

Business Owners and HR Professionals Believe the Quality of Benefits Packages Impacts Company Reputation

Fourth Annual Benefits Benchmark Survey by Healthcare Trends Institute Reports Increased HSA Adoption and Focus on Attracting and Retaining Quality Employees with Health Benefits

FARGO, N.D.—February 14, 2017—As the healthcare industry undergoes significant changes, more than two-thirds of employers are relying on health benefits packages to improve employee morale and satisfaction within the workplace. Today, the [Healthcare Trends Institute](#), an educational platform and news website powered by [WEX Health](#), announced the findings from its fourth annual Benefits Benchmark Survey, which provides employers insights into how their peers are adopting new healthcare benefits options.

According to the survey, the majority of employers and HR executives view health benefits offerings as key tools to attract and retain employees. When asked which of the following were important outcomes of the health benefits offering, three-quarters of respondents answered that retaining and attracting quality employees were important outcomes. The majority of respondents also said that improving employee morale and satisfaction (68 percent) and improving employee health (67) were key considerations.

Further, when asked to rank on a scale of one to 10 how strongly they agreed with the statement “the quality of a benefits package impacts the reputation of my company”—with 10 being “strongly agree”—67 percent selected seven or higher, with nearly a quarter citing “strongly agree.”

“Employers are faced with daily challenges to keep employees healthy and engaged at work,” said Tiffany Wirth, executive director, Healthcare Trends Institute. “As the market continues to move in a direction of consumerism and consolidation, it is important to track how offerings have evolved as well as the perspectives of HR and benefits administrators on the types of plans that are most effective in meeting employees’ demands.”

Employers Are Seeking More Choices at Better Costs

In terms of current offerings, 70 percent of respondents said their company currently offers Preferred Provider Organizations (up from 60 percent in 2015); 67 percent offer Flexible Spending Accounts (up from 59 percent in 2015); 59 percent offer Health Savings Accounts (up from 52 percent in 2015); and 53 percent offer High Deductible Health Plans (up from 39 percent in 2015). The growth in these types of plans and consumer spending accounts is indicative of the market shifting to consumer-driven healthcare and increased employee cost-sharing. Notably, more than half of employers responded that their employees are enrolled in an HSA, FSA or HRA.

Given the uncertainty of healthcare reform, some employers are making changes to their offerings. Approximately one in five survey respondents said they are increasing employee cost-sharing and employee engagement in healthcare decisions. Employers are also looking to enhance wellness and preventative health programs (18 percent). During the past two years, the approach to designing benefits has changed, with nearly one-third (29 percent) of respondents citing that they are now collaborating with outside organizations to find opportunities to reduce employee costs, and 27 percent responding that they are now offering healthy lifestyle and wellness incentives. Nearly one in five (16 percent) said they are working directly with providers to design health plans.

The 2016 Healthcare Benefits Benchmark Survey is available for download [here](#), along with a recap of a live webcast on the findings.

Survey Methodology

These survey findings are based on an annual survey of more than 200 CEOs and human resources and benefits executives that provides insights into the rapidly changing healthcare benefits industry. The survey was fielded online between January 1 and January 20, 2017.

About Healthcare Trends Institute

Healthcare Trends Institute (HTI) is an educational platform to help employers, third-party administrators, health plans, brokers, banks, payroll providers, consumers and other stakeholders keep up with the rapidly changing healthcare benefits industry. It covers a range of topics related to the administration and management of healthcare benefits, including defined contribution, health exchanges, insurance, legislation and more.

Healthcare Trends Institute programs include an educational web series, an annual awards program, newsletters, training programs, a resource library, a real-time health exchange infographic and more. To ensure all content and programs achieve the highest level of quality and relevancy, HTI is guided by an Editorial Advisory Board comprising of subject-matter experts who represent diverse aspects and perspectives within the healthcare benefits industry. HTI is sponsored by WEX Health, a WEX Company and an award-winning healthcare financial technology platform provider. More information is available at www.healthcaretrendsinstitute.org.

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About WEX Health, Inc.

We simplify the business of healthcare through WEX Health Cloud, a cloud-based healthcare financial management platform that drives efficiency for benefit administration technology, consumer engagement, and advanced billing and payments. Our partner organizations enable us to deliver our industry-leading and award-winning solution to 225,000 employers and more than 24 million consumers. Together, we take the complexity out of defined contribution, HSAs, HRAs, FSAs, VEBA's, PRAs, premium billing, public and private health insurance exchanges, COBRA, wellness plans and transit plans. Learn more at <http://www.wexhealthinc.com/>, and follow WEX Health at [@WEXHealthInc](#).

Contact

Heather Hawes

Healthcare Trends Institute

630.868.5063

heather@healthcaretrendsinstitute.org

Media Inquiries

Tiffany Wirth

WEX Health

701.499.7215

twirth@evolution1.com