



2015 SURVEY RESULTS

EMPLOYEE BENEFITS

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INTRODUCTION

To ensure your benefits package is competitive, you need to know what other businesses in the area and industry are offering. By using the data in the 2015 Employee Benefit Benchmark Survey, you can identify your benefit plan's strengths and weaknesses in order to assist with your recruitment and retention efforts.

This benchmark survey may prove to be especially beneficial because it outlines how employers are responding to health care reform and rising health care costs, so you can devise a strategy that is best for your business. In addition, survey results indicate that voluntary benefits are increasing in popularity and diversifying. More than 80 percent of employers now offer defined contribution pension plans, compared to nearly 18 percent that offer defined benefit pension plans.

These trends seem to indicate that employers continue to use benefits as a tool to attract top talent and to improve the lives of their employees, but that employers are handing off the active management of benefits to employees themselves, delegating the decisions and risk that come with determining their futures.

The 2015 Employee Benefits Benchmark Survey was conducted in late 2015 and was made available to individuals through their client portal websites. A total of 752 respondents completed the survey.

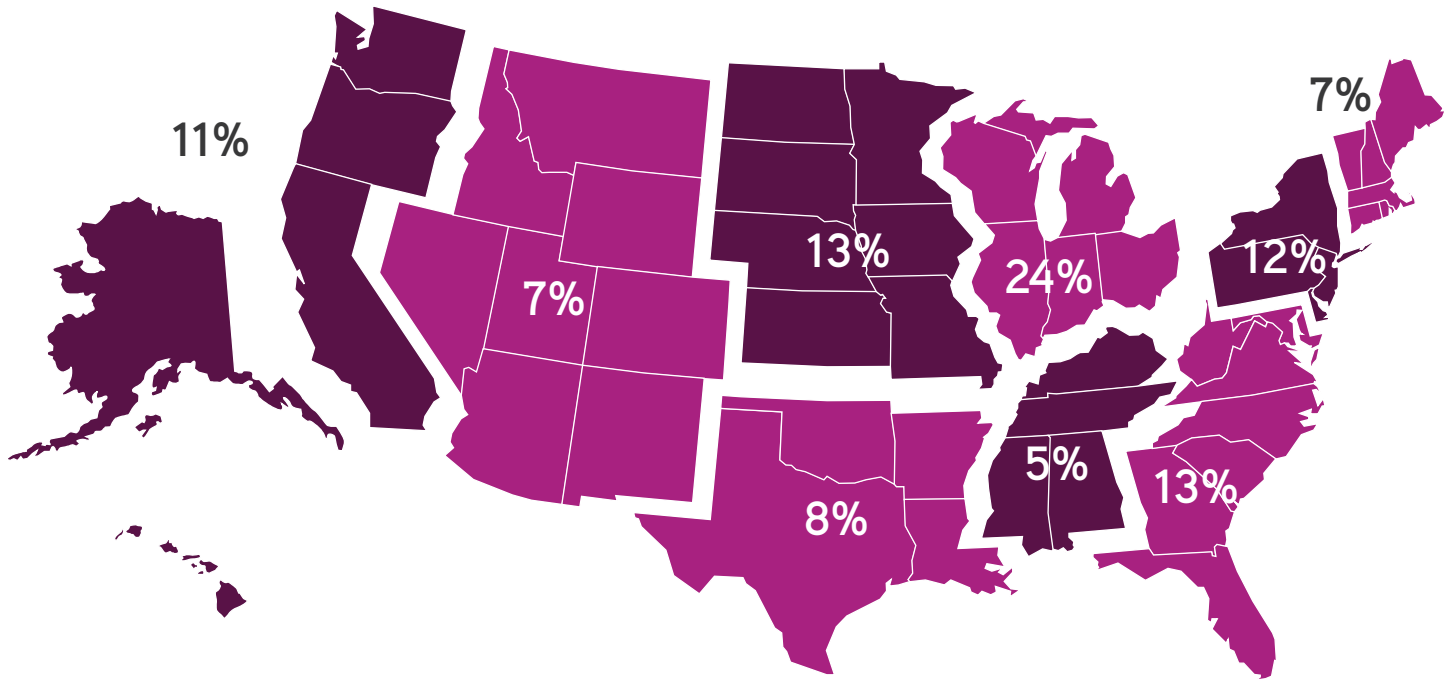


DEMOGRAPHICS

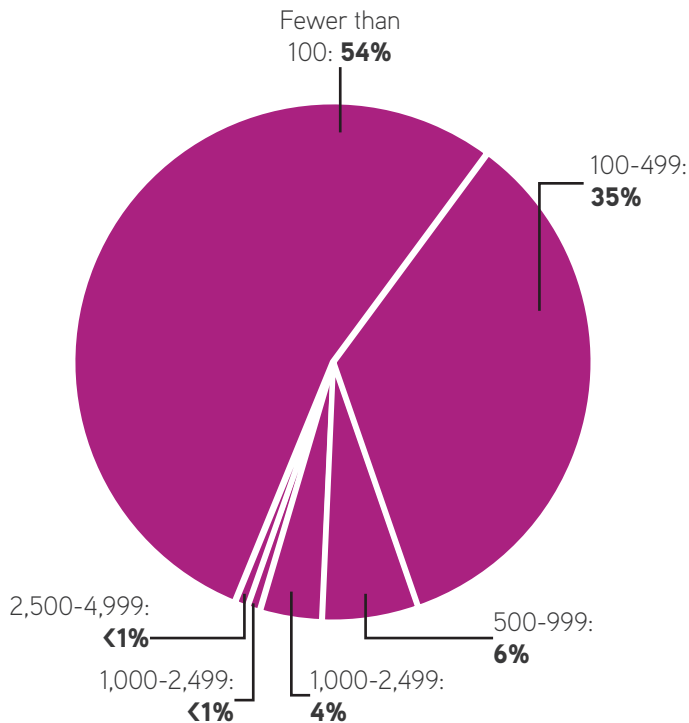
This survey was taken by employers from across the country. The overwhelming majority of survey respondents were from organizations employing fewer than 500 employees, and over half employ fewer than 100 .

DEMOGRAPHICS

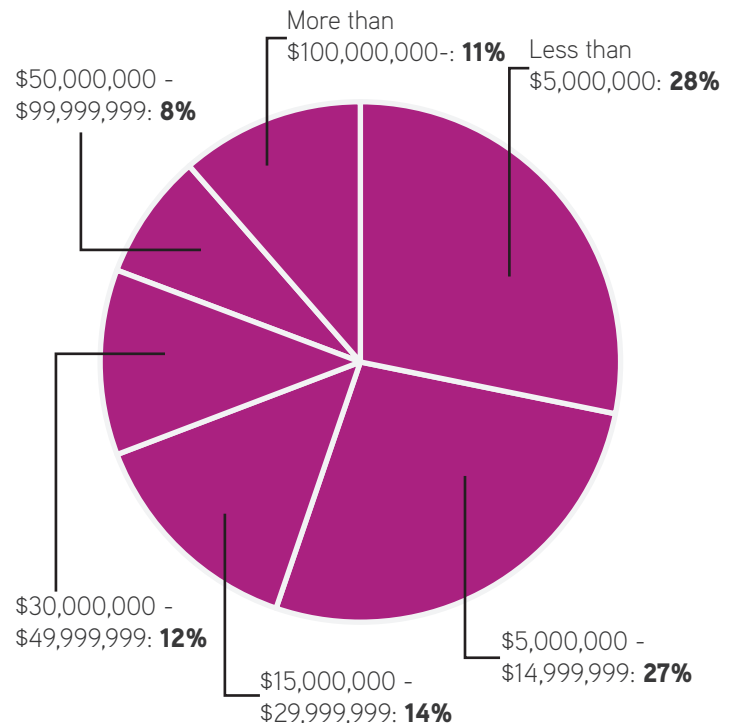
In which region is your organization based (the most employees)?



How many employees does your organization employ?

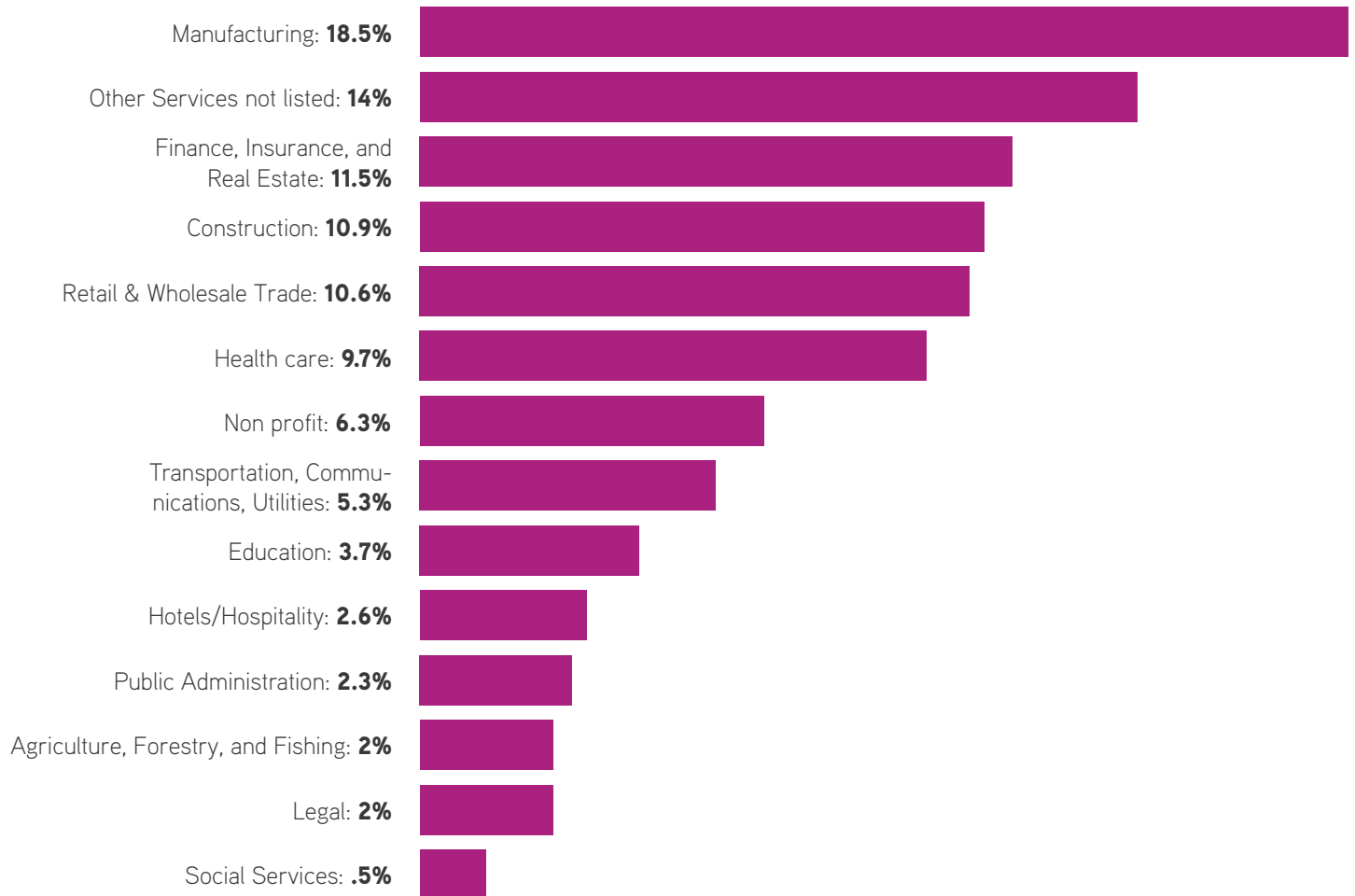


What is your organization's annual revenue?



