



2023 Benefits Insights Special Report:

Connecting the Dots from Selection to Activation



It's time to stop expecting employees to be benefit experts.

Employee benefits confusion is driven by extreme complexity rather than an unwillingness to participate.

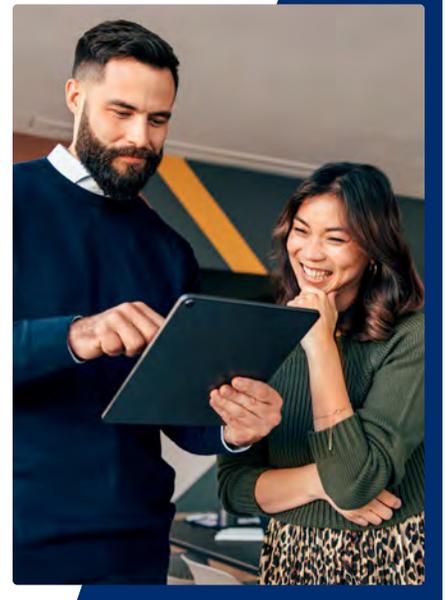
There's a chasm between employees and their benefits. The healthcare and benefits journey can feel impossible to navigate from one ridge to the next: complex jargon, shifting plan rules, opaque costs, and networks. The challenges go on for miles.

These challenges overshadow a key element in the landscape of benefits: Employees want to understand and engage with their benefits. But, throughout the benefits lifecycle—from awareness to selection to activation—they need help connecting the dots.

Leveraging benefits technology to deliver personalized support can add real value for both HR and employees by reducing the complexity of the benefits experience throughout the journey. Tech-enabled personalization can take many forms from using decision support at the moment of benefits election to asking for support from intelligent applications, like chatting SofiaSM, Businessolver's virtual benefits assistant, "How much do I pay for an ER visit?"

The key is to ensure consistency of personalization and support from the time employees elect benefits (selection) to the moments they may need them throughout the year (activation). A broad strategy, designed to build year-round awareness and highlight the right tools and resources to help employees guide themselves through their benefits, is critical to closing the confusion gap.

This year, data from Businessolver's fifth annual [Benefits Insights Report](#) shows that, despite their confusion, employees are eager to engage with their benefits and that holistic personalization, such as decision support or benefits-related emails, can have a drastic impact on their success when doing so.



Employees want to understand and engage with their benefits. But, throughout the benefits lifecycle—from awareness to selection to activation—they just need help connecting the dots.



Key Findings and Trends



85% of employees are confused about their benefits.



60% of employees elected right-fit-for-them benefits (like an HDHP and HSA) when decision support is available at enrollment, **3 times higher** compared to those who don't have that support.



45% average open rate for benefits-related emails.



Sofia helps drive **80%** of impressions, or visibility of, point solutions based on employees' intent in the system.



70% of employees, on average, want to see messaging personalized from their unique health and claims data.



46% of employees log into Benefitsolver 4 or more times after enrollment when additional benefits services are available, such as FSA and HSA or custom communications. This compares to only **20%** when no personalized services are available.

Building Benefits Confidence is Key to Building ROI

Employees don't need to be benefits experts; they just need help navigating the experience from selection to activation.

As healthcare costs continue to rise and the talent market becomes more competitive, HR is faced with a dual challenge alongside their employees:

- **Unlock ROI across the benefits program to justify the budget**
- **Drive meaningful employee engagement with benefits**

These might sound like separate challenges, but the confluence lies in helping employees connect the dots from selecting their benefits to activating them. Unlocking ROI and employee engagement can happen in tandem by embedding personalization across the entire employee benefits experience.

The employee benefits experience is complex.

No two employees are alike, and neither are their health, wealth, or lifestyle needs. But a scalable personalization strategy can help HR take a complex and diverse suite of benefits and tailor the value of it across their equally complex and diverse employee population.

