

Trends in employee health and wellness benefits



a publication of





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Introduction

Though trends often come and go, cost-saving movements tend to gain momentum and stick around—particularly for businesses. One area frequently targeted for savings by employers is employee benefits. It's easy to see why companies are trying to reduce costs: according to the [U.S. Department of Labor](#), employee benefits account for about one-third of total spending on employee compensation!

While it certainly makes sense to cut costs where you can, at the same time, you must offer benefits that allow you to attract and retain the quality employees your business needs. Consider these facts from job search site [Glassdoor](#):

- ➔ Almost 60% of prospective employees in the U.S. list “benefits and perks” among their top considerations in a job
- ➔ Nearly 85% of employees who are highly satisfied with their company benefits also say they're highly satisfied with their jobs

How can you put this information to work at your business?

For some actionable and timely ways to save on your company benefits costs and improve your offerings, check out these four trends, which are gaining popularity in the employee benefits space.

Telemedicine

Telemedicine, or the ability for health care providers to evaluate, diagnose, and treat illnesses and injuries remotely, has been gaining favor among insurance companies and providers for years. Telemedicine providers conduct virtual appointments with patients by phone or video chat, placing treatment orders in the same manner they would if meeting in person.

With telemedicine, health care facilities save on provider fees by sharing staff and consolidating schedules, using blocks of hours instead of paying a full-time staff member. Telemedicine also enables facilities to save on office space and associated facility fees. These savings are passed on to your insurer and your company in the form of lower charges.



According to The American Telemedicine Association, the number of large employers offering telemedicine visits increased from 48% in 2015 to 74% in 2016.

While your company saves costs, you can tout telemedicine coverage as a big employee benefit in itself, because employees love the convenience and time savings. Instead of waiting for a doctor appointment or at a clinic, when your insurance plan offers and covers telemedicine, employees can receive care on their schedule, often from the comfort of their own homes.



Wearable Wellness Tech

Unlike telemedicine, wearable wellness technology is a relative newcomer to the employee benefits scene. While wearable technologies offer medical savings potential in areas such as remote monitoring of vital signs and heart rate, the biggest potential for wearable tech in corporate benefits lies in wellness program tracking and rewards.

Wearable tech has already achieved popularity with a large portion of the public. According to [Forbes](#), 20% of working-age Americans used a fitness tracker in 2016, and that number is expected to grow steadily. With your employees already tracking and counting their steps, exercise, and sleep, you have easy access to the data your employee wellness program needs.

HERE ARE SOME IDEAS FOR CAPITALIZING ON WEARABLE TECH USE IN YOUR CORPORATE WELLNESS PROGRAM:

- ➔ Distribute fitness trackers, offer a discount on trackers, or allow employees to upload data from the tracker of their choice
- ➔ Offer wellness-program incentives and rewards to employees meeting certain trackable goals, such as steps taken per day or time spent exercising

- ➔ Have some fun! Create periodic competitions where employees motivate and encourage each other to meet loftier fitness goals; award additional gift cards or other prizes to participants meeting goals

Are you offering current and future employees a competitive benefits package?



Schedule a comprehensive review of your program!

While wellness programs take an investment of time and money, they've been proven to provide a number of returns on those investments. According to [Harvard Business Review](#):

- ➔ Companies with effective wellness programs enjoy lower voluntary employee turnover
- ➔ Johnson & Johnson's wellness program returns \$2.71 for every dollar spent
- ➔ Supermarket chain H-E-B found that improving the health of 10% of its employees (from high- or medium-risk to low-risk) brought a return on investment of 6 to 1



Levels of Care

When your employees need medical care, do they understand the differences in levels of care and costs at various facilities? It can get confusing, but educating employees on choosing the proper and most cost-effective level of care will pay off in the form of lower claims for your business.

EMERGENCY ROOM

People sometimes think of the emergency room as a catch-all treatment for every injury and illness, no matter how grave. While we can show up at the emergency room and receive treatment for a minor condition like an ear infection, it's likely we'll have to wait hours as more severely injured patients are seen first, plus we'll be hit with a much larger bill than is necessary for a condition that could be treated in any standard office visit.