DEMOGRAPHICS

In which industry or sector does your organization operate?





HEALTH CARE BENEFITS

Even before the Affordable Care Act (ACA), health care benefits were a near-universal offering among employers. In 2015, only 4 percent of polled employers declined to offer health care benefits.

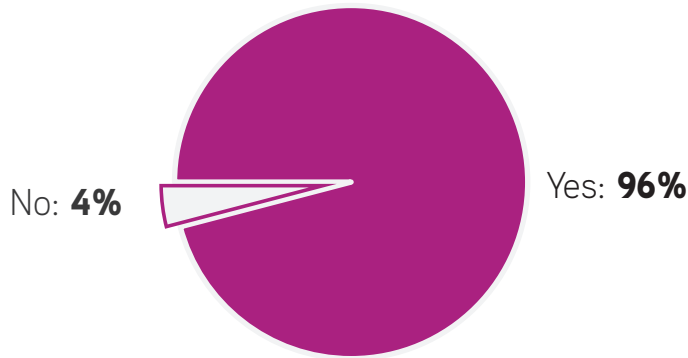
Of the 96 percent of respondents that offer health care coverage, PPO plans are the plans most frequently offered, with over two-thirds of respondents choosing to offer them—a figure that has remained largely unchanged over the past few years.

In addition, HDHPs with HSAs are increasing in popularity among surveyed employers, while HMO participation has fallen slightly. Respondents' employees are only signing up for HDHPs at half of the rate at which they are offered HDHPs with HSAs—perhaps due to their higher out-of-pocket costs.

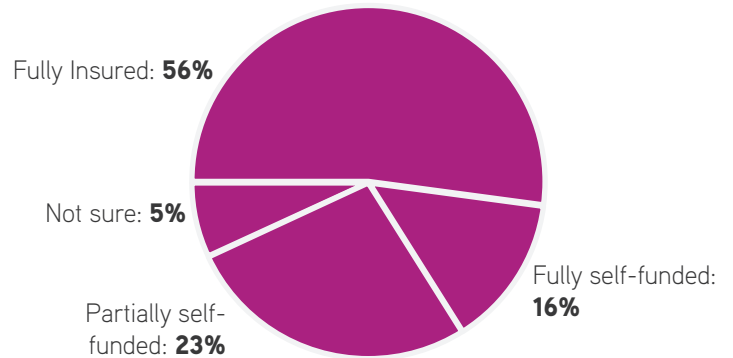
Annual worker and employer contributions for individual and family coverage were also measured in this survey. More than half of respondents indicate that they contribute \$5,000 or less for individual premiums annually and \$10,000 or less for family coverage.

HEALTH CARE BENEFITS

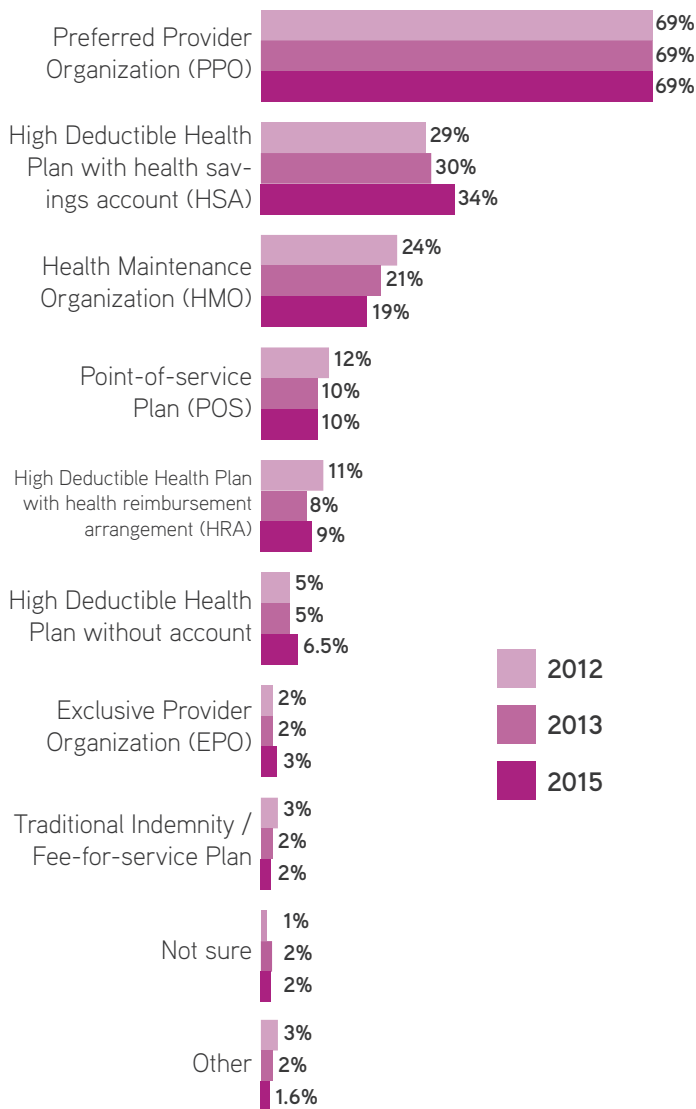
Does your organization offer health care benefits to your employees?



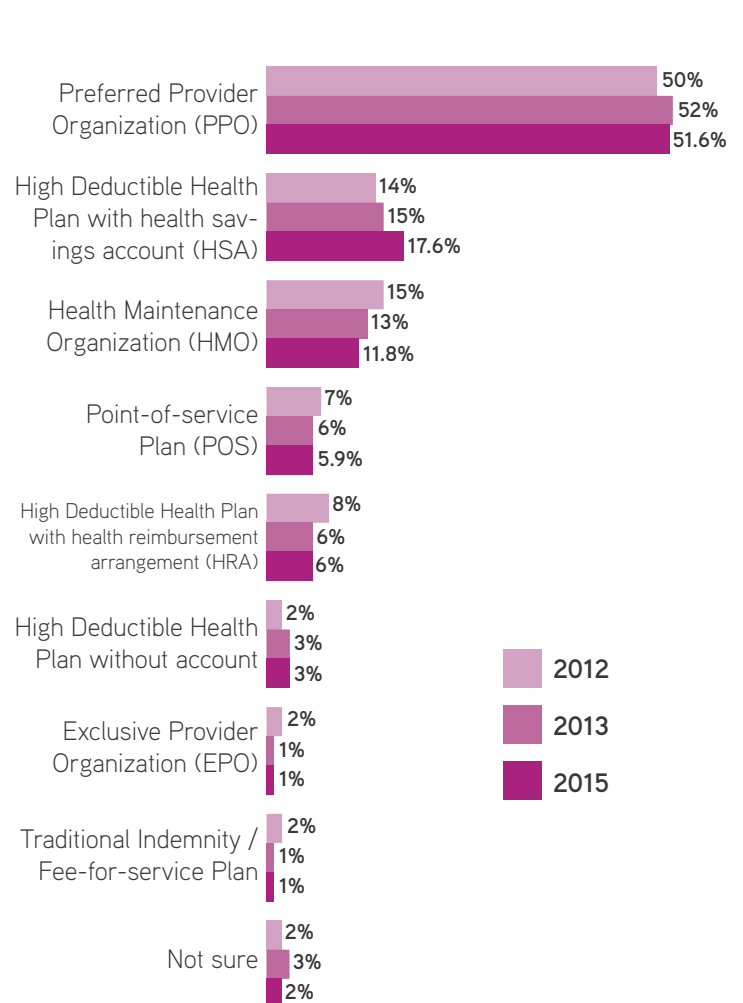
How is your organization's health plan funded?



What type of health care plans do you offer to employees?

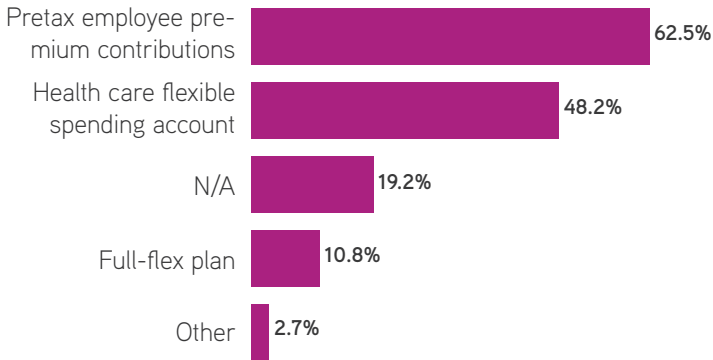


Indicate the health plan in which the majority of your participants are enrolled.