Here's what that could look like:



Awareness

- Hosting a virtual benefits fair that organizes available benefits by health needs and events
- Creating a holistic portal that houses all key Total Rewards programs in one place using eligibility data to ensure only the correct plans and programs display



Selection

- Providing decision support at enrollment to help match employees with best-fit benefits from your entire program
- Using behavior- and data-driven benefits technology to help ease the navigation experience



Activation

- Sending out year-round communications to help connect (and reconnect) your employees with their benefits and drive them back to the benefits platform
- Layering tech-enabled support and resources, like 24/7 AI support alongside a team of live reps to help answer questions and guide employees towards resources



But when personalization isn't in place, the employee experience looks and feels a lot more like this:

- Getting an out-of-network bill for your regular doctor
- Trying to look up a deductible
- Forgetting where to go to look at their 401(k)
- Forfeiting FSA dollars
- Going to the ER for a sinus infection
- Waiting on hold for hours to understand a claim



So how can HR help employees navigate through all of the different scenarios throughout the employee benefits maze?

- Help employees understand the value of the benefits available to them.
- Leverage tech- and data-enabled tools to guide employees through the experience.
- Build an omnipresent experience that extends outside of your benefits administration platform.

The data paints a clear picture: **Personalization throughout the entire employee benefits experience is key to helping employees engage with their benefits.**





Connecting the Dots from Selection to Activation

Connect Employees' Needs to Their Benefits



Create an Easy-to-Navigate Benefits Experience



Meet Employees Outside of the Benefits Platform



HR's Action Items



1 Connect Employees' Needs to Their Benefits

Personalization can help HR drive the value of benefits for all employees.

Over 60% of American workers are considered “over-insured,” meaning they’re paying more out of pocket in premiums to manage overlapping wellbeing needs than they need to. With the rising rate of employee benefits confusion, a rocky economic landscape, and growing expectations for diverse and empathetic benefits, it’s critical that employees understand the value of the benefits available to them to manage their wellbeing and protect their hard-earned paychecks.

Businessolver’s data found that 85% of employees are confused about their benefits. Here’s how that confusion manifests in the benefits experience:

45% of employees say they would feel panicked about a large, unexpected expense, like an ER bill.

37% said they would go into debt or aren’t sure how they would pay for a medical expense.

34% only log in to view their benefits once a year (likely to enroll in benefits).

37% of call volume is about their coverage and eligibility.

63% have a savings vehicle available to them but only 10% are enrolled in that benefit.

Employees are eager to stack the benefits deck in their favor, but they need help connecting their unique needs to the benefits available to them. 46% of employees are logging into their benefits platform via desktop or mobile four or more times per year, yet they’re only spending 15 minutes on average in the actual enrollment of their benefits. While logins and time spent in the platform don’t necessarily equate to the quality of the experience, these metrics can be a helpful gauge of how accessible the overall benefits experience is for your employees.



What impacts steerage to the platform?

- **46%** of employees log into Benefitsolver 4 or more times after enrollment when personalized communications and additional services are available. This compares to only **20%** when no personalized services are available.
- **45%** benefits-related email open rate
- Mobile logins make up **23%** of total Benefitsolver logins throughout the year



The data also shows that **a personalized and accessible experience is a critical component of long-term engagement.** A one-wallet approach, or housing the entire benefits experience in one place, means employees only need to remember one login to access their benefits. Add to that a mobile experience and regular benefits communications steering them back to that single platform, and the experience becomes that much easier to access and engage with.

Activating on employees' desire to engage with their benefits means meeting them throughout their benefits journey, regardless of platform or venue. Our data shows that 97% of employees prefer email as their primary method of benefits communication and an additional 34% opted into text message reminders to help them stay informed about their benefits.

