

2023 Industry Benchmarks:

How employers can build value into their benefits from selection to activation



Businessolver's latest Benefits Insights Report revealed that 85% of employees struggle to understand their benefits. That's a 2 pt. increase from last year and a 4 pt. increase from when we first published this report in 2019.

The data is telling us a harsh truth: Employees are never going to understand their benefits. And they shouldn't have to.

It's no surprise that benefits are complex, and that complexity often results in a burdensome workload for many HR and benefits teams. And with healthcare costs continuing to rise and benefit expectations shifting as a new generation enters the workforce, these same HR teams are under added pressure to drive value across the benefits program for both their employees and their bottom line.

Here's a look at some top-line benefit insights:



97% of employees **prefer email** as their primary method of communication.



52% of our virtual benefits assistant chats (SofiaSM), took place **outside of the Annual Enrollment period.**



60% of employees **elected a "right fit" health plan and a savings vehicle** with personalized decision support.



We looked at how employees understand and engage with their benefits at the industry level to help HR teams better understand how to tailor their benefit programs with strategies and tactics aligned to their organization and workforce. This includes data to support:

- Personalizing the experience to drive engagement
- Reducing friction and hurdles between employees and their benefits program
- Highlighting the value of the benefits program based on employees' needs

Across all industries, we found that personalization is critical to driving engagement and value, but that personalization looks different for each industry.

Ready to see how you can drive value in your benefits program? Read on to see how your company stacks up against industry findings.

Here's a look at some top-line benefit insights:



59% of all employees described themselves as **"healthy."**



60% are on **1 or more prescription medications.**







45% would feel **panicked about a large ER bill.**



17% unique engagement rate (a click or call) with a non-electable benefit such as telemedicine when employees were served personalized touches.

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Methodology

Data for this ebook was captured across the Benefitsolver® platform to provide a more holistic view of employee benefits behavior and engagement. Specifically, data was pulled from the MyChoice® Recommendation Engine, which provides decision support at enrollment; Sofia, Businessolver's virtual benefits assistant; and personalized engagement solutions, including an embedded communication framework within Benefitsolver. By looking at data across the entire Businessolver book of business, encompassing 4.4 million employees across a wide variety of clients, we can better understand how employees are engaging with their benefits across the entire benefits lifecycle—from awareness to selection and ultimately activation.



Finance Industry

What this population looks like:

Finance employees are typically desk-based and willing to adopt and use tech-enabled solutions to manage their benefits. Millennials (45%) and Generation X (21%) make up over two-thirds of the population. A large percentage of finance employees (42%) make over \$100,000 a year.



Health, wealth, and preparedness:

64% of finance employees describe themselves as healthy or of average health, +5 pts. compared to our entire book of business. 71% say they are fully prepared with cash savings for a large, unexpected expense (+10 pts.).



45% have a family history of illness

94% don't smoke

59% are on one or more prescription medication



89% are able to save money some or all of the time

51% could manage a large ER bill (even though they would rather not)

35% would feel panicked



86% are confused about their benefits

66% say they have a low risk tolerance



Finance Industry

Engagement, enrollment, and self-service:

29% of all service center phone calls are resolved via our technology, such as our AI-enabled personal benefits assistant Sofia, on par with our book of business. 53% of active eligible employees enrolled in a high-deductible health plan, +20 pts. compared to our entire book of business.

How finance HR can drive value in benefits:

Overall, employees in the finance sector are likelier to be savvy about their benefits when it comes to pairing financial support and solutions alongside their medical elections. Though their risk tolerance mostly mirrors tolerance across the book of business, finance employees likely have a better understanding of how their lifestyle, such as planned events and overall health, play a deciding role in which benefits are most appropriate for their needs.



95% enrolled in their benefits on desktop

36% of employees logged in to benefits portal 5+ times after enrollment

Emails reminding employees of their benefits have a **51%** open rate



71% of employees enroll in their employer's medical coverage

73% of employees with an HDHP also enrolled in an HSA



86% of employees chatted with Sofia to resolve an issue with an **88%** same-day resolution rate

Finance Industry

These employees are:

More financially prepared for the unexpected and less likely to feel panicked about large expenses.

- ✓ Leverage personalization tactics, such as claims data and behavioral analytics, to target timely and specific messaging to your employees to help them put that financial knowledge to good use.

More engaged with their benefits across a variety of access points, most notably email communications and leveraging Sofia's support.

- ✓ Use omni-channel communication to highlight the value of the entire benefits program.

More likely to elect cost-effective health plan options and pair that with financial support vehicles, such as HSAs with an HDHP.