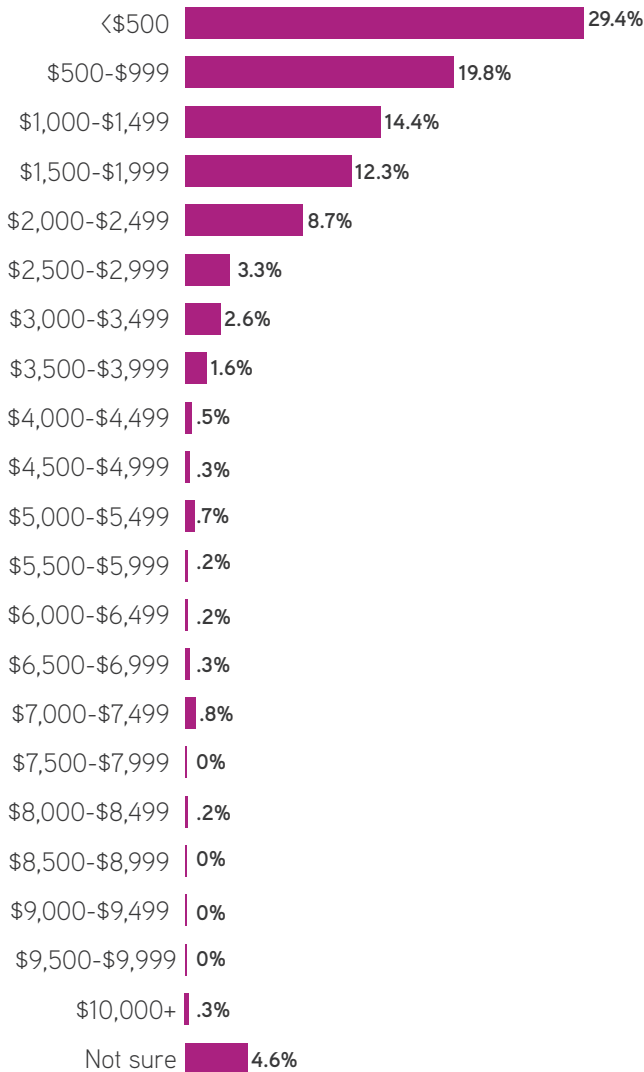


HEALTH CARE BENEFITS

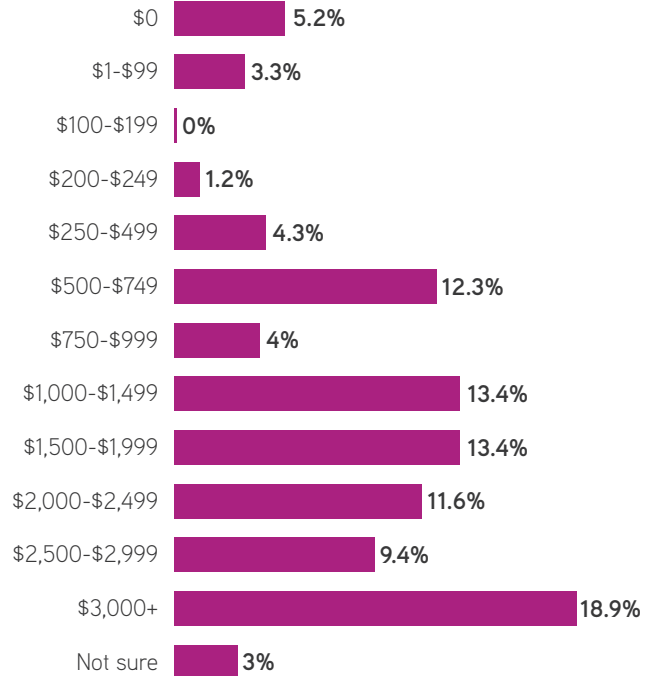
Does your organization offer any of the following pre-tax flexible benefit options under Code Section 125?



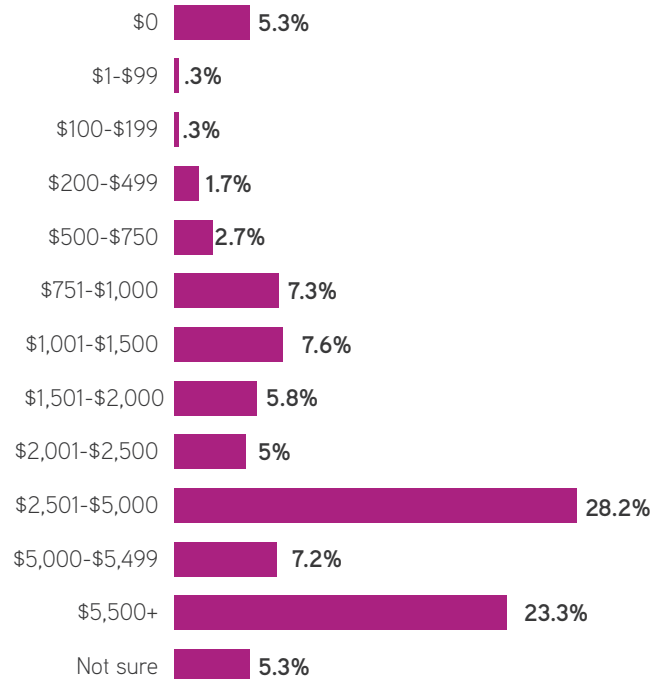
For the plan in which the majority of your participants are enrolled, what is the average annual WORKER contribution toward the premium for SINGLE coverage?



For the health plan with the majority of participants enrolled, what is the single in-network deductible?

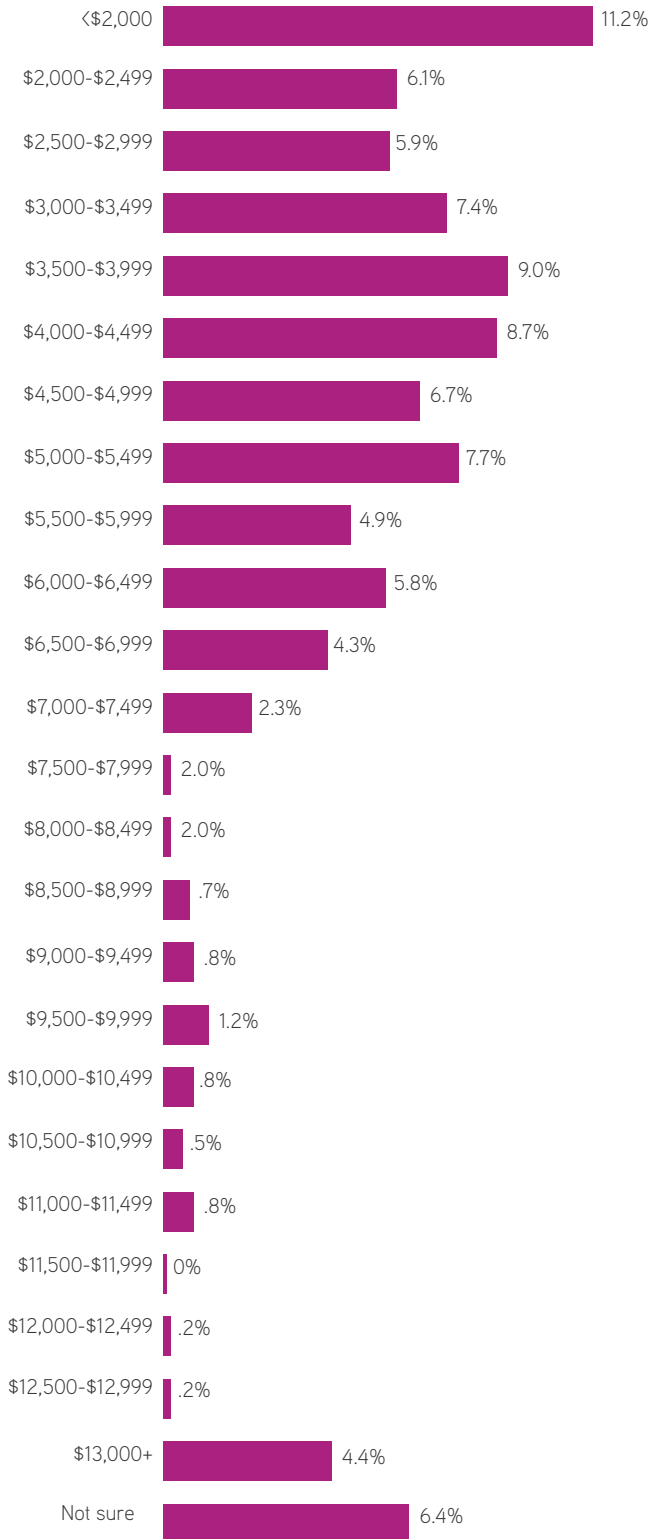


For the health plan with the majority of participants enrolled, what is the annual in-network deductible for family coverage?

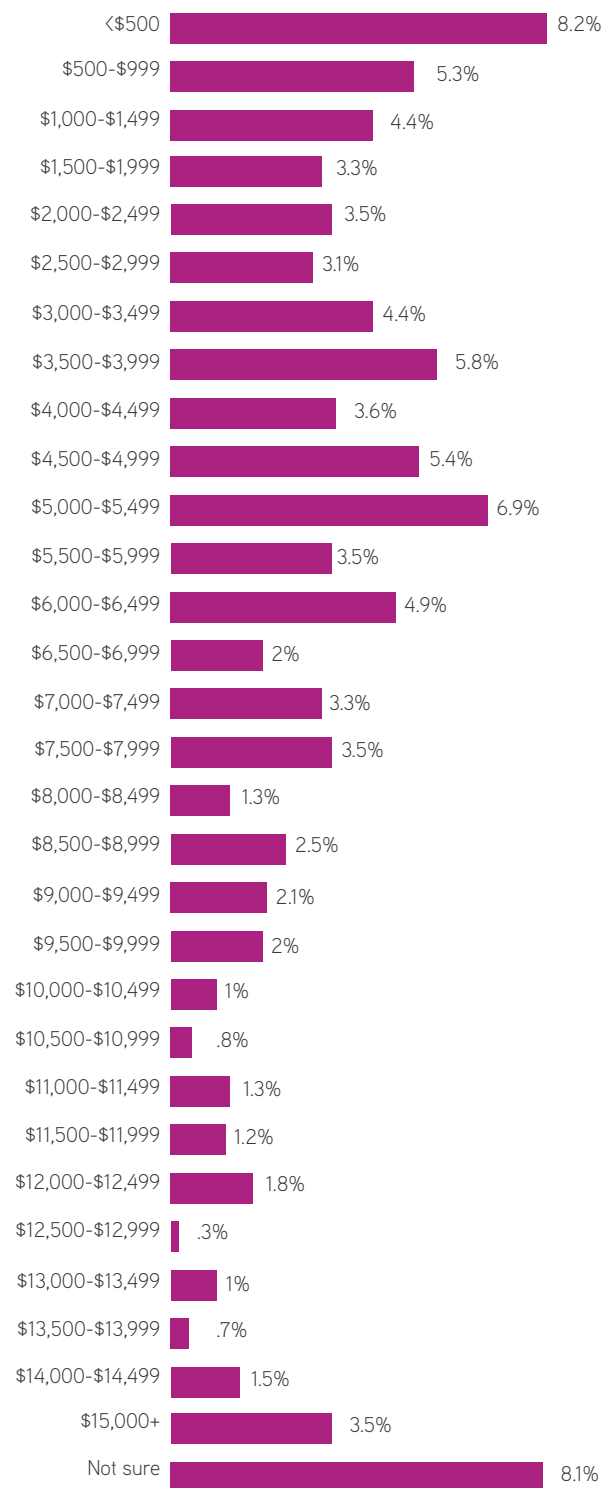


HEALTH CARE BENEFITS

For the plan in which the majority of your participants are enrolled, what is the average annual EMPLOYER contribution toward the premium?