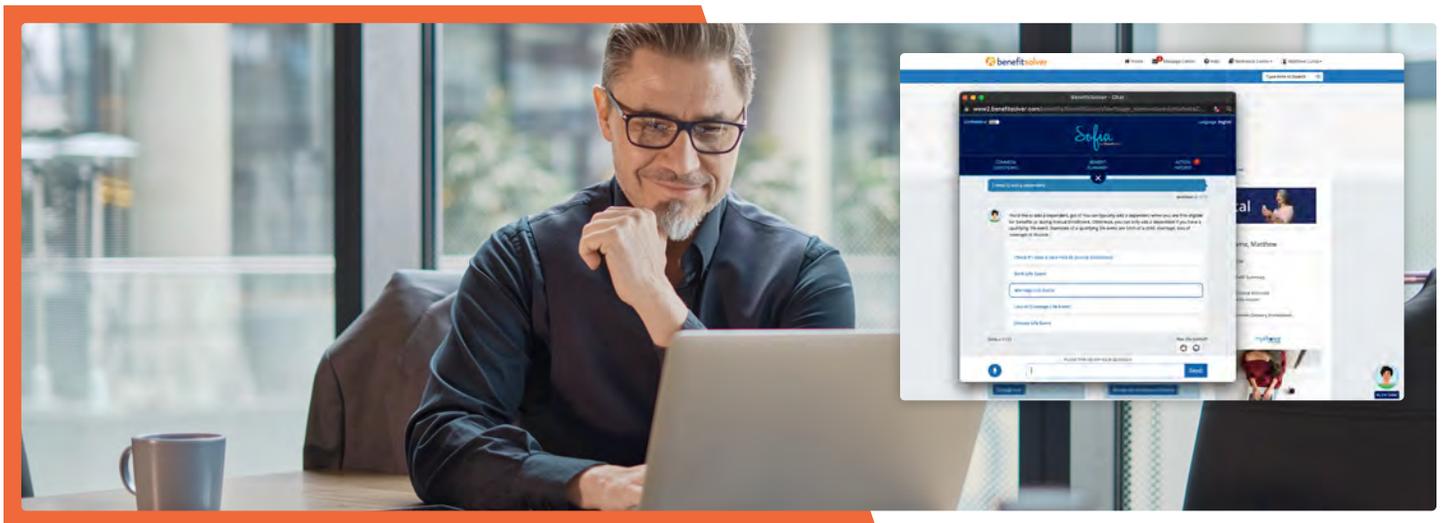
But while communication is an important piece of helping break down the benefits maze, its primary purpose is to point employees toward meaningful, relevant, and helpful experiences and resources. To help employees activate on those reminders, the communication needs to build value through emotional connections, like using real-life scenarios to help employees understand what the benefit is for and how it can help them in their time of need.

However, it's not enough to just steer employees into the platform. They need to have a purpose to go there, be that activating on a solution or benefit or seeking support with tools and resources designed to meet their needs.

Because each employee's needs are unique, their need to select and take action on the appropriate benefits will also be unique. Targeting each employee's needs is truly impossible, but scaling personalization across the experience can help employees connect their needs to the value of the benefits available while helping reduce the administrative burden for HR.



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Here's how scaling benefits relevancy across the employee experience can impact ROI and engagement:



Helping employees connect their health history to their benefits experience.

70% of employees opt into using their claims data to personalize their benefits messaging when given the option.

18% of employees activated (clicked or interacted with) on a benefit when Sofia brought it up in context to a question or issue employees were chatting or calling about, such as reminding them about telemedicine or nurse line when they asked about the cost of an ER visit.

Providing decision support at enrollment.

41% During annual enrollment, 41% of employees across Businessolver's book of business used the MyChoice® Recommendation Engine (MCRE) to help them enroll in right-fit benefits

43% elected the recommended plan option; only 4% elected the lowest cost option.

60% elected an HDHP and an HSA, nearly three times higher than when decision support isn't used or available.

Targeting communications about benefits, such as telemedicine or 401(k) match, to enrolled (not just eligible) employees year-round.

45% of employees open and read benefits-related emails, more than twice average marketing email engagement.

29% of calls were resolved by Benefitsolver technology, such as a Sofia message or an automated company message, meaning the employee didn't need to wait to speak to a live advocate.

The ROI of Benefits Technology

In 2022, Businessolver's benefits technology saved companies approximately **\$400 million** in HR efficiency gains by driving employee self-service. Likewise, our tech improved employee productivity by saving them over **1 million hours** in call hold times.

When personalization and empathetic experiences designed to help connect those dots are in play, the friction between employees and their benefits decreases—and this can have a lasting impact on a business's ROI and cost management efforts. But the experience needs to be accessible from all angles for employers to realize that success.



2 Create an Easy-to-Navigate Benefits Experience

Removing all possible barriers to benefits with communication, technology, and personalization.

Today's consumer expects their digital experience to be tailored to them: 73% expect their unique needs to be understood, 62% expect their needs to be anticipated, and 56% expect the experience to be personalized. We can assume that these expectations extend to—and will similarly impact the success of—today's benefits experience. HR needs to think outside of the platform to build on those needs.

