

3 Factors Driving the Growth of Voluntary Benefits



The high cost of healthcare and consequential evolution of insurance plans with high deductibles have created an improved market for voluntary products. Employers are eager to provide a more comprehensive and competitive benefits package that fills the gaps created by the risk-sharing approach of high-deductible programs.

There are three areas in particular that are actively driving growth for voluntary benefits:

1) Support for physical and financial wellness. The national push for physical and financial wellness initiatives among employees has led to increased demand for voluntary benefits that can help improve the physical, emotional and mental well-being of employees. Employee stress from dealing with medical, legal and financial issues costs American businesses more than \$300 billion a year.

At first glance, the use of voluntary benefits to help combat these issues might not be clear. However, benefits like legal insurance give employees the resources they need to solve these issues effectively and efficiently so they can get back to work. Another popular voluntary benefit, financial wellness programs, can help with huge financial stressors such as student loans, debt consolidation and tax issues.

2) Personal, on-demand preferences. Another reason voluntary benefits continue to grow in popularity? They provide more choices in this “on-demand” world that so many

employees (especially millennials) are used to. Employees want to have more control when it comes to deciding which options are useful for them.

People want a benefits package that feels personalized to them, so that they feel like they are truly benefiting from what they are paying for. MyChoice by Businessolver is a great example of this: a streamlined, easy-to-use tool that provides recommendations on the benefits that are right for individuals based on their responses to a group of personalized questions.

And these customizations pay off — an Aflac survey found that employees who were offered voluntary benefits were 19% more likely to be satisfied with their job — and 14% less likely to be job searching.

3) The importance of technology. The wide array of technology providers offering more streamlined technology also makes voluntary benefits easier to implement for employers and brokers. Online enrollment, automated processing of administrative tasks and the ability for employees to “self-serve” all make the voluntary benefits enrollment process more attractive.

Employees appreciate the ease of enrollment and flexibility technology platforms provide — and expect the process to be as accessible and easy as anything else in their lives that has moved to a digital platform, like banking.

By Dennis Healy