# EMPLOYEE BENEFITS MANAGEMENT
Directions

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Wolters Kluwer

## Employers can provide rich, valuable open enrollment experience despite being pushed online due to COVID-19, expert says

Due to the global coronavirus pandemic, this year's open enrollment will likely look and feel different for most companies without in-person benefits fairs or face-to-face meetings with HR. However, with some planning, companies can provide employees with a rich, valuable online open enrollment experience. To understand how to effectively communicate and implement virtual open enrollment, **Wolters Kluwer** reached out to Jennifer Benz, SVP Communications Leader at Segal Benz.

**WK:** Will employers make changes to their employee benefits programs due to COVID-19? What kinds of changes do you expect?

**Benz:** Yes, we believe many employers and plan sponsors will be making changes. The types of changes they'll be making really depends on how COVID-19 is impacting their organization—and there's a broad spectrum of ways employers are being impacted. For example, are they on a hiring spree, or are they experiencing financial headwinds, and do they need to make cutbacks as a result? For those organizations that are doing well, you could anticipate seeing expanded caregiving or paid-leave benefits. For those that are experiencing hardship, employees may see increases to the cost of their health insurance, reductions in their retirement matches, or reductions in other voluntary benefits.

**WK:** How can companies effectively communicate benefits changes for the 2021 plan year to employees working remotely?

**Benz:** If there were ever a time to think strategically about open enrollment communication, this is it. But how do you communicate effectively to predominantly remote workforces? Once an organization has established its benefit changes and the impact those changes will have on employees, it's important to create a strategy that best fits employees' needs. Companies should be reaching out as frequently as possible through all available channels to communicate benefit changes effectively. This is a great time to leverage digital and virtual resources. We also recommend using print media to ensure that organizations are reaching family members. Sharing talking points with managers can be another way to communicate changes that will affect employees.

**WK:** Traditional options, such as open enrollment fairs at worksites, are not an option for many companies this year. What types of virtual events can employers use to inform workers of their benefits options?

**Benz:** There are a variety of ways organizations can replace in-person benefits fairs with virtual formats. These range from webinars paired with websites, virtual conference spaces, and customized online experiences. What works best for an organization depends on three things: their existing infrastructure, the magnitude of their changes, and their resources (time and budget). Before exploring all the types of virtual events, employers should first look at their goals, their existing channels, and their employees' ability to access and use these channels.

**WK:** How can companies personalize open enrollment in a virtual environment?

**Benz:** When it comes to benefits communication, one size rarely fits all. We believe employees' interaction with their benefits should mirror their experiences as consumers. First, companies should think about the goal of their communication while being mindful of their budgets. Then they should use the insights, feedback, and data they have available to target and personalize content to specific audiences. Here are a few tips and tricks to personalizing communication:

- Version materials to reach specific employee segments. Think about these three questions when creating multiple versions: Who is the audience? What are they interested in? What is the best way to reach them?
- Create personas to align messaging with specific audience segments.
- Give employees the opportunity to communicate what they want to know more about.
- Create a virtual space to update employees, and set up Q&As at the end of calls. Offer online forums where employees can ask more individualized questions.

**WK:** What are the benefits of moving open enrollment online?

**Benz:** For many, moving enrollment online means creating richer and more accessible digital information. Moving to a digital open enrollment gives employees across different locations and geographies the same access to information. If an organization has a well-organized website, it can be a great way to share detailed information in a less overwhelming format or to create a more personalized experience. Additionally, organizations can house on-demand resources such as videos or meeting recordings that individuals—or their partners/spouses—can access anytime or from anywhere that is convenient. It is important to make resources and tools easy to access by both the employee/member and their family, who may be involved in making the decisions and using the benefits.

And yet, many organizations still have paper-enrollment procedures in place. For them, moving to online enrollment tools can free up tremendous time spent on manual activities. Moving processes online can reduce the risk of human error as well. Additionally, online enrollments also enable organizations to connect participants (and their family members) to additional information when they're at important decision points in the enrollment process. It's much easier to link to other relevant content in digital formats, so you can make participants aware of additional resources—whether decision-support tools, detailed FAQs, SPDs, videos, etc.—without bogging them down with too much text.