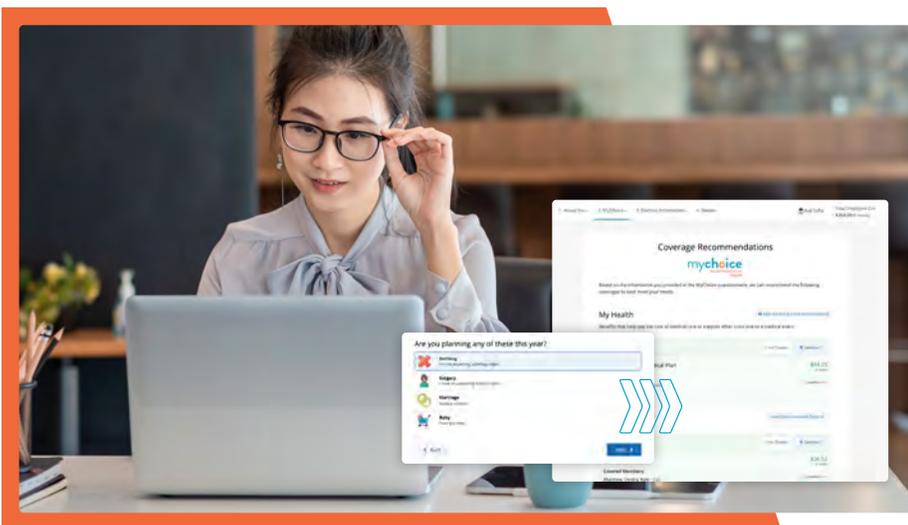
Nearly all events that trigger a need for a benefit or point solution happen outside of the benefits administration platform, which means the employee experience needs to extend outside of the technology as well. Our data shows that communicating with employees using channels they want to use, like email or text messaging, can make it easier for them to get back to the benefits platform.

But getting employees into the benefits platform is only half the battle. Once they're in the technology, they need help navigating through the experience to help them understand what's available to them, where to find it, and why they should use it. That's where empathetic user experience (UX) design comes into play.



First (and Second, and Third...) Impressions Matter

- **17%** of employees who saw information about a point solution in the benefits platform activated on that benefit (clicked or called).
- When Sofia served up relevant benefit information or reminders in chat, **19%** of employees activated on that benefit (clicked or called)
- Impressions can help drive awareness within the total nurture strategy for benefits engagement. These subtle reminders can come in many forms—pop-up notifications, an automated message in a phone tree, an email, and much more—and helps remind employees of what's available to them and, more importantly, where to find it.



Each employee's experience in the benefits platform will be as unique as they are. One may come in to check a spending account balance. Another may come in to ask an intelligent application (such as Sofia) about their copay. Regardless of the need that brought them to the platform, they all share one purpose: to engage with their benefits in a meaningful way.

UX can help employees feel heard and understood throughout the experience, resulting in fewer barriers to care, less frustration, and better engagement by:



Surfacing up information relevant to the employee's needs in the moment

- Sofia helps drive **80%** of impressions, or visibility of, point solutions based on employees' intent in the system.
- **19%** of employees activated on a benefit when Sofia served up relevant information or resources in chat.



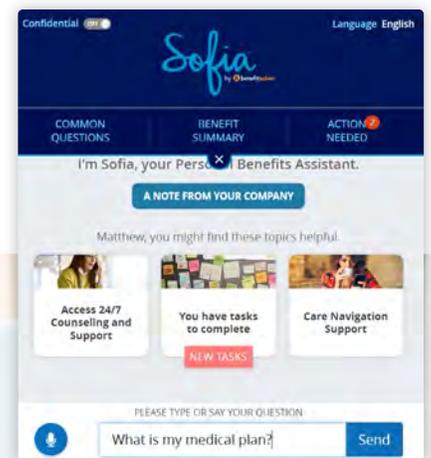
Listening to their unique health and wellbeing needs

- **70%** of employees are willing to use their claims and health history data to further tailor their benefits experience.
- **41%** of employees will use decision support during Annual Enrollment when it's available.