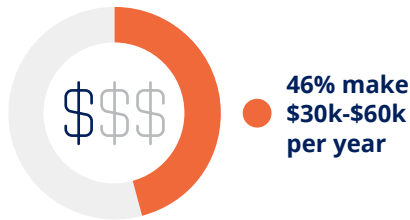
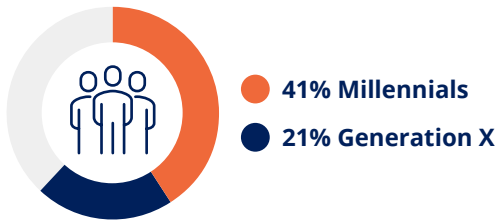
- ✓ Implement decision support at time of enrollment and educational resources year-round to highlight the value of savings vehicles, like HSAs, and healthcare cost support, such as hospital indemnity.



Healthcare Industry

What this population looks like:

Healthcare employees are a diverse population and include a mix of desk-based employees, like administrative workers, and mobile employees, such as healthcare practitioners. Millennials (41%) and Generation X (21%) make up over two-thirds of the population. A large percentage of these employees (46%) are low-to-midrange earners, bringing in between \$30,000 - \$60,000 per year.



Health, wealth, and preparedness:

38% of healthcare employees describe themselves as “average health,” +2 pts. compared to our entire book of business, though fewer employees (57%, -2 pts.) describe themselves as “healthy.” 58% say they are fully prepared with cash savings for a large, unexpected expense (-3 pts.).



56% have a family history of illness

94% don't smoke

66% are on one or more prescription medication



86% are able to save money some or all of the time

44% could manage a large ER bill (even though they would rather not)

47% would feel panicked



83% are confused about their benefits

70% say they have a low risk tolerance



Healthcare Industry

Engagement, enrollment, and self-service:

28% of all service center phone calls are resolved via our technology, such as our AI-enabled virtual benefits assistant Sofia, on par with our book of business. 29% of active eligible employees enrolled in a high-deductible health plan, -4 pts. compared to our entire book of business.

How healthcare HR can drive value in benefits:

Overall, employees in the healthcare industry demonstrate a willingness to engage with their benefits and a preference for tech-enabled support. However, these employees are also less prepared overall for unexpected healthcare costs, even though they self-report being more knowledgeable about their benefits in comparison to the book of business. These employees often work “non-traditional” hours outside of 9-5 and may not always be at a desk or have a computer available to them, so their engagement with email, Sofia, and mobile illustrates the value of omnichannel engagement.

Surprisingly, these employees also have a lower overall engagement with their employer-sponsored medical options compared to the book of business, indicating that they’re either on a spouse/partner’s plan or simply don’t understand the value of what’s available to them.



89% enrolled in their benefits on desktop

24% of employees logged in to benefits portal 5+ times after enrollment

Emails reminding employees of their benefits have a **51%** open rate



56% of employees enroll in their employer’s medical coverage

74% of employees with an HDHP also enrolled in an HSA



68% of employees chatted with Sofia to resolve an issue with an **88%** same-day resolution rate

Healthcare Industry

These employees are:

Less financially prepared for the unexpected and more stressed about it.

- ☑ Promote financial wellness and support benefits, such as savings vehicles, cost-effective health plans, and other pre-tax benefits designed to help employees build savings and support themselves through unexpected health expenses.

More likely to seek out support after hours and on weekends.

- ☑ Leverage technology that creates mechanisms for engaging in benefits and information 24/7.

More likely to understand how their lifestyle and family history impacts their overall health.

- ☑ Consider integrated claims information into your decision support and year-round engagement to drive a different level of understanding with your healthcare-savvy employees.



Retail Industry

What this population looks like:

Retail employees are typically made up of non-desk-based workers, such as sales associates and mobile management, and benefit from a tech-driven benefits engagement approach. Millennials (41%) and Generation Z (26%) make up a majority of the employee population. Over half (55%) are low-midrange earners, bringing in \$30,000-\$60,000 per year.



Health, wealth, and preparedness:

42% of retail employees describe themselves as “average health,” +6 pts. compared to our entire book of business, though fewer employees (52%, -7 pts.) describe themselves as “healthy.” 44% say they are fully prepared with cash savings for a large, unexpected expense (-17 pts.).