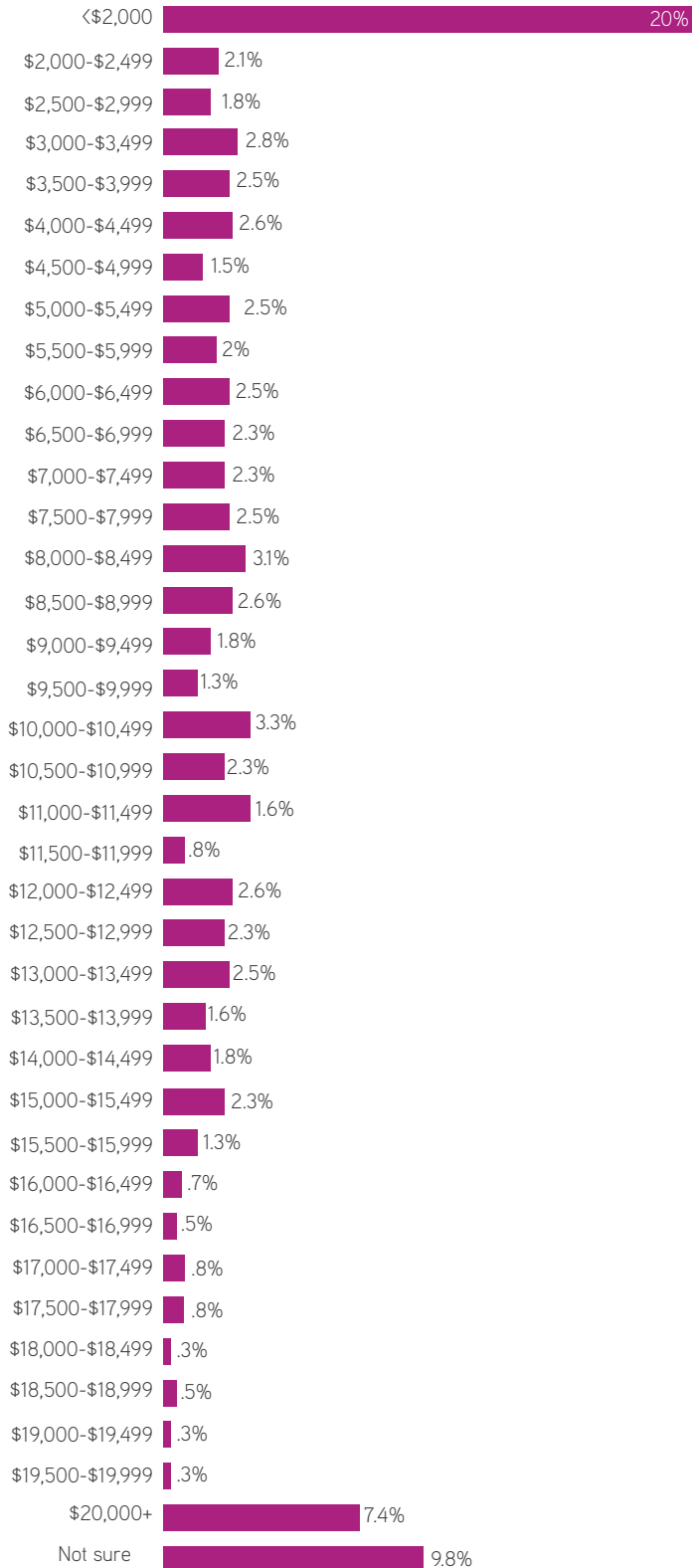


For the plan in which the majority of your participants are enrolled, what is the average annual WORKER contribution toward the premium for FAMILY coverage?

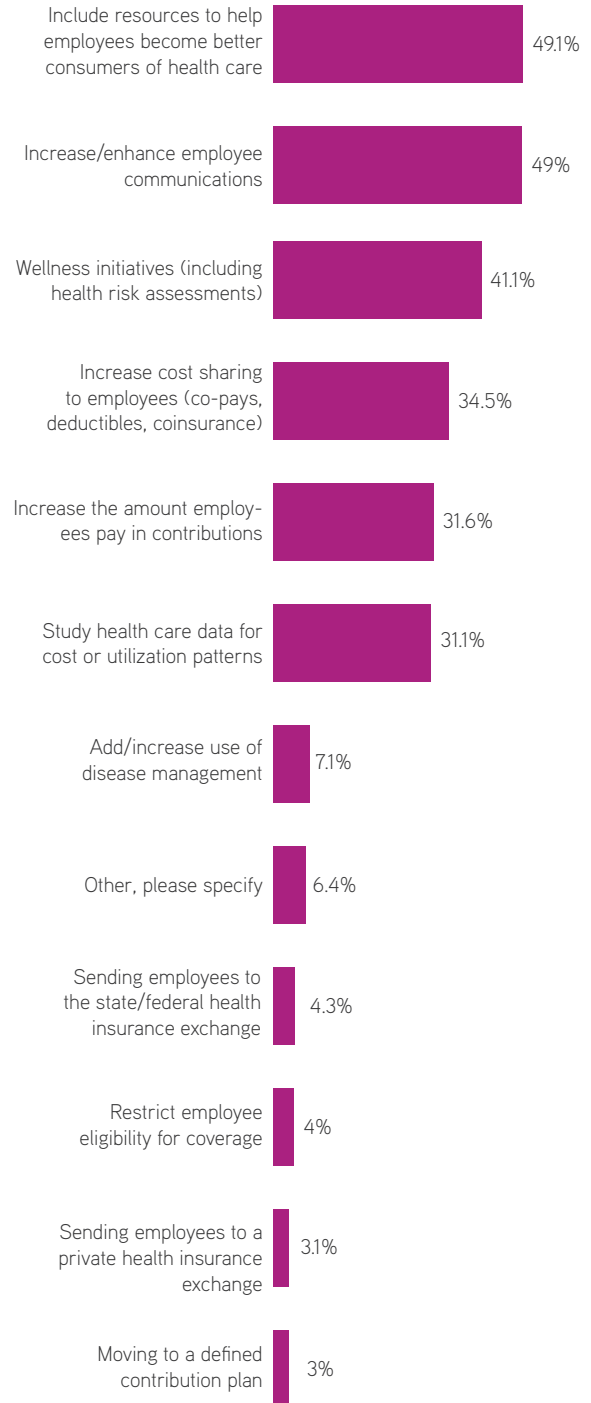


HEALTH CARE BENEFITS

For the plan in which the majority of your participants are enrolled, what is the average annual EMPLOYER contribution toward the premium for FAMILY coverage?



Which of the following cost-management measures does your organization currently employ or plan to employ for your medical plan?





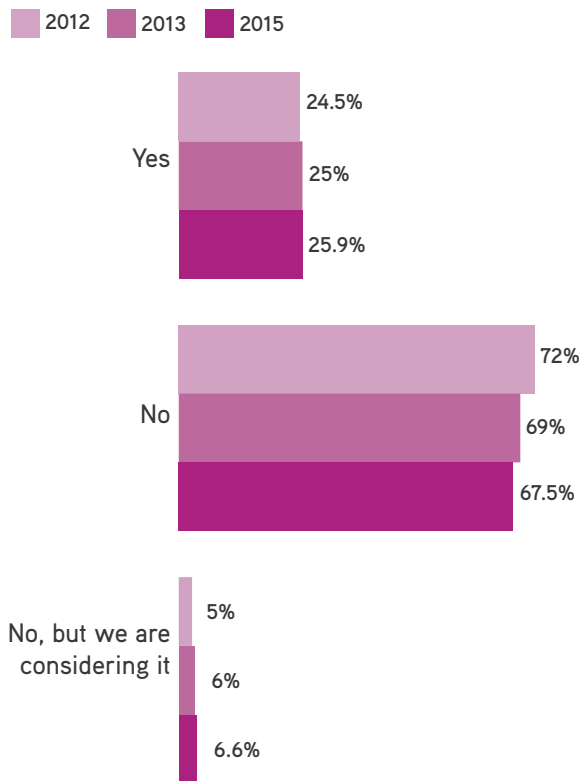
DOMESTIC PARTNER BENEFITS

To make benefits offerings more attractive, some employers are offering health care benefits to unmarried same-sex and opposite-sex domestic partners. The percentage of employers that offer benefits to unmarried same-sex domestic partners jumped to 41 percent, up from 34 percent in 2013.

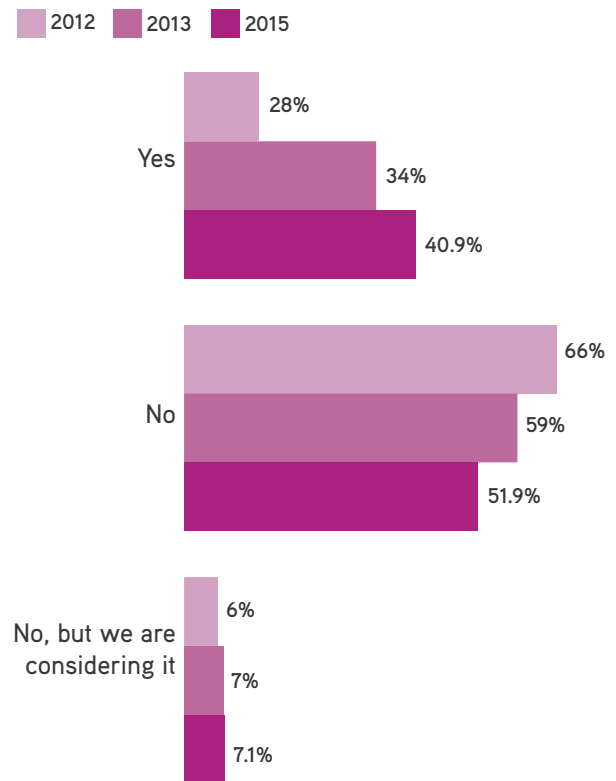
The increase in the percentage of employers offering benefits to unmarried opposite-sex domestic partners, though, is not nearly as high—growing only a single percentage point from 2013 to 2015. However, many employers indicate that they are considering adding domestic partner benefits for both same-sex and opposite-sex partners, which suggests the potential for growth in upcoming years.

DOMESTIC PARTNER BENEFITS

Do you offer health benefits to unmarried opposite-sex domestic partners?



Do you offer health benefits to unmarried same-sex domestic partners?



