

# Benefits Insights

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## Cut Your Benefit Costs: New Ways to Save

The enormous cost of providing health care to employees continues to be a burden for many employers already struggling with tight finances. However, employers know that now, more than ever, offering competitive benefits is important for recruiting and retaining efforts.

### New Ways to Save

Balancing value for employees with cost management is difficult, but the strategies below can help employers do just that.

- Offer voluntary benefits as a way to help employees without increasing your costs. Since group rates are often less expensive than individual policy coverage, voluntary benefits are often valuable offerings for employees.
  - As either your primary health plan or one of your plan options, offer a high deductible health plan (HDHP) in conjunction with a medical savings account such as a health savings account (HSA).
  - Conduct dependent eligibility audits. Most employers have policies and procedures outlining eligibility for their employees and dependents, but can lose money by paying for employees' ineligible dependents. Employers can save money by conducting the audits and enforcing existing policies.
  - Provide education that encourages employees to become smart health care consumers and take responsibility for their health care costs. This includes shopping around for non-emergency procedures, buying generic drugs over brand name when available, and asking physicians about treatment options and costs.
  - Develop and implement a wellness program. Focus on healthy, sustainable lifestyle changes for both employees and dependents. Emphasize that you are concerned for their health and well-being, and that a healthier workforce will lead to lower health care costs for all. Include financial incentives for participation, such as coupons, gift certificates or health plan premium reductions.
- Set up a disease management program for employees with chronic illnesses, such as diabetes. These programs typically include health screenings, blood tests and more frequent check-ups. Some insurers offer these services for free.
  - Encourage regular preventive care, including recommended screenings and check-ups. Promote local health fairs and low-cost health screening opportunities, and consider offering on-site screenings or health clinics.
  - Show your employees how much health care costs by providing information about how much you pay for their care. Cost transparency can lead to employees making more economical decisions about their health, along with increased appreciation of their benefits.
  - Do your research before plan renewal and consider alternative carriers or plan design options. Sometimes making a minor change can reap big cost savings for your company with minimal impact on employees.