

HOW TO AVOID

SHOCKING

RATE INCREASES



Four Steps to Keep Your Benefits Affordable & Competitive

How can you avoid getting blindsided by medical plan rate increases?

On top of struggling to understand how the Affordable Care Act will impact their operations and their employees, employers must contend with the pressure of benefits administration. By the time you finish this year's open enrollment, you'll need to start thinking about next year's benefit options.

Follow these four steps to prevent shocking rate increases that jeopardize the affordability and competitive edge of your health plans.

1 DISCOVER

To gain control over where you're going, start by answering these questions:

- ✓ How much do you want to pay for benefits?
- ✓ How much can you afford to pay?
- ✓ Do you have a per-employee cost in mind?
- ✓ How many choices do you want to offer?
- ✓ Do you want to offer ancillary benefits?
- ✓ Do you want your company to be viewed as a benefits visionary, or are you comfortable with a standard offering?

2 ANALYZE

There's an overwhelming amount of market information for employers to take into account. To select the best benefits package, you must:

- ✓ Collect price points from different carriers
- ✓ Weigh the pros and cons of each plan design
- ✓ Consider how each plan impacts each employee

After all that analysis, you may have to make some hard decisions.

3 IMPLEMENT

Enrollment should be as easy as possible for your employees. This means you need to over-communicate and over-explain everything from price changes to enrollment instructions. Keeping your team informed will ensure no one is caught off guard.



4 SUPPORT

Strengthen the implementation initiative and feed the strategy by securing ongoing support for your team throughout the year. An experienced broker can:

- ✓ Offer a wealth of practical experience and informational resources
- ✓ Act as an extension of your HR department
- ✓ Prevent implementation and adoption hiccups
- ✓ Restart the four steps in plenty of time to avoid potentially shocking renewal rates next year.

Planning ahead is the only way to avoid potentially shocking rate increases. The experts at Johnson & Dugan know that proper benefits planning is not a once-a-year event. We provide the support that keeps your benefits package competitive—so you can focus on strategic HR.

Ribbon designed by Laurent Canivet from the Noun Project

Insurance Services Corporation

JOHNSON & DUGAN

Johnson & Dugan is a one-stop employee benefits and human resources consulting and support services company. For over twenty-nine years, Johnson & Dugan's highest priority has been to make it easy for companies of all sizes to expertly plan and administer employee benefits. A partnership with Johnson & Dugan will help you align your benefits strategy to broader initiatives, reduce your HR workload and improve efficiencies company-wide.