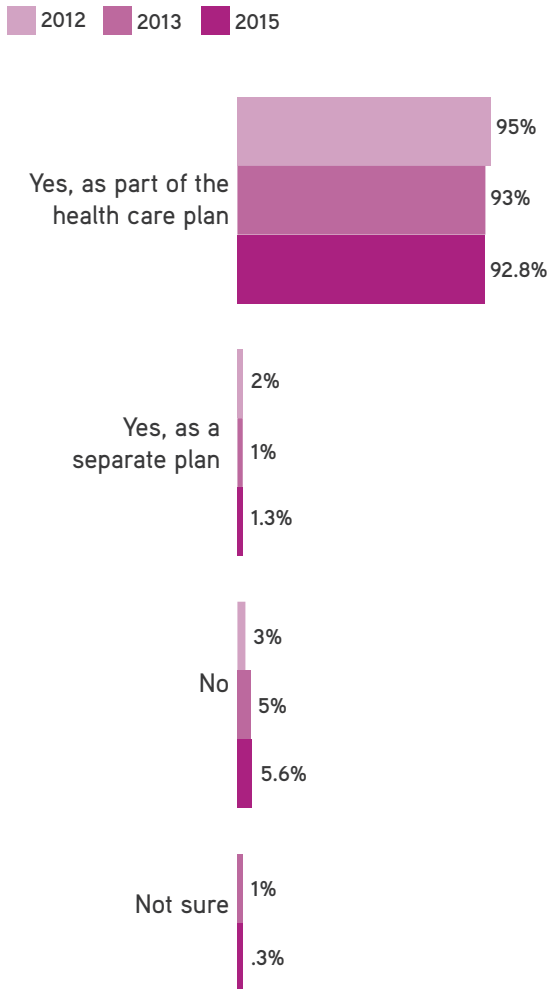


PRESCRIPTION DRUG PLANS

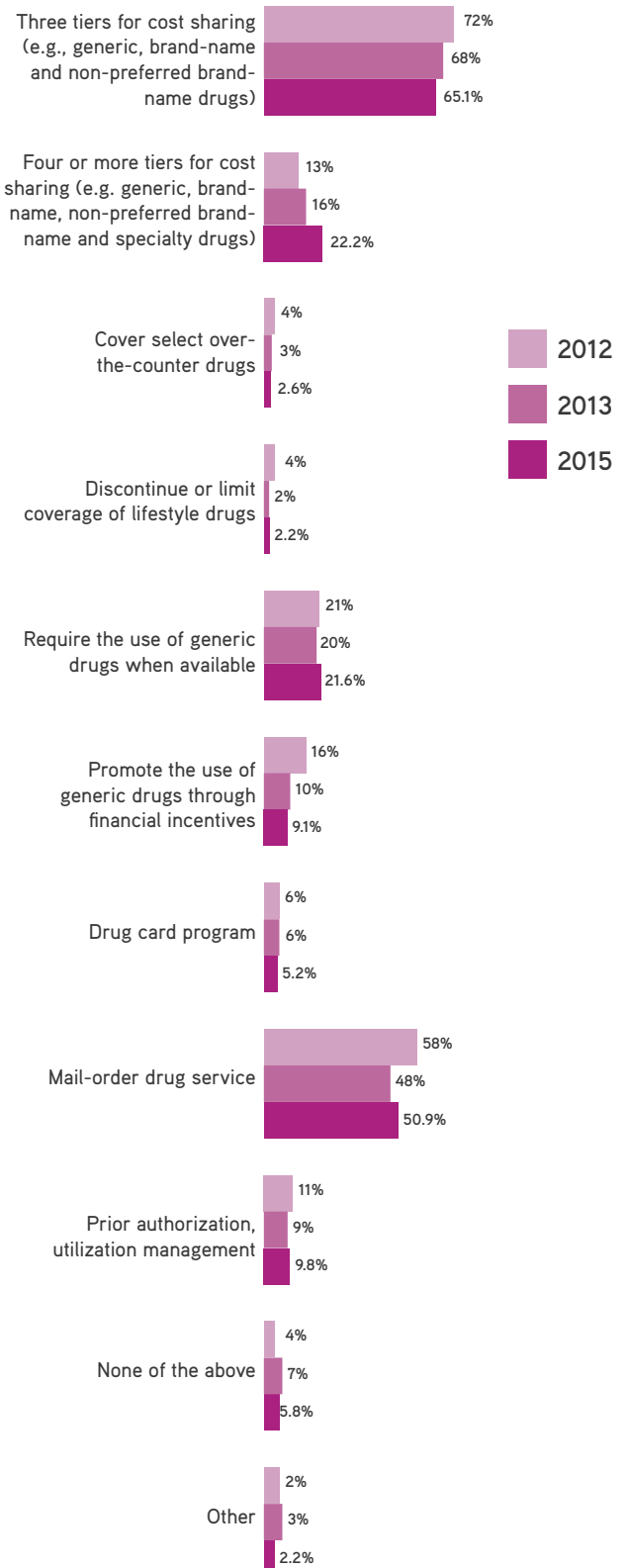
As a result of the ACA, applicable large employers are required to offer prescription drug coverage as an essential health benefit. To help manage prescription drug costs, some employers are using four or more drug tiers for cost-sharing—up from 16 percent in 2013 to 22 percent in 2015. Other cost-management strategies and their prevalence are outlined below.

PRESCRIPTION DRUG PLANS

Does your organization provide coverage for prescription drugs?



Which of the following cost-management techniques does your organization use for your prescription drug plan?





DENTAL PLANS

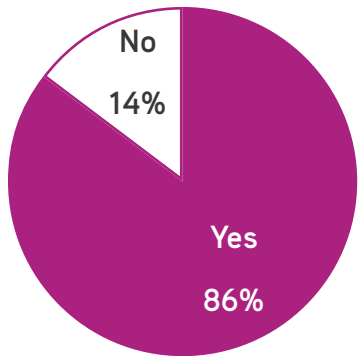
Dental plans remain a common benefit offering among employers—with 86 percent of surveyed organizations offering dental benefits.

Deductible amounts remain similar for single employees as in past years, with the most common deductible falling into the \$40 to \$59 range. In 2015, the percentage of employees who have this deductible increased by nearly seven points for in-network and by four points for out-of-network since 2013.

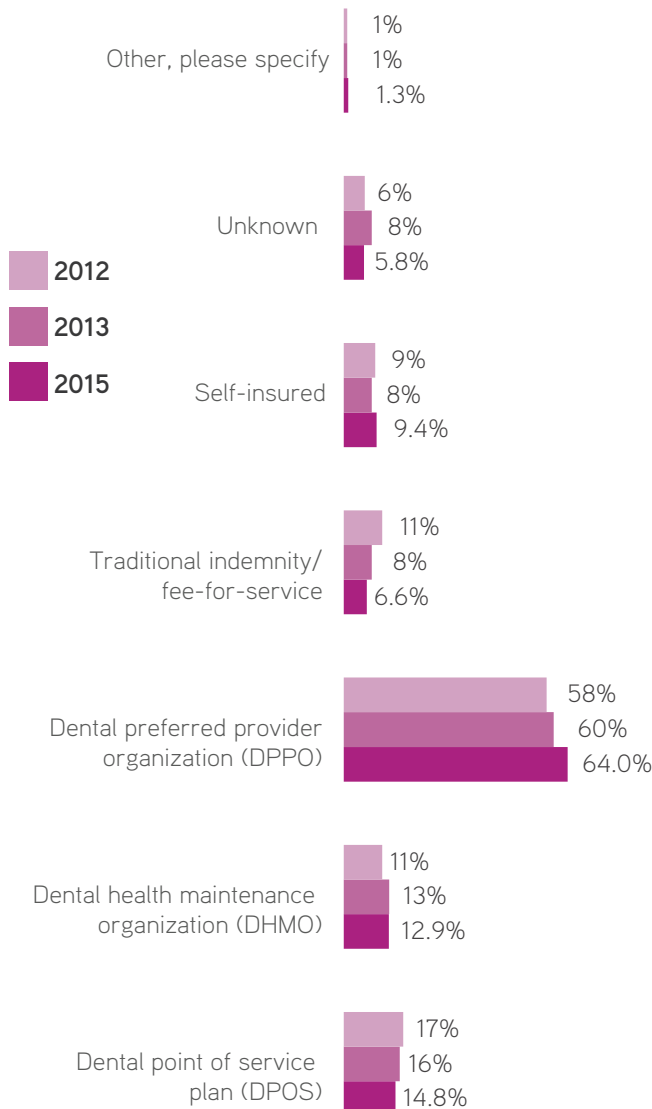
Eighty percent of respondents say the monthly employee contribution for single coverage is under \$40; while about 62 percent of respondents say the majority of employees pay \$80 or less per month in employee contributions for family dental coverage.

DENTAL PLANS

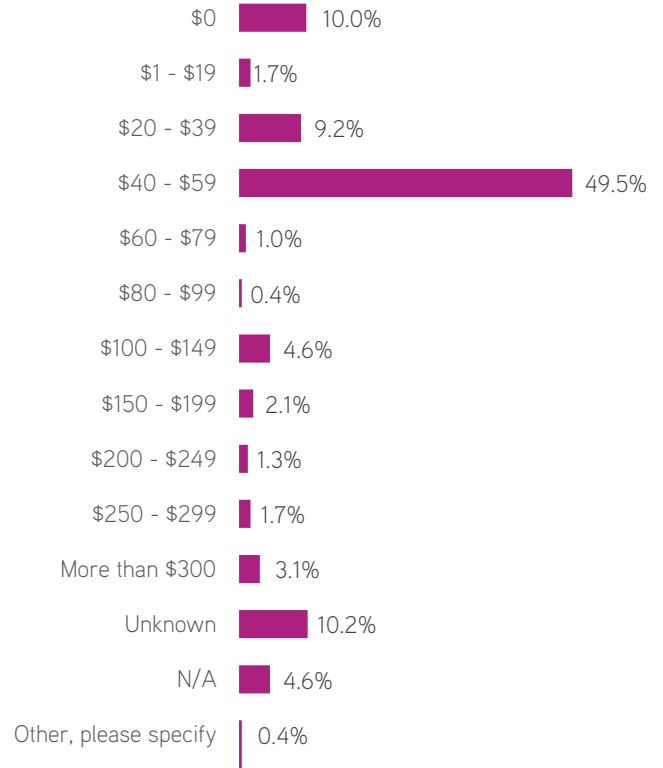
Does your organization offer dental benefits?



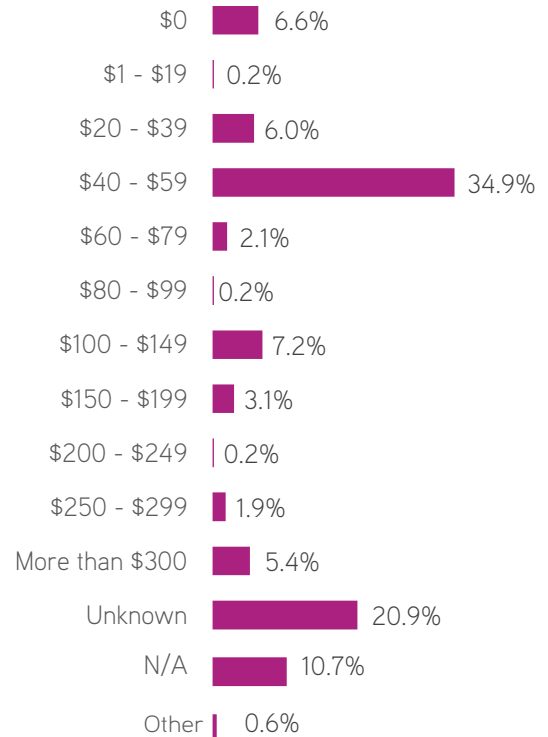
Which of the following types of dental benefits does your organization offer?



For the dental plan with the majority of participants enrolled, what is the annual in-network single deductible or annual single deductible?

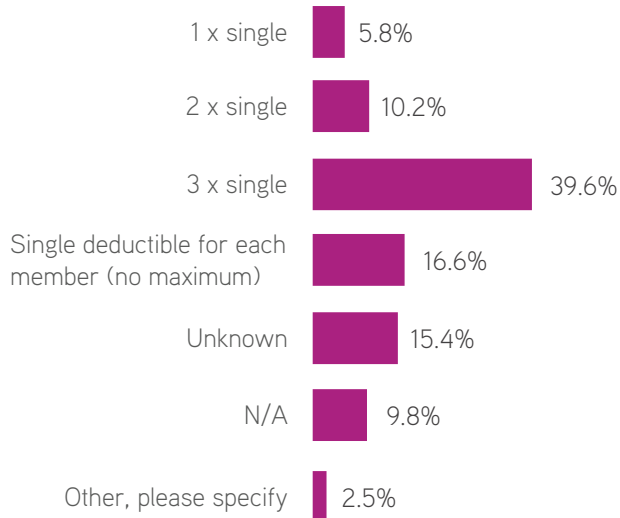


For the dental plan with the majority of participants enrolled, what is the annual out-of-network single deductible?