Removing jargon and prioritizing intuitive and helpful tools

- **79%** of all Sofia's interactions are via chat with a **90%** same-day resolution rate.
- **14%** use the MyChoice Find a Provider tool to find a quality, best-cost, in-network provider right from the benefits platform.



Businessolver's data shows that personalization across the entire experience can have an impact on how well employees understand, access, engage with, and activate on their benefits.

Here's how a nationwide business services organization balanced personalization and empathy into their employee benefits journey, both in and outside of the benefits platform:



Awareness

The employer hosted a virtual benefits fair ahead of their annual enrollment to help build awareness around their entire suite of benefits.

- **82%** visited the experience at least once
- **65%** visited the experience two or more times



Selection

Employees are able to use the MyChoice Recommendation Engine to help guide them towards right-fit benefit options by asking a series of questions about their overall health, lifestyle, risk tolerance, and financial readiness.

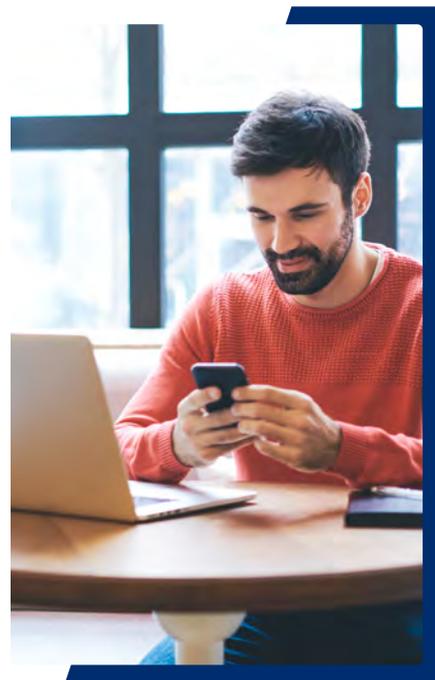
- **70%** of employees who elected a medical plan used decision support
- **98%** elected a cost-effective medical plan
- **58%** elected an HSA alongside an HDHP
- **93%** completed a self-service enrollment



Activation

Employees are able to access their benefits year-round via the MyChoice Mobile App and desktop platform and can chat with Sofia, Businessolver's virtual benefits assistant, 24/7. Additionally, the client uses Action Manager, Benefitsolver's® in-platform communication tool, to schedule and send timely and relevant benefit emails to their population.

- **30%** of employees visited Benefitsolver 4 or more times after enrolling in their benefits
- **36%** employees enrolled in medical use the mobile app
- Benefits-related emails have a **52%** open rate
- **50%** also opted into text-message reminders
- **68%** of service interactions were Sofia chats with a **90%** same-day resolution rate
- **19%** of calls to the service center were resolved by technology, such as a company message or Sofia, meaning the employee got their answer immediately



3 Meet Employees Outside of the Benefits Platform

Connecting the dots year-round.

If there's one throughline in this year's Insight Report data, it's that successful benefits strategies prioritize omnichannel, omnipresent experiences designed to meet employees at any moment of their benefits journey.

The data is telling us that employees want to engage: 20% log in to view or manage their benefits four or more times after enrollment and when additional services are available, such as consumer spending accounts or custom communications, this number jumps to 46%. But difficulties in understanding their benefits is holding them back from feeling confident or successful in managing their wellbeing.

Employees' desire to succeed is there. HR just needs to activate on it with a nurture strategy designed to meet employees outside of the benefits platform to help steer them towards the right resources and benefits in the platform. By targeting communications across multiple channels, HR can capitalize on the opportunities to engage and guide employees through the complexities of the benefits experience.

Simply put, a good benefits experience needs to be omnipresent and omnichannel. And HR likely has many of the tools and capabilities in place to build and execute a successful nurture strategy.

Building an omnipresent nurture strategy starts with defining your year-round benefits communication efforts and is aided by patience. Benefits engagement doesn't, and can't, stop at annual enrollment. Helping employees connect the dots from selection to activation is a year-round effort, but the lift doesn't have to be astronomical.



The Impact of Missed Connections

When employees aren't able to, or don't understand how to, access or manage their benefits, they can't leverage the tools and resources that are available to them. This could look like missing their enrollment window, not taking advantage of a cost-effective benefit or point solution, or even not getting the right care for their needs.