**WK:** What are the pitfalls of virtual enrollment, and how can you avoid them?

**Benz:** As organizations plan to move their enrollment experience online, they'll want to take extra care to support those who are less tech savvy or who may not have easy access to the internet or a modern device. To avoid missing any employees, employers should use a variety of media to engage with different learning styles and consumption preferences. Additionally, office hours with telephonic support should be available to ensure that all employees have the ability to ask questions and access non-digital assistance.

**WK:** What are the costs associated with virtual open enrollment?

**Benz:** The costs associated with a virtual open enrollment depend on the organization's existing infrastructure. For example, does the organization already have a benefits website, or does that need to be built? Do they need to hire external resources, or can they build or enhance their website internally? What are the capabilities of their administrators and carriers? Do they need to move some enrollment processes online? It depends on their existing resources, needs, goals, and complexity of changes.

**WK:** Do you have anything else to add?

**Benz:** Keep in mind that employees are overwhelmed and stretched thin this year. Information should be presented simply in digestible, bite-sized tidbits, and repeated frequently. Use an empathetic tone and offer decision-support tools to help them navigate new changes. Make it easy for them to make decisions. And help them do the math if your organization is introducing changes to the cost of a benefit. ■


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FAMILY LEAVE

## Additional FMLA, FFCRA FAQs issued as workplaces reopen amid COVID-19 pandemic

The Department of Labor has issued two new frequently asked questions (FAQs) regarding COVID-19 issues under the Family and Medical Leave Act (FMLA) and four new FAQs regarding the Families First Coronavirus Response Act (FFCRA). The DOL also issued two new fact sheets for employers and employees covering the FFCRA's paid leave requirements..

**FMLA.** The DOL has confirmed that until December 31, 2020, telemedicine visits will be considered to be in-person visits, and electronic signatures will be considered signatures for purposes of establishing a serious health condition under the FMLA. To be considered an in-person visit, the telemedicine visit must include an examination, evaluation, or treatment by a health care provider; be performed by video conference; and be permitted and accepted by state licensing authorities, the FAQ noted.

In addition, the DOL states that the FMLA does not prohibit an employer from requiring an employee who was out on FMLA leave to get a COVID-19 test before they come back to the office. The employer's requirement for testing can not be related to the employee being out on leave, but if all employees are required to undergo testing to come back to the office, those returning from FMLA leave also can be required to get a test. The DOL notes that other laws might impose restrictions on the circumstances when an employer can require COVID-19 testing (see https://www.eeoc.gov/wysk/what-you-should-know-about-covid-19-and-ada-rehabilitation-act-and-other-eeo-laws for more information).

**FFCRA.** Two of the new FFCRA FAQs address timing issues in regard to using paid leave and an employee's furlough status. For instance, if an employee used 80 hours of paid sick leave under the FFCRA before being furloughed, they are not eligible for additional paid sick leave under the FFCRA after they go back to work. If they had used less than 80 hours of sick leave before being furloughed, the employee would be entitled to use the remaining hours after the furlough if they had a qualifying reason to do so.

Similarly, another FAQ states that if an employee had used four weeks of expanded FMLA before being furloughed, the employee would be eligible for eight additional weeks of leave after returning to work (since employees are entitled to 12 total weeks of expanded FMLA leave). However, the DOL notes that in both instances, employers can treat the post-furlough leave as a new leave request and ask the employee to provide the appropriate documentation for the reason they currently need leave.

**Fact sheets.** The DOL also provided two fact sheets on the employer paid leave and the employee paid leave requirements under the FFCRA. These are available at https://www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave and https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave. ■

**SOURCE:** *https://www.dol.gov/agencies/whd/pandemic/ffcra-questions; https://www.dol.gov/agencies/whd/fmla/pandemic*

BENEFITS TRENDS

## Pandemic created uncertain future for employer-provided benefits programs, experts say

Before the pandemic, most employers expected to provide health care benefits to employees over the next five years. Since COVID-19, the future of employer-provided benefits programs is uncertain, according to experts at a recent Employee Benefit Research Institute (EBRI) webinar.

"The obvious question to me is: Will employers drop coverage because of COVID-19?" said Paul Fronstin, director of EBRI's health research and education program. "Am I predicting that employers will drop coverage? Absolutely not. In fact, most employers have not talked about cutting or dropping health benefits at all since mid-March because health care is too emotionally charged right now to be on the table."