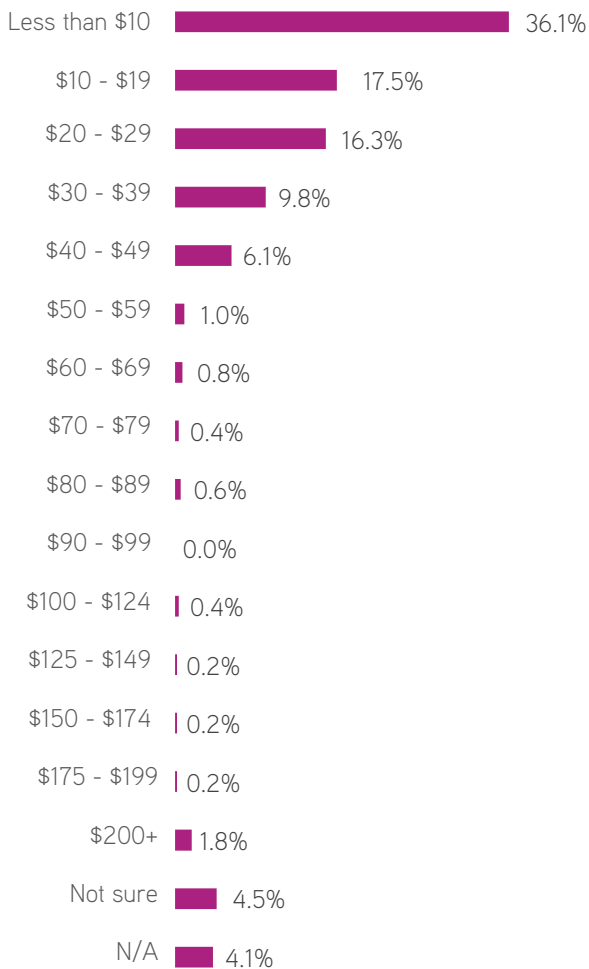


DENTAL PLANS

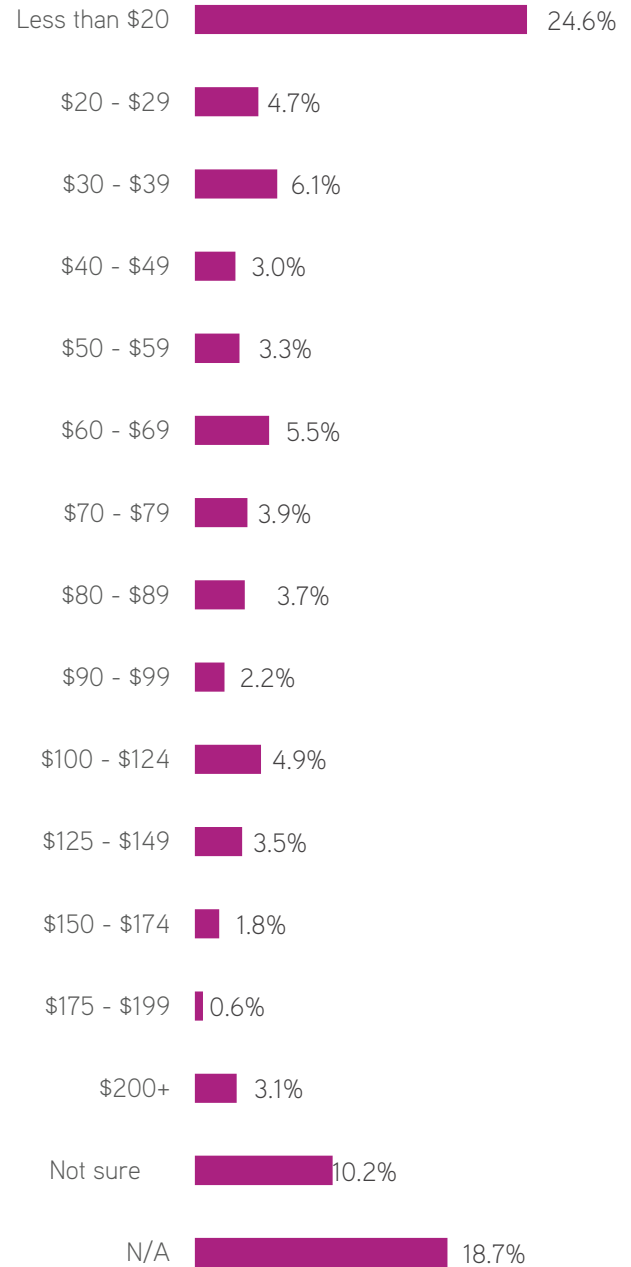
For the dental plan with the majority of participants enrolled, what is the family deductible?



For the dental plan with the majority of participants enrolled, what is the monthly WORKER contribution for single coverage?

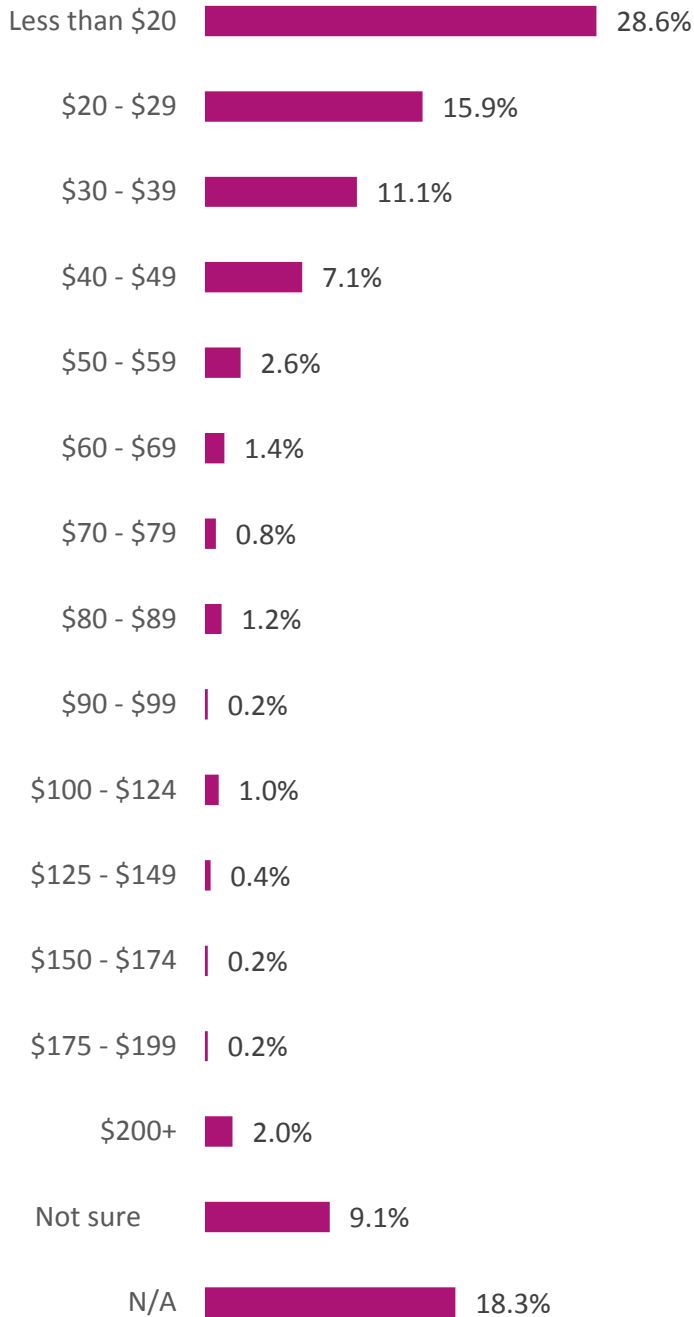


For the dental plan with the majority of participants enrolled, what is the monthly EMPLOYER contribution for family coverage?

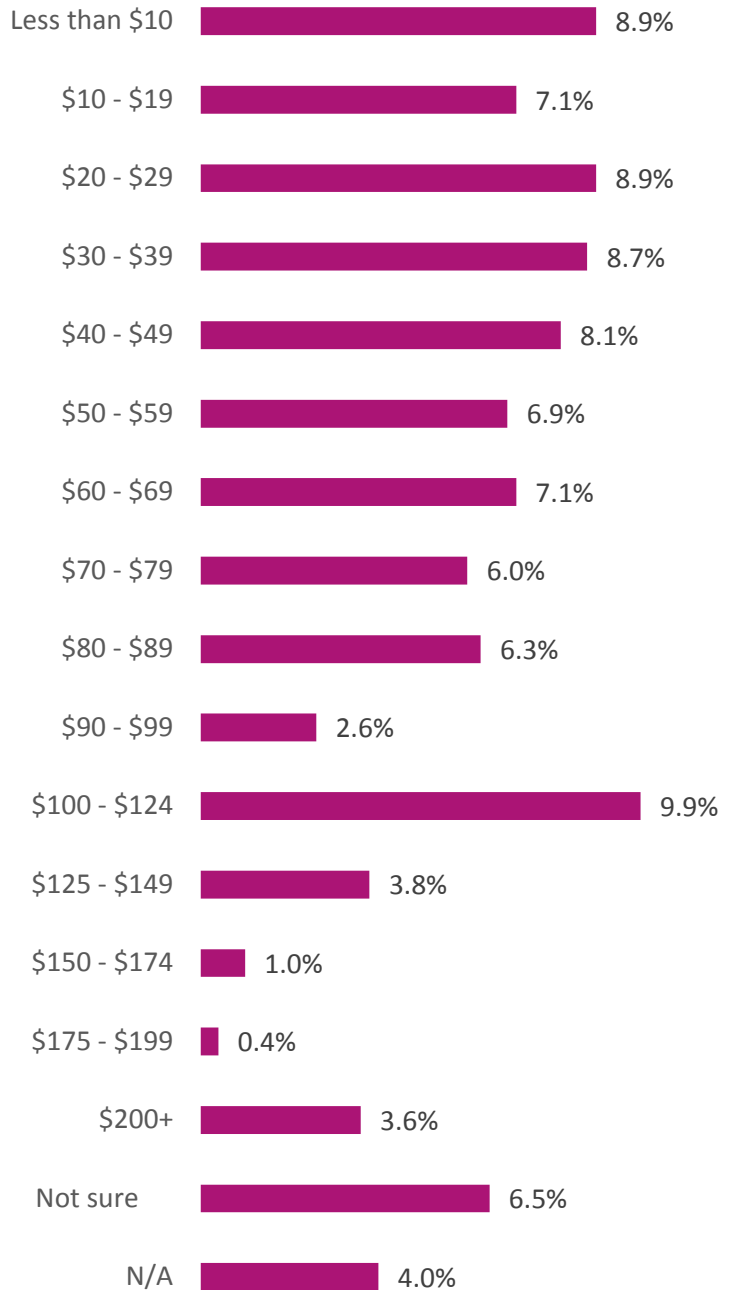


DENTAL PLANS

For the dental plan with the majority of participants enrolled, what is the monthly EMPLOYER contribution for single coverage?



For the dental plan with the majority of participants enrolled, what is the monthly WORKER contribution for family coverage?