Omni-what?

"Omni" means "in all ways or places." For a benefits strategy, this means leveraging tactics and tools that enable HR to reach their employees across a variety of communication methods ("omnichannel") all year round ("omnipresent") for the long-term ("nurture strategy").



Here's what nurture communications could look like for your organization:

- Sending emails and text message reminders before and during the annual enrollment window.
- Sharing a list of FSA- and HSA-approved items to help employees use those funds throughout the year.
- Reminding employees of a point solution or benefit available to them to manage their health that went underutilized last year, like telemedicine, a nurse line, or HSA-match incentive.
- Hosting benefits “lunch and learns” to bring in partners from your point solutions and benefits to talk about the value and answer questions, like financial planning.
- Reminding employees where they can go to find in-network care, like lab work and primary care providers.
- Promoting resource programs, like caregiver support and chronic condition management.

Similarly, an omnichannel communication strategy should extend beyond the basics. While email is the preferred primary communication channel—97% employees prefer it—other methods can be just as effective, especially when it comes to driving long-term results.

Nurture campaigns are a long-term approach: these communications won't elicit immediate results; instead, you're helping employees build awareness and familiarity with their benefits before a health event occurs so that they're less stressed and more informed about what support and resources are available to them in their time of need. In marketing speak, this is called building impressions.

Impressions are a slow-burn, high-impact performance metric for your benefits strategy. It takes around seven reminders (or “touches,” if you're a marketer) to get someone to engage with something. These reminders can come in many forms, but for benefits it might look like:

- Reading an email
- Getting a text message
- Seeing a notification or banner in your benefits program
- Hearing about a coworker or friend's experience
- Sofia serving up a link to a point solution while chatting with a member

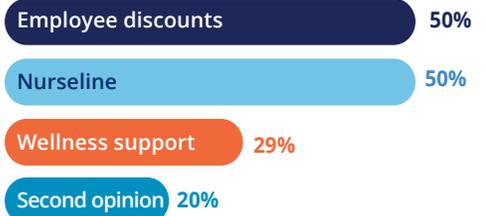
Regardless of what the reminder looks like, they all have the same end result: **Eventually, the employee will activate on the right benefit when they need it, simply because HR helped build their awareness outside of the benefits platform.** Building that familiarity and relevancy year-round will help drive employees' success from selection to activation.

Our data shows an overall 17% engagement rate (meaning a click or call) in just one year of measuring impression-to-activation behavior.

With personalization in play, these benefits had the highest impression-to-activation rate:



Additionally, employees engaged the most with these voluntary benefits and point solutions when they see targeted messaging directly from Sofia:



HR's Action Items

Putting personalization to work across your benefits practice.

As benefits continue to evolve—and become even more complex—technology will be the key to helping employees engage and unlock value across the entire experience. Despite employees' confusion, their desire to engage illuminates the opportunities HR teams can act on to help ease the barrier to benefits entry by guiding employees towards the right-fit-for-them resources and solutions.

Here's how HR can help drive best-fit selection and right-time activation across the benefits program.

Market the value of the benefits suite:

- ✓ Help employees connect the dots from their wellbeing and lifestyle needs to the benefits available to them—your efforts should go beyond just the basics of medical-vision-dental and shed light on key voluntary benefits and point solutions.
- ✓ Offer decision support to help guide employees towards the “right-fit” coverage options based on their financial, health, and emotional needs.

Think outside of the benefits administration platform box:

- ✓ In-platform communication and experiences are critical, but so is driving people to the place to manage those benefits. Utilize email, company intranet, text messages, and other communication methods to help remind and drive employees to their benefits year-round.
- ✓ Leverage smart technology to gain access to a greater level of data that tells you the types of questions your employees are asking as well as where their interests lie throughout the year to develop trending and engagement opportunities.

Build consistency and longevity:

- ✓ An omnichannel approach needs to run year-round, not just before and during AE. Consider mapping your communication efforts alongside wellness themes (like flu season) and your population's needs (like promoting your EAP program).
- ✓ Build long-term recognition and awareness with year-round “impressions” across a variety of communication channels.



Market-Leading Benefits
Technology + Innovative,
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