He noted that now might be the time for provider payment reform, prescription pricing, and revisiting other purchasing strategies. "However, there is no urgency to reevaluate benefit design. Employers are still in crisis management mode, and not yet thinking about the long-term," Fronstin said. "And, even with high unemployment, health benefits are still viewed as a recruitment and retention tool."

In March, the uncertainty surrounded what the pandemic would mean from a cost perspective and how employers would handle health care benefits for workers being laid off and furloughed. "Now, the uncertainty isn't *if* employers will continue to offer benefits, it is about what benefits companies will be offering, if they will be the same benefits, and if employees will still value the benefits packages they had before the pandemic," said Heather Meade, principal, Washington Council, Ernst & Young.

Meade commented that in the ongoing discussion of the best ways to provide health benefits during the pandemic, employer-provided coverage has been low on the list. "There were two diverse responses to providing health coverage, and neither one of the sides was advocating for employer-provided coverage as the solution," she said. "I think it's something important for employers to think about."

Individuals on the left side of the political spectrum took the pandemic as an opportunity to support Medicare-for-all, while those on the right recommended moving everyone into the individual market and providing them with "pandemic accounts," which would work like health savings accounts. "Both sides of the political spectrum moved away from employer-provided coverage as a policy solution for providing coverage to Americans," she said.

Many companies and advocacy groups still believe that employer-provided health care is the best way to provide coverage to Americans, Meade noted. One way to keep employer-provided coverage as a viable option would be for Congress to provide substantial subsidies for COBRA coverage. Meade said that a May poll showed that 78 percent of voters support the government providing funding for COBRA continuation coverage to help people who have lost their jobs or been furloughed to remain on their employer-provided health plan. She said that there is strong bipartisan support for this plan.

"COBRA is a really imperfect tool," she commented. "But, one of the benefits of COBRA is that Congress knows how to do it. There is a pattern for subsidizing COBRA, which makes it more doable than implementing a whole new system, whether it be letting all Americans enroll in Medicare, or whether that means implementing pandemic accounts. It would be really difficult to implement an entire new health care system in the middle of a pandemic." ■

**SOURCE**: *EBRI webinar, Coming out the Other Side of COVID-19: The Future of the Employer-Based Health Care System, July 1, 2020.*

HSA

## Employers and employees agree that HSAs are critical benefits offering, but disagree on HSA utilization

As employees across the United States are faced with rising health care costs and living with continued health fears in the wake of COVID-19, many are looking to their employers for tools and resources to pay for care, including health savings accounts (HSAs). However, a recent survey by Further, an HSA administrator, reveals a stark contrast between employers and employees when it comes to how to leverage HSAs. According to the survey, both parties believe HSAs to be a critical part of a comprehensive benefits package, but employers see them as savings tools while employees rely on them as spending tools.

According to the survey, 65 percent of employees report leveraging their HSA as a spending resource, with 23 percent stating they use their account equally for saving and spending. Yet, over 66 percent of employers associate HSAs with savings only, leaving a gap in how employers are positioning these accounts compared to how employees are leveraging them.

"Employees and employers are not speaking the same language when it comes to health savings accounts," said Matt Marek, CEO of Further. "By positioning HSAs as saver only tools, employers are missing the opportunity to help their employees meet a critical need: paying for health care costs today. As an industry, we need to change the narrative around HSAs to empower employees to be active health care consumers and provide resources on how to navigate this complex industry."

While employees cite challenges in becoming active health care consumers and shopping for care, 60 percent of employees report having a high confidence in how to fully leverage their HSAs. Comparatively, 75 percent of employers say that employees have a high understanding of their HSAs. Yet, only 51 percent of employees could correctly calculate how much they would have to pay for a hospital stay based on their deductible and copay, suggesting that both employees and employers may have a false level of confidence when it comes to leveraging HSA benefits.

"Now is the time for employers to re-evaluate the narrative behind HSAs," said Marek. "We find ourselves in a unique position where employees are paying attention to their benefits, now more than ever. We must capitalize on this momentum and shift our messaging around HSAs to empower employees to become educated, engaged healthcare consumers. Positioning HSAs as a savings tool is no longer relevant. Employees are telling us that they are now spending tools. By updating how we position the HSA, and adding education tools, employees will be better equipped to navigate the healthcare industry and find the confidence to do so along the way." ■

**SOURCE:** *hellofurther.com*