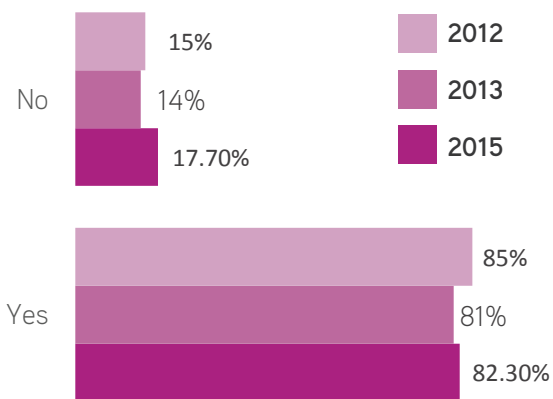


LIFE INSURANCE

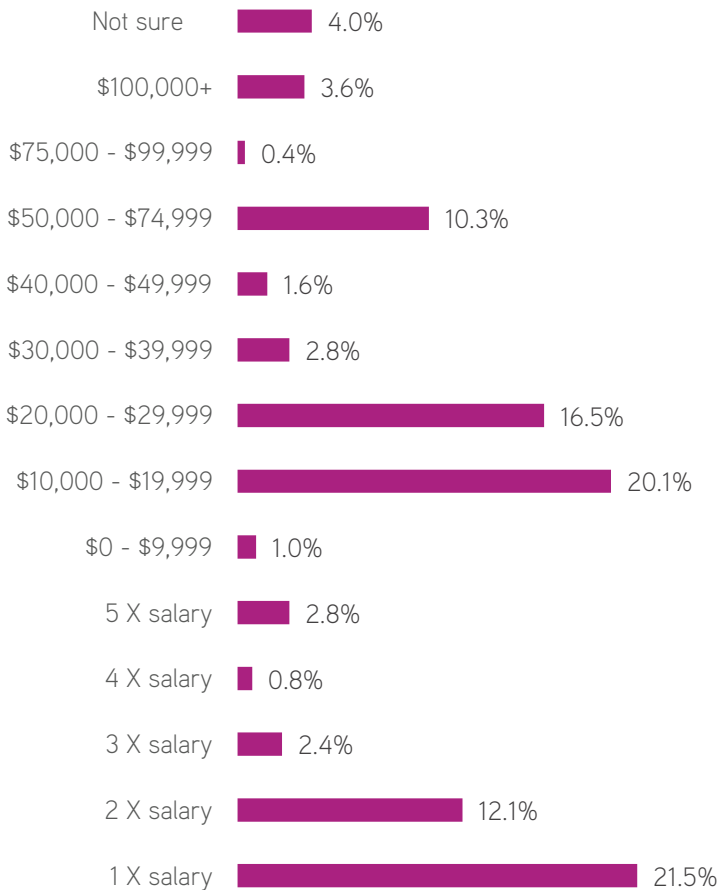
The percentage of employers offering basic life insurance increased slightly to 82 percent (up from 81 percent in 2013). Fifty-six percent of employers that offer life insurance provide a specific dollar amount of coverage, while about 40 percent of employers offer life insurance based on employees' salaries. The following figures examine basic life insurance, supplemental life insurance, and children's life insurance and their frequency in benefits package offerings

LIFE INSURANCE

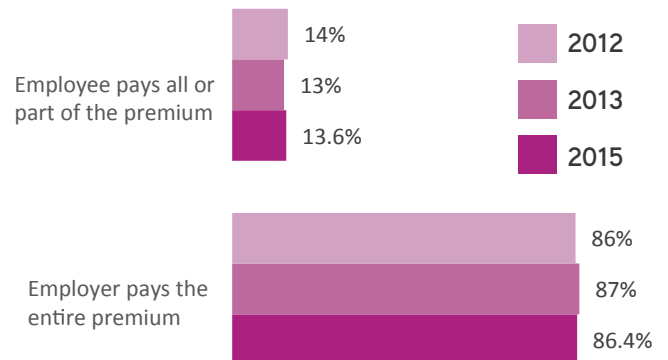
Do you offer basic life insurance?



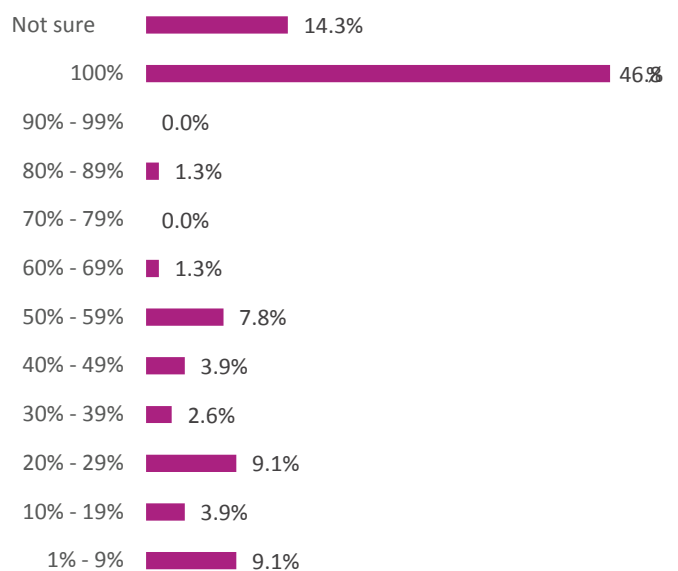
What is the level of coverage available?



Who pays for the life insurance?



What percentage of the premium does the employee pay?

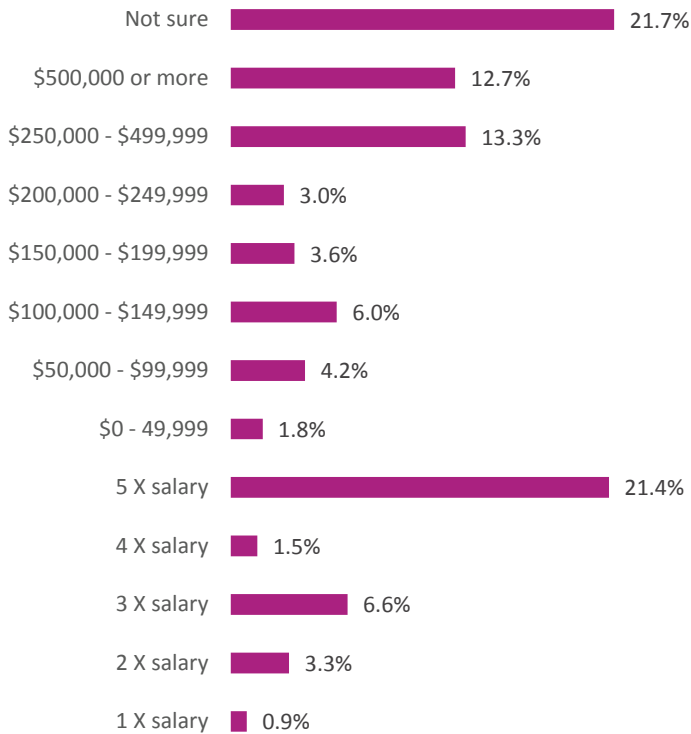


Do you offer employee supplemental life insurance (additional coverage to the core life insurance coverage)?

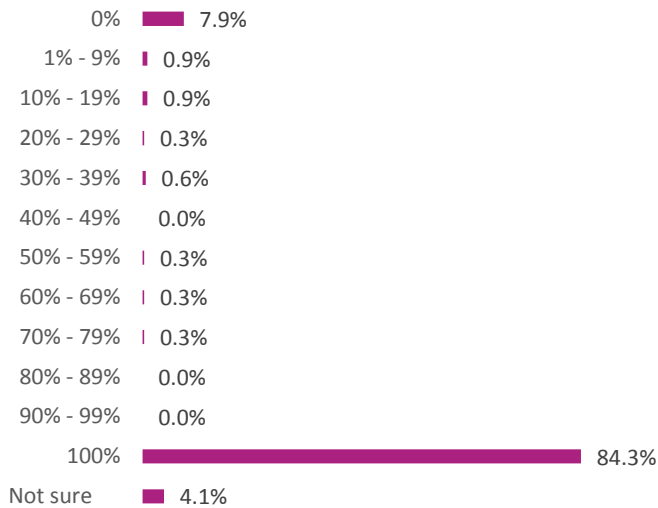


LIFE INSURANCE

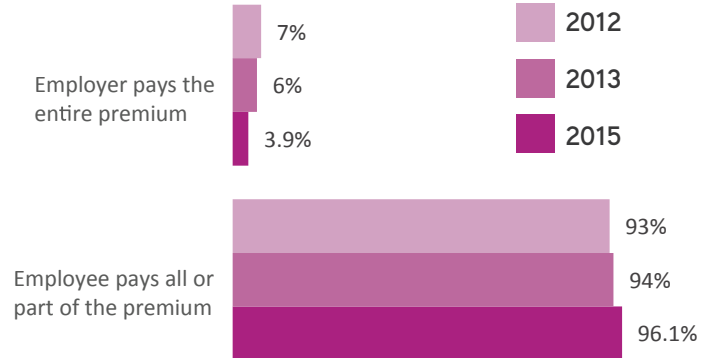
What is the maximum level of coverage available?



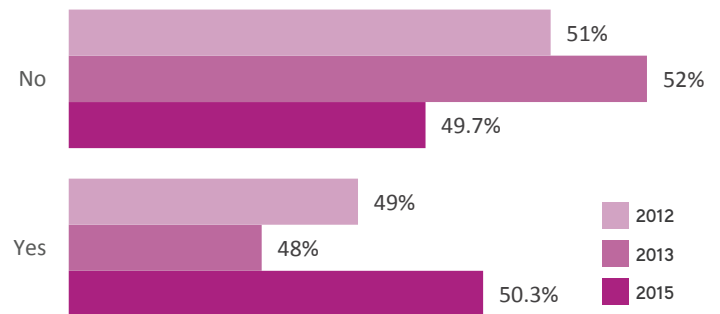
What percentage of the premium is EMPLOYEE paid?



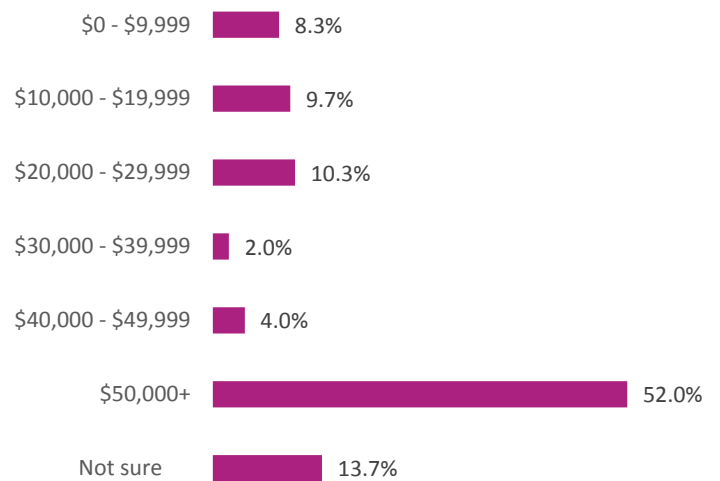
Who pays for the supplemental life insurance?