Given the time and cost involved, emergency room visits should be reserved for true emergencies and life-threatening conditions, such as suspected heart attacks, broken bones, uncontrollable bleeding, and anything that requires highly trained physicians/surgeons.

URGENT CARE CLINIC

An urgent care clinic is often run by hospital staff, but it's a step down (in both cost and sophistication of care) from an emergency room. Urgent care is a smart choice for a time-sensitive but not life-threatening medical concern, such as an ear infection, burn, or symptoms of strep throat or flu.



An urgent care clinic is usually staffed by at least one physician plus supporting physician assistants and nurse practitioners, who may see patients with more routine conditions. Since urgent care clinics are not meant for life-threatening or grave illnesses, patients generally are treated much more quickly than in an emergency room, and charges are usually a fraction of what an emergency room would charge for the same treatment.

RETAIL CLINIC

A retail clinic (also called a convenient care clinic) is a walk-in treatment facility located inside a retail store or pharmacy.

Retail clinics are usually the quickest and least costly way to treat minor and routine conditions, such as urinary



tract infections, upper respiratory infections, allergies, and skin conditions like athlete's foot. Retail clinics also provide immunizations and school physicals.

Since retail clinics are designed to treat minor illnesses and injuries, they are usually staffed by nurse practitioners and physician assistants. This helps keep treatment costs lower than emergency rooms and urgent care clinics.

HERE ARE SOME IDEAS TO HELP ENSURE YOUR EMPLOYEES UNDERSTAND THE DIFFERENT LEVELS OF CARE AND ASSOCIATED COSTS:

- ➔ Send out the details by email
- ➔ Post the information in your employee breakroom
- ➔ Include an article on the topic in your company newsletter

As employees become more familiar with their care options and begin to make cost-efficient choices, your company will save money in claims and employees will save on out-of-pocket costs.



Please use this [infographic](#) to educate your employees.

Supplemental Insurance

Finding and retaining high-quality employees can be tough, and the smaller your company, the more it can feel like your competitors are able to recruit with benefits you can't match. To combat this problem, consider offering supplemental insurance, which allows you to offer additional benefits at no cost to your company.

According to Glassdoor, almost 80% of workers would choose new or additional benefits over a pay increase.

Supplemental insurance consists of plans that your employees can add to their existing medical coverage. Supplemental insurance plans provide extra security and cash benefits at times of crisis, such as a cancer diagnosis.



POPULAR SUPPLEMENTAL INSURANCE

LIFE	Lump-sum cash benefits in the event of a policyholder's death
CANCER/CRITICAL ILLNESS	Cash benefits to cover medical bills, loss of income, and living expenses in the event of a cancer or critical illness diagnosis
HOSPITAL INDEMNITY	Cash to help with expenses after a hospital stay
ACCIDENT	Cash benefits that help with bills and personal expenses while the policyholder is unable to work after an accident
DISABILITY	Partial income replacement if a policyholder is unable to work due to an injury or illness
DENTAL	Benefits to help pay for dental treatments and procedures

While your company makes supplemental insurance plans available through the carrier of your choice, employees pay for the coverage they select. This means you're able to offer employees an additional benefit and the convenience of purchasing coverage through work, but your company doesn't foot the bill. Here are some of the advantages to your employees and your company.

ADVANTAGES TO EMPLOYEES	ADVANTAGES TO EMPLOYERS
<ul style="list-style-type: none"> • Additional insurance that would kick in when it's most needed • Cash benefits to help with deductibles, medical bills, and living expenses • Group rates • Convenient payroll deduction • Pre-tax payments • Trusted vendor chosen by employer 	<ul style="list-style-type: none"> • Additional employee benefits offerings help attract and retain talent • No cost to company • Assistance to employees demonstrates care for health and financial well being • Vendor takes care of administration

While it's always tough to compete for knowledgeable employees in a tightening labor market, it's clear that benefit packages make a huge difference in attracting high-quality employees. Luckily, there are a number of creative employee benefits that can help you recruit and retain staff. Capitalize on these proven trends to update your company's benefit offerings today!



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