

# TOP 5 TRENDS

Each year, employers and their benefit partners tweak their strategies to fit their employees' needs. Health care reform continues to shape the marketplace—along with rising costs and an appreciation for healthcare consumerism—and employees are seeing more changes to their healthcare benefit design, distribution, and delivery. Open enrollment for 2015 benefits is in full swing, and post-election data will shed light on how employers and their workforce are responding to ACA provisions such as the Employer Mandate. Until these insights are revealed, here's a look at some of the trends in the employer-sponsored healthcare benefits marketplace this open enrollment season:

**90%**  
of employees simply keep the same benefits year-after-year.<sup>1</sup>



## Requiring Active Open Enrollment

Engagement is the buzzword of the year. Employers and their benefits partners are doing more than ever before to educate employees on their coverage options and make sure they maximize their benefits. That's why many HR departments are taking their annual open enrollment process from passive to active—requiring employees to actively engage in the benefits election process rather than default to last year's elections.

## Offering Consumer-Driven Health Plans

The marketplace has been watching the rise of high deductible, lower premium healthcare plans, which are usually paired with a Health Savings Account (HSA) or Health Reimbursement Arrangement (HRA). While shifting some of the costs and healthcare management to employees, these programs help curb costs for employers, especially those anticipating the 2018 Cadillac Tax—not to mention the upcoming Employer Mandate.



In 2014, offerings of CDHPs jumped from **39% to 48%** among employers with 500 or more employees.<sup>2</sup>

Total enrollment in private exchanges is expected to reach **40 million** by 2018.<sup>3</sup>



## Exploring Private Exchanges

Cost-management, administrative efficiency, and ACA-compliance: these are among the benefits of working with a private health insurance exchange. Plus, they provide an easy way for employers to offer a range of healthcare insurance options and supplemental benefits to their employees. Private exchanges are a great solution for employers using a defined contribution healthcare benefits strategy.

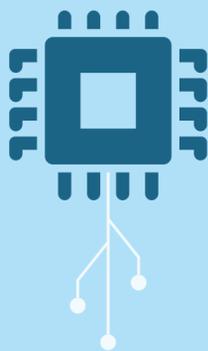
## Maximizing Wellness Programs

Employers today want to drive improved workforce health. Healthier employees tend to be more productive and generate less medical bills, after all. Wellness programs are becoming a more popular way for employers to help support employees' healthy lifestyle initiatives. And when paired with financial incentives (e.g. cash rewards or gift cards for participating in certain activities) or even deterrents (e.g. penalties for practicing unhealthy habits, like smoking), they can do more to shape a company's wellness culture.



**98%** of large firms (200 or more workers) offer at least one wellness program.<sup>4</sup>

**41%** of benefits decision-makers plan to increase their technology spending next year.<sup>5</sup>



## Embracing Technology

Every player in today's healthcare system is leveraging technology to get the job done. Consumers, providers, employers, carriers, TPAs—all across the board, stakeholders turn to tech to streamline process, effectively communicate, and even deliver/receive care. Various decision support and cost transparency tools are helping employees make important healthcare benefit decisions for 2015, while operations professionals use specialized programs and web-based services to analyze trends, communicate with benefits partners, and remain ACA-compliant as more provisions take effect.

SOURCES:

<sup>1</sup> Aflac's 2014-2015 Benefits Open Enrollment Guide for Employers

<sup>2</sup> Mercer National Survey of Employer-Sponsored Health Plans

<sup>3</sup> Accenture report: Growing Pains for Private Health Insurance Exchanges

<sup>4</sup> Kaiser Family Foundation's 2014 Employer Health Benefits Survey

<sup>5</sup> Employee Benefit News survey: Adopting benefits administration technology: What employers need to know