



The Struggle to Communicate Benefit Plan Changes

When you have to make changes to a company benefits plan, there is a right way and a wrong way to communicate those changes to employees—take the right approach and you stand a great chance of having everyone onboard with your proposals; take the wrong approach and you could be left with disgruntled workers and all the negatives that go along with that. Although every company—and every workforce—is different, there are steps you can take to ensure your message is well received, regardless of your size or industry.

No Surprises

The worst-case scenario when communicating a benefits plan change to a workforce is for the news to be sudden and unexpected. This mistake is compounded if workers are then told that their new plan is going to cost more and perhaps offers worse coverage!

A change in a company's benefit plan should not come out of left-field. All changes must be placed in the context of a wider, and regular, review process. It should be communicated to staff that these reviews happen within a specific timeframe, and that they occur for the best of reasons—providing the most affordable and most effective healthcare for employees in your company.

Full transparency in the benefits review process—perhaps as part of a full financial review of where the company is now and where it's aiming to be in the future—will provide employees with a more complete understanding of not only *what* is happening, but *why* it's happening.

If employees are aware that plans are reviewed annually to ensure that the company and individual workers are getting good value for money for the best coverage available, then any changes that come about from that review will be expected and, hopefully, welcomed—or, at least, understood. When the open enrollment season comes around each year, every member of staff will feel forewarned as to what will be available for them and their families.

The Benefits of the Affordable Care Act

It's inevitable that sometimes employees will learn that their benefits package for the coming year will cost them more than the previous year. In this circumstance, open and full communication will help to reassure employees that everything is being done to ensure their benefit plans are built to be as high-value as possible.

In addition, in this Affordable Care Act (ACA) era, it is often beneficial to point out the expansion of coverage in the ACA in areas like preventive care and mental health services. For example, preventative care is now free with no co-payment, depending on factors such as age and other qualifying standards.

Although deductibles and co-payments may have to increase for other types of medical services, you must emphasize that the ACA is *also* now providing some services without any cost to the individual. Good early communication, including information on the new range of benefits available without a co-payment, makes any increase in deductible and co-payments much more palatable.



Communication Shouldn't Be a Struggle

As the marketplace becomes increasingly competitive and benefits packages take on even more importance for recruitment and employee retention, how employers communicate changes in benefits plans becomes an essential part of the HR process.

The rules of this interaction are clear: be timely, transparent, and honest—and frame your narrative in a way that emphasizes the full picture. By giving your employees all the information they need as early in the process as possible, you stand the best chance of having your message understood and respected by everyone in your workforce.

Ultimately, it is a process of educating people as to what is available and what is possible within the new benefits paradigm. By explaining what is available, depending on the size of your company, you can help reduce workforce anxiety and allow people to feel like they're part of the decision-making process. Demonstrate that if the workforce wants a Cadillac plan, for example, then that means there will not be anything left in the budget for significant (if any) pay increases, and let people understand how that decision is made.

Transparency goes a long way in circumstances like this. Sometimes it helps to have a third-party to lead these discussions. Workers can be suspicious of information coming from the management team, but an outside team of benefits experts can have the right amount of expertise and authority to get your message across successfully. But, whether you transmit this message yourself or through an expert partner, it's vital that the workforce feels part of and invested in the whole process and not just the end result.

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