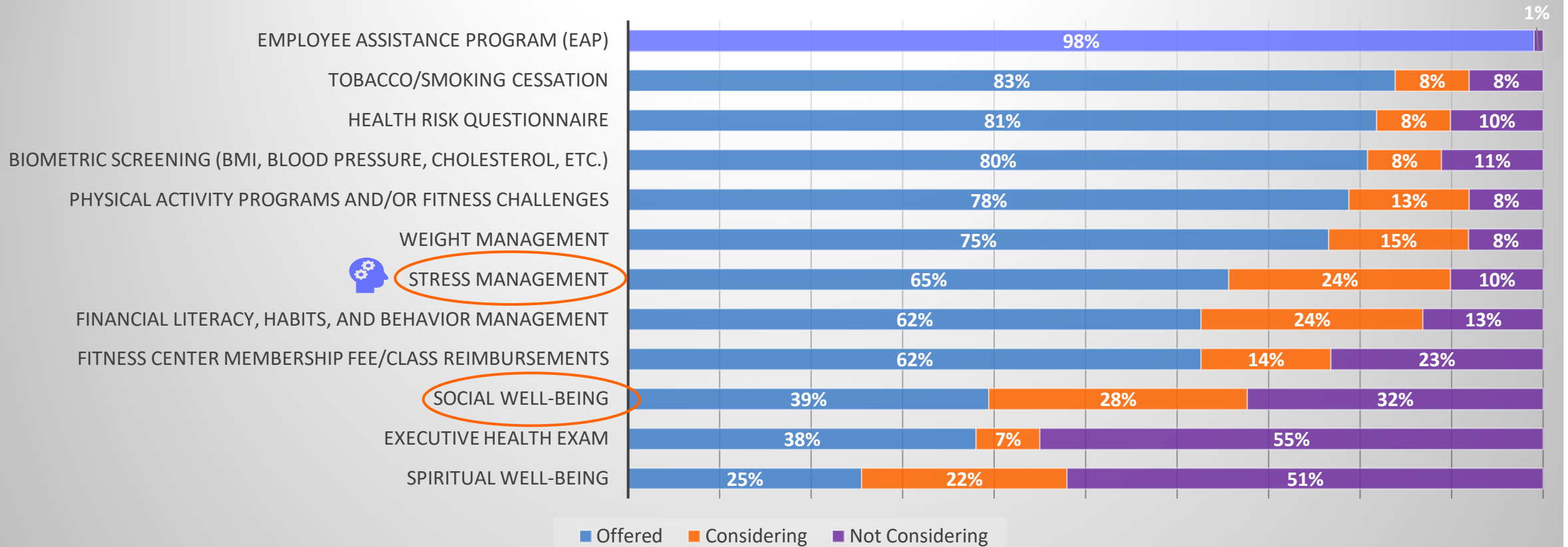
**Financial Incentives**



*Non-production bonuses include holiday or year-end bonuses, profit-sharing cash bonuses, safety bonuses, and attendance bonuses.*

# Health & Wellbeing Programs

## Wellness/Well-Being Programs Offered





# Thank you!

Prepared by:

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Title

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