

What Keeps Your Clients Up at Night?

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Using Vision Coverage to Encourage Employee Enrollment

Data shows that the voluntary market is ripe for benefits brokers and voluntary specialists.

The Affordable Care Act has expanded health care access to millions of previously uninsured Americans. But more than five years after the landmark legislation was passed, there is evidence that a greater number of Americans are suffering from mounting out-of-pocket medical expenses.

In January, a study by Kaiser and the New York Times showed that last year, one in five workers struggled to pay medical costs. And they were all *insured*.

The consequences for employers are real. About 40 percent of respondents who said they struggle with medical costs had coverage through workplace plans. The report showed that the two biggest debt drivers were claims denials and out-of-network services. For about one-quarter of respondents, medical debt topped \$5,000.

Voluntary benefits like critical illness and disability plans are of course built to address the gaps in coverage affecting more Americans, but for brokers, the challenge to educate employers and employees on the role of voluntary products in the new health care market remains significant.

That is were an ancillary benefit like vision can be leveraged to lead the conversation on voluntary products. Vision protection offered in accord with a major medical plan remains an extremely popular feature of group health plans,

among employers and employees.

The Society for Human Resource Management's recently released 2016 survey of health benefits shows nearly 90 percent of employers are now offer a vision benefit, up from 79 percent in 2012.

That makes vision about as popular of a benefit feature as any. As an ancillary offering, employees tend to value vision protection for its practicality, and the ease with which coverage can be understood. Enrollees are likely to be aware of their family's vision needs and associated costs, making it easy to understand the value-proposition of vision coverage.

Noting as much could create an opening for further discussion on voluntary products, which in many cases requires a deeper education initiative on the part of brokers, as they set out to explain the different policies, protections and coverage limitations available to employees.

The popularity of vision insurance among employees can also go a long way to convincing employers of the overall importance of voluntary benefit offerings — particularly those plan sponsors that have been reluctant to introduce voluntary benefits to workers for fear they wouldn't be well-adopted. A successful vision enrollment clues sponsors and human resource decision makers to the ways voluntary plans can defray excessive out-of-pocket costs, potentially motivating employers' interest in offering voluntary products.

In empowering employees to better understand the comprehensive protection available, sponsors can foster a workforce that shows faith in the quality of benefits offered — an absolute requirement for recruiting and retaining talented, loyal workers and creating a productive workforce.

The continued rise in consumer-driven health plans is likely to influence employers to adopt an even more active approach to benefits management. Still, many may see voluntary benefits as a cumbersome effort. Brokers play a powerful role in communicating the virtues of active enrollment and helping to make the offering effortless. Leading with a vision offering can be a productive way to deliver empirical evidence of voluntary's indispensable role in the new health care economy.

ACCORDING TO A RECENT STUDY OF INSURED WORKERS BY KAISER AND THE *NEW YORK TIMES*:

20%

Reported struggling with medical costs despite being insured

40%

Of those struggling had coverage through workplace plans

25%

Reported medical debt of as much as \$5,000

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- **Start early.**

If employers are accustomed to passively enrolling employees, it will take internal coordination to shift to active enrollment. By communicating the benefits of an active approach well before enrollment, brokers stand a far better chance of selling the value proposition of active enrollment and moving closer to their goal of increasing engagement during enrollment season.
- **Lead with accessible products.**

Make the voluntary proposition easy for sponsors and participants to understand by introducing the most efficient, clear benefit offerings first. Voluntary vision, especially when offered through a provider that specializes in stand-alone vision, can motivate a successful initial enrollment. That will leave a strong impression on employers and employees.
- **Know the core medical plan.**

Designing an intelligent benefits program requires broker familiarity with every nuance of core coverage so the right voluntary solutions can be offered. Over-coverage or redundant coverage can be as much of a disservice to employees as a lack of coverage.
- **Facilitate the process.**

Brokers can help employers with communication long before open enrollment. If an employer indicates a willingness to actively enroll employees but is unsure of how to initiate the process, enterprising brokers can step in to help guide the process.
- **Broaden employee communications.**

Work with employers to understand how they best communicate with workers, both on benefits issues and other company matters. Interactive communications such as concise questionnaires can provoke employee engagement.
- **Leverage Provider communications:**

Facilitate provider's communication capabilities, such as welcome emails and savings statements that take the communications burden off the employer and allow employees to personalize what information they receive.
- **Understanding demographics.**

Age is not a limitation for voluntary products, but the policy that benefits an up-and-coming millennial manager may be different from the types of products that can benefit senior management. That won't be news to brokers, but will be for many of your clients and prospects.
- **Keep information fluid and accessible.**

Helping employers develop information portals that workers can access before and beyond enrollment season can encourage further employee investment in their benefits package.
- **Financial wellness.**

Financial wellness is not a cliché, and is always worth driving home to both employers and employees — and voluntary products can be one of the most cost-effective ways to ensure workers are getting comprehensive care without incurring unnecessary debt. Perhaps the only thing that's more unproductive than a physically ailing workforce is one that is financially burdened.