

Trends in structuring employee benefits of the future - from surviving to thriving

BY SAMUEL MITCHELL

The seismic workplace shifts that began in early 2020 have accelerated us toward an unprecedented future that benefits advisors and employers must embrace if they don't want to fall behind. Here's how progressive companies are spending their benefits dollars to retain and attract a healthy workforce in 2022.

Financial planning

Group health insurance and retirement savings accounts are not enough

Employees typically expect support with health insurance and saving for retirement from their workplace, but the pandemic has highlighted a pressing need for enhanced financial planning.

According to the [Society of Human Resource Management](#), 62% of employers said they feel responsible for employee financial security beyond health and retirement benefits. Enhanced financial security contains three key elements:

- 1. Awareness** - Most people don't know where to start. Readily available data — age, wage and current retirement savings — can give a financial professional information to provide an overall financial health assessment.
- 2. Action** - Give people the tools to leverage their future. Goal setting, account management, and scenario illustrations help employees cultivate financial intelligence.
- 3. Access** - Many workplaces now offer financial coaching through a credentialed financial expert on demand.



Benefits without borders

How a hybrid strategy changed benefit management

Trends show that the work environment of the future is hybrid, a switch that has clearly altered employee needs and benefits.

Many workers took advantage of their new-found flexibility and moved to places where traditional HMO coverage only provided emergency services. A provider that is able to adapt to the changing nature and geography of the workforce became paramount.

Additionally, a partial or fully remote workforce suddenly made a strong, scalable HRIS system necessary to professionally manage benefit programs. Responding to questions and conducting open enrollment meetings was reimagined for a virtual environment, with the unexpected benefit that employees began to pay more attention and dedicate more time to [their decision making](#).

Personalization

A customized benefits program for everyone

In a post-pandemic society, traditional benefits are not enough. Employees want a well-rounded, personalized benefits package that helps them achieve their goals. “Lifestyle benefits” create personal connections to the organization and increase interest and engagement.

Personalized benefits go beyond familiar perks like coffee on tap to allow each employee to identify their greatest needs, including debt management, student loan repayments, tuition reimbursement, a lifestyle coach or additional **mental health support**. Benefits must be as broad and diverse as the organization’s workforce.

The needs of every individual in an organization cannot be met with a one-size-fits-all approach. Leveraging personalization strategies to enhance traditional benefits ensures everyone gains.

Digital meets personal

Smart tech enhances personal relationships.

Pandemic-induced isolation caused many consumers to desire personal connection. While technology has disrupted traditional methods of interpersonal connection, it also delivered new opportunities for the consumer to choose *both* the person and novel technology.

Technological expansion has increased innovation in employee benefit programs, actually *improving* personal relationships rather than jeopardizing them. The explosion of telehealth is a significant example of the connection between relationship-based service and technology.

McKinsey & Company states telehealth has increased 38-fold from pre-COVID levels and up to 17% of outpatient and office visits are now digital, with both trends holding steady since July 2020. Technological enhancements to video chat apps,

broad access to smartphones, and the efficiency of secure, digital patient records for physicians to access in real-time have majorly fostered remote care alongside COVID regulations.

The long-term potential of telehealth cleared an important regulatory hurdle as the Centers for Medicare & Medicaid Services expanded and made permanent reimbursable certain telehealth codes in the 2021 physician fee schedule. With regulations easing and access increasing, the digital transformation of health care may offer more choice in how people receive care, from whom, and when.

Make it easy

Don’t overcomplicate the business of benefits.

Do employees fully understand and recognize the value of their benefits package? Are employers and their HR teams able to answer their questions while juggling a full plate of day-to-day responsibilities? Benefits selection and management needs to be simplified for both sides.

A single benefits strategy successfully blends needs with budget and allows employers to rethink their benefits packages to meet the needs of today’s diverse workforce.

Not everyone is a benefits expert. Keep it clear so employees understand their options. With the right guidance, employees will become more confident in their choices.

Staples got it right. There is an “EASY” button. A benefits strategy that combines financial planning with flexibility, personalization, and choices of a combined digital and human approach creates easy access, easy decisions, and easy engagement for everyone.

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