- 51% have a family history of illness
- 86% don't smoke
- 56% are on one or more prescription medication



- 77% are able to save money some or all of the time
- 34% could manage a large ER bill (even though they would rather not)
- 59% would feel panicked



- 86% are confused about their benefits
- 69% say they have a low risk tolerance



Retail Industry

Engagement, enrollment, and self-service:

27% of all service center phone calls are resolved via our technology, such as our AI-enabled benefits assistant Sofia, on par with our book of business. 26% of active eligible employees enrolled in a high-deductible health plan, -7 pts. compared to our entire book of business.

How retail HR can drive value in benefits:

Overall, employees in the retail sector struggle to protect or maintain financial stability and are more likely to feel panicked when faced with an unexpected cost. Retail employees have a higher desire to engage with digital communications, such as email and mobile, but likely would benefit from steorage to in-platform support (such as Sofia or a resource center) to help them avoid waiting on hold for a live rep.



81% enrolled in their benefits on desktop

24% of employees logged in to benefits portal 5+ times after enrollment

Emails reminding employees of their benefits have a **50%** open rate



49% of employees enroll in their employer's medical coverage

50% of employees with an HDHP also enrolled in an HSA



26% of employees chatted with Sofia to resolve an issue with an **88%** same-day resolution rate

Retail Industry

These employees are:

More confused about their benefits overall.

- ☑ Leverage personalization to help employees better understand the relevancy, value, and availability of the benefits available to them.

Less financially prepared for the unexpected and more stressed about it.

- ☑ Promote the availability and value of financial wellness benefits, such as pre-tax savings vehicles, ancillary voluntary benefits and paycheck-protectors.

More likely to seek out support after-hours or on weekends.

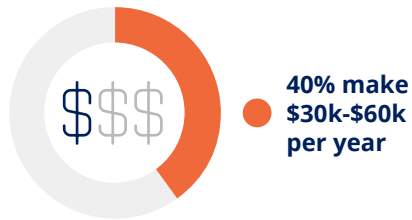
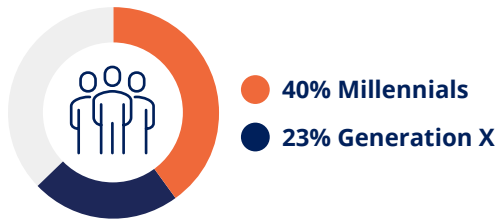
- ☑ Use a “mobile and personal email first” approach to drive effective communications across your employee populations year-round, especially so they continue to seek information outside of business hours.



Manufacturing Industry

What this population looks like:

Manufacturing employees are typically made up of non-desk-based workers, such as assembly line workers and mobile management, and benefit from a tech-driven benefits engagement approach. Millennials (40%) and Generation X (23%) make up a majority of the employee population. Over a third (40%) are low-midrange earners, bringing in \$30,000-\$60,000 per year, and another third (36%) bring in \$90,000 or more per year.



Health, wealth, and preparedness:

36% of manufacturing employees describe themselves as “average health,” on par with our entire book of business, and 60% (+1 pt.) describe themselves as “healthy.” 68% say they are fully prepared with cash savings for a large, unexpected expense (+7 pts.).



48% have a family history of illness

87% don't smoke

61% are on one or more prescription medication



88% are able to save money some or all of the time

47% could manage a large ER bill (even though they would rather not)

40% would feel panicked



85% are confused about their benefits

65% say they have a low risk tolerance



Manufacturing Industry

Engagement, enrollment, and self-service:

30% of all service center phone calls are resolved via our technology, such as our AI-enabled benefits assistant Sofia, on par with our book of business. 39% of active eligible employees enrolled in a high-deductible health plan, +6 pts. compared to our entire book of business.

How manufacturing HR can drive value in benefits:

Overall, employees in the manufacturing industry describe themselves as slightly healthier and more prepared for unexpected costs compared to the book of business as a whole. These employees also tend to have a higher risk tolerance and a lower stress response in the face of the unexpected. Though employees in this industry appear to have a higher likelihood of adopting a tech-enabled experience, they are less likely to engage with AI support, such as Sofia.



85% enrolled in their benefits on desktop

33% of employees logged in to benefits portal 5+ times after enrollment

Emails reminding employees of their benefits have a **46%** open rate



70% of employees enroll in their employer's medical coverage

73% of employees with an HDHP also enrolled in an HSA



32% of employees chatted with Sofia to resolve an issue with an **88%** same-day resolution rate



Manufacturing Industry

These employees are:

More financially prepared with cash savings and less likely to feel panicked about unexpected large expenses.

- ☑ Integrate personalization throughout benefits communications to help boost participation and drive year-round engagement in additional benefits, such as accident insurance and hospital indemnity.

Willing to engage with digital engagement tools but more likely to prefer to speak with a live representative when they need to resolve an issue.

