

NEWS & VIEWS

Summer 2011

An Insider's Perspective on HOT Health & Welfare Benefits

EFFECTIVE COMMUNICATION OPTIMIZES YOUR BENEFITS INVESTMENT

Did you know that over 75% of employees with *effective benefits communication* rated their benefits packages favorably, regardless of whether they had above or below average healthcare benefits? Similarly, only 25% of employees with *ineffective communications* and above average benefits rated their plans favorably.¹ **If your employees don't know what benefits are available to them or how to use them, they will not realize the full value of their benefits.** Health benefits are key to retaining top employees – 74% of employees rated health benefits extremely important to loyalty toward their employer.²

WHAT IS BENEFITS COMMUNICATION?

Whether or not you have a defined strategy, your employee benefits communication includes:

- Legal and Regulatory Notices (Plan Documents, Summary Plan Documents, and Supplemental Benefit Notices)
- Annual Open Enrollment Materials
- Benefit Program Promotion (bi-weekly, monthly, quarterly, etc.)

By planning your communication ahead of important deadlines (e.g., open enrollment) and taking advantage of timely reminders to promote wellness initiatives and preventative care, you can transform your communications from the bare minimum required to a valuable tool that can increase productivity and morale.

Benefits of Good Communication

- Enhanced awareness of all benefits
- Increased employee appreciation (improving retention & recruiting)
- Improved efficiency between departments and access to information
- Compliance with benefit regulations

COMMUNICATION IS NOT A ONE-WAY STREET

While your organization may fulfill its legal obligation by providing Summary Plan Descriptions, COBRA notices, Summary Annual Reports, and other legal notices, how can you ensure that your employees will read and benefit from them?

New regulations of the Patient Protection and Affordable Care Act (PPACA) of 2010 have already begun to take effect, spurring questions from employees regarding changes and options to their existing health care plans. Elements of PPACA specifically require additional communications, such as the new 4-page Uniform Summary of Benefits. Coordinating these legal requirements into an engaging communication plan will answer your employees' questions and keep them satisfied with the benefits package you are able to provide.

¹ Watson Wyatt Worldwide, "WorkUSA Study 2004/2005: Effective Employees Drive Financial Results," January 2005.

² MetLife, "9th Annual MetLife Study of Employee Benefits Trends, a Blueprint for the New Benefits Economy"



WHAT'S NEW!

Look at new formats that are more engaging than intimidating plan documents. Try creating a folder with 1-2 page inserts that present each benefit in newsletter format "at a glance". In a time crunch? Try an electronic "binder" of linked documents on your company's intranet.

USE OPEN ENROLLMENT TO ENGAGE YOUR EMPLOYEES

Planning for open enrollment should begin 1-2 quarters ahead of time, so that your communication can reflect your benefits strategy. At MCG, we can help you create a Benefit Guide in a format that encourages employees to easily flip to the appropriate benefit type. Comparison charts can help show the differences between various options.

Experiment with digital and social media. Text message reminders, email "eBlasts", and mail postcards to grab the attention of today's

"We have learned that we need to provide a lot of education in different forms to meet the needs of our multigenerational workforce," says Christine Kopp of ACCENT Marketing Services.

busy, multitasking employee. Younger employees are especially interested in receiving benefits information via social networking and electronic media. The greatest barrier for wellness initiatives is employee engagement, and mobile access and smartphone apps can help.

FOLLOW UP TO INCREASE UTILIZATION AND UNDERSTANDING

Effective communication does not mean hiring a big dollar marketing firm to produce fancy brochures. Reaching out with personal touches, such as a personal benefits counselor, informal "brown bag" lunch sessions, or one-on-one chats can motivate employees and give your benefits package a human touch. Provide consistent, frequent information in different formats — inserts in paychecks, quick reference numbers and websites on magnets and memo pads, and access to health plan providers' websites and online tools. Use special events (The Great Smoke-Out, Heart Awareness Month, Diabetes Awareness Month, etc.) to generate interest in new initiatives or bolster current efforts. Contests and raffles are other popular ways to boost participation in wellness programs or success in weight-loss initiatives.

LET US HELP YOU GET STARTED

If you are ready for MCG's *Unique Concepts and Proven Success* approach, then give us a call. We will assist in the review, creative direction, management, and execution of your employee benefits communications strategy.

Please contact Robin Oswald, MCG's Communications Consultant, at 805-602-0308 or email ROswald@MCGteam.com for more information.