Do you offer spousal life insurance?



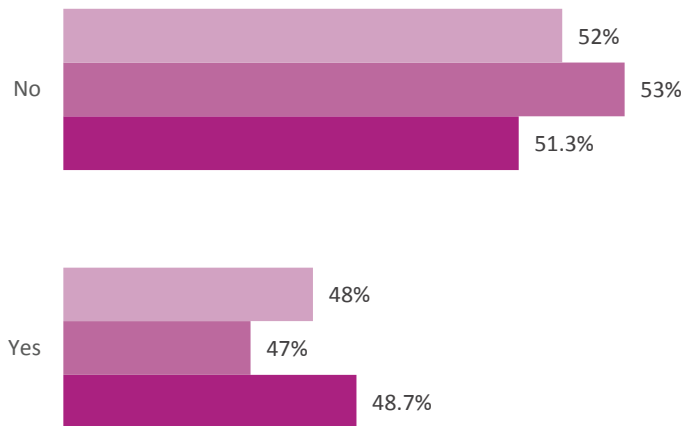
What is the level of coverage available for spousal life insurance?



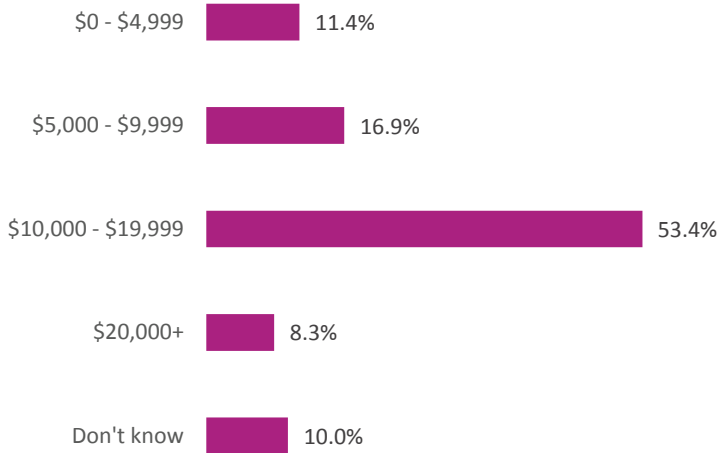
LIFE INSURANCE



Do you offer insurance for children?



What is the level of coverage available for the life insurance for children?



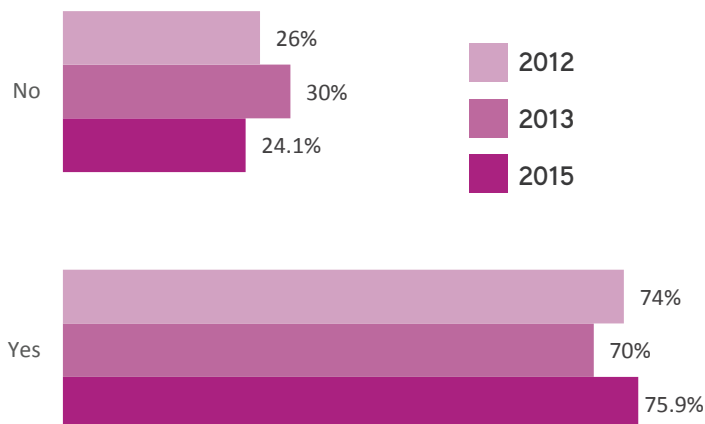


ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

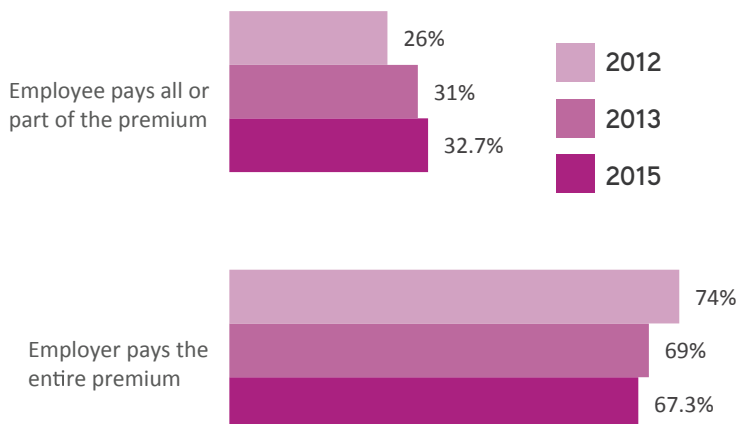
More employers now offer AD&D coverage—76 percent in 2015 compared to 70 percent in 2013. Of those employers, only 67 percent are willing to pay the entire premium, down from 69 percent in 2013.

ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

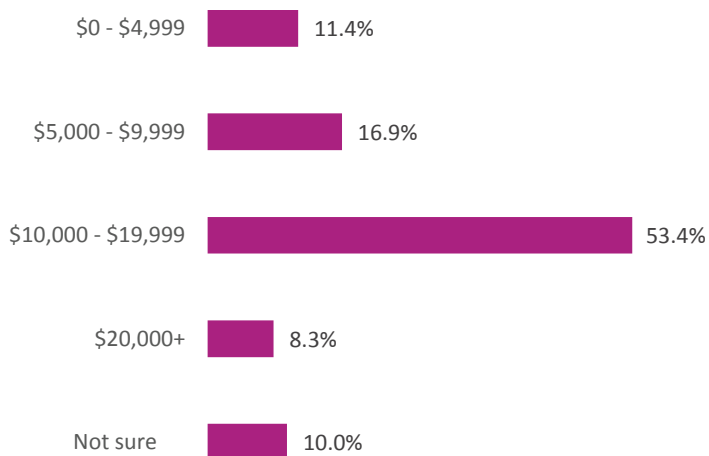
Do you offer AD&D coverage?



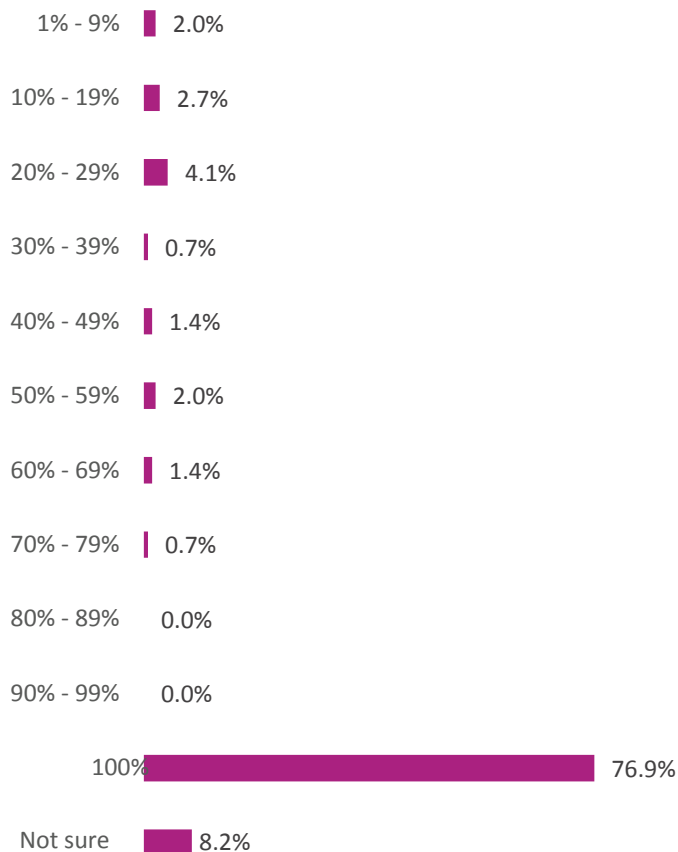
Who pays for the AD&D insurance?



What is the level of coverage available?



What percentage of the premium is employee-paid?



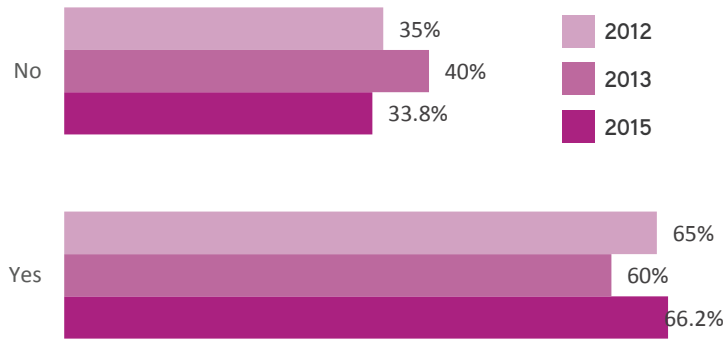


SHORT-TERM DISABILITY INSURANCE

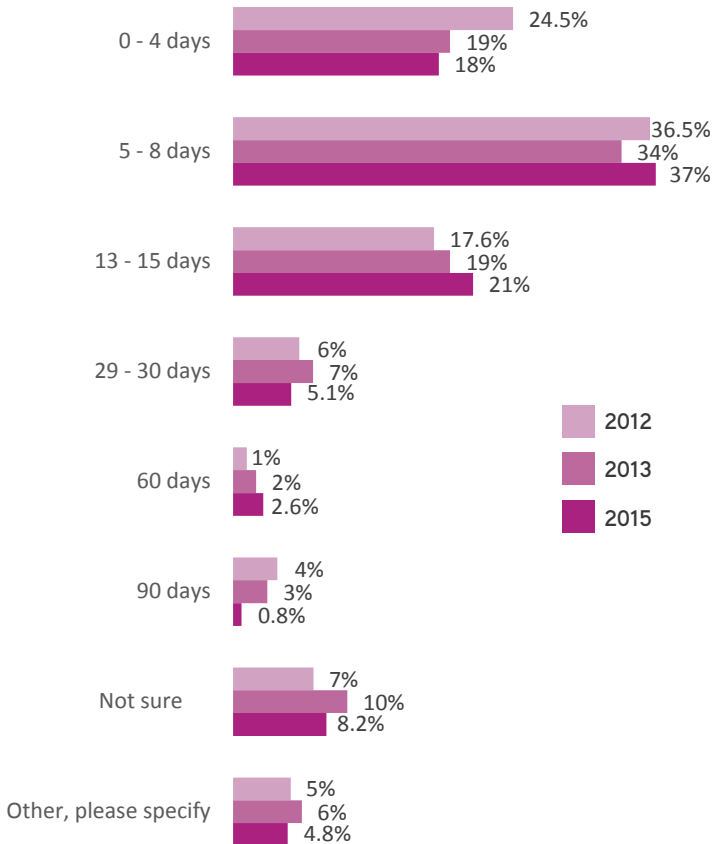
Short-term disability coverage remains a fairly popular way for employers to add value to their benefits programs, with 66 percent continuing to offer coverage. That figure is up six percentage points from 2013. While five to eight days is still the most widely offered elimination period for both accidents and illnesses —37 percent of employers offer this option for accidents and 54 percent offer this period for illness (up from 34 percent and 46 percent in 2013). The majority of employers (54 percent) pay the premium for this type of insurance.

SHORT-TERM DISABILITY INSURANCE