- ☑ Capitalize on this population's high adoption of technology by highlighting navigation, decision, and knowledge support tools. Encourage an omni-channel approach to support where a live rep is available during the 9 to 5 but still provide access to AI benefits assistance to support on nights and weekends.

More likely to adopt cost-effective plan options, such as HDHP+HSA.

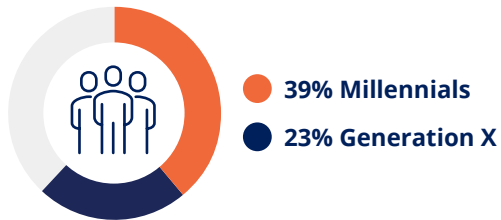
- ☑ Use a mobile-first approach to ensure year-round benefits engagement with these programs and getting the most out of the HSA.



Business Services Industry

What this population looks like:

Business services employees are typically made up of a mix of desk and non-desk workers and benefit from a tech-driven benefits engagement approach. Millennials (39%) and Generation X (23%) make up a majority of the employee population. Over a third (38%) are low-midrange earners, bringing in \$30,000-\$60,000 per year, and another third (38%) bring in \$90,000 or more per year.



Health, wealth, and preparedness:

35% of business services employees describe themselves as “average health,” on par with our entire book of business, and 59% describe themselves as “healthy.” 57% say they are fully prepared with cash savings for a large, unexpected expense (-4 pts.).



46% have a family history of illness

91% don't smoke

60% are on one or more prescription medication



85% are able to save money some or all of the time

43% could manage a large ER bill (even though they would rather not)

46% would feel panicked



82% are confused about their benefits

71% say they have a low risk tolerance



Business Services Industry

Engagement, enrollment, and self-service:

24% of all service center phone calls are resolved via our technology, such as our AI-enabled benefits assistant Sofia, -5 pts. compared to our book of business. 35% of active eligible employees enrolled in a high-deductible health plan, +2 pts. compared to our entire book of business.

How business services HR can drive value in benefits:

Overall business services employees have a lower risk tolerance compared to the book of business, though their benefits understanding is on par with other industries. These employees' behavior in the platform indicates a willingness to engage with omnichannel communications, especially mobile options, as well as tech-enabled support like Sofia.

While these employees are less likely to elect employer-sponsored medical benefits, those who do are much more likely to elect cost-effective health plans and pair that with a savings vehicle, such as an HSA. These employees' self-reported financial preparedness and emotional responses to health expense scenarios indicates a larger gap in financial wellness and understanding compared to other industries.



89% enrolled in their benefits on desktop

27% of employees logged in to benefits portal 5+ times after enrollment

Emails reminding employees of their benefits have a **42%** open rate



56% of employees enroll in their employer's medical coverage

35% of employees with an HDHP also enrolled in an HSA



81% of employees chatted with Sofia to resolve an issue with an **89%** same-day resolution rate



Business Services Industry

These employees are:

More willing to engage with omnichannel communications.

- ☑ Deploy year-round communication efforts across channels that highlight both the full shelf of benefits available and the value of those benefits as it relates to employees' needs.

More likely to seek out support after hours and on weekends.

- ☑ Utilize a tech- and data-driven approach to benefits administration, especially personalized decision support at enrollment and 24/7 support, like an AI benefits assistant, to reduce wait times and help guide employees through their benefits in the moments they're engaging.

Less prepared to handle unexpected expenses emotionally and financially.

- ☑ Promote the availability and value of financial wellness benefits, such as pre-tax savings vehicles, ancillary voluntary benefits and paycheck-protectors.



In Conclusion

Regardless of industry, the data paints a clear picture: personalization at every moment of the benefits experience drives positive results.

As HR teams face a shifting landscape of new generations in the workforce, rising healthcare costs, and economic turbulence, building stability and familiarity into their benefits engagement strategy will be critical to managing costs and ensuring employees have the support they need.

The core of that strategy? Personalization.

Personalization will look slightly different for each industry, business, and employee, but at its core is data:



Behavioral, from how often people log in to view and manage their benefits to the questions they're asking.



Participation, like what they're electing versus what they're using (and what they're leaving on the table).



Engagement, including which emails they're reading to the questions they're asking.

HR's biggest opportunity is to tap into the data already available at their fingertips to help them drive value and relevancy across their entire benefits program, leading to improved cost management and employee outcomes.

Learn more

Want to learn more about how personalization can drive lasting results across your entire benefits program?

Read the latest **Benefits Insights Report.**



Market-Leading Benefits Technology
+ Innovative, High-Touch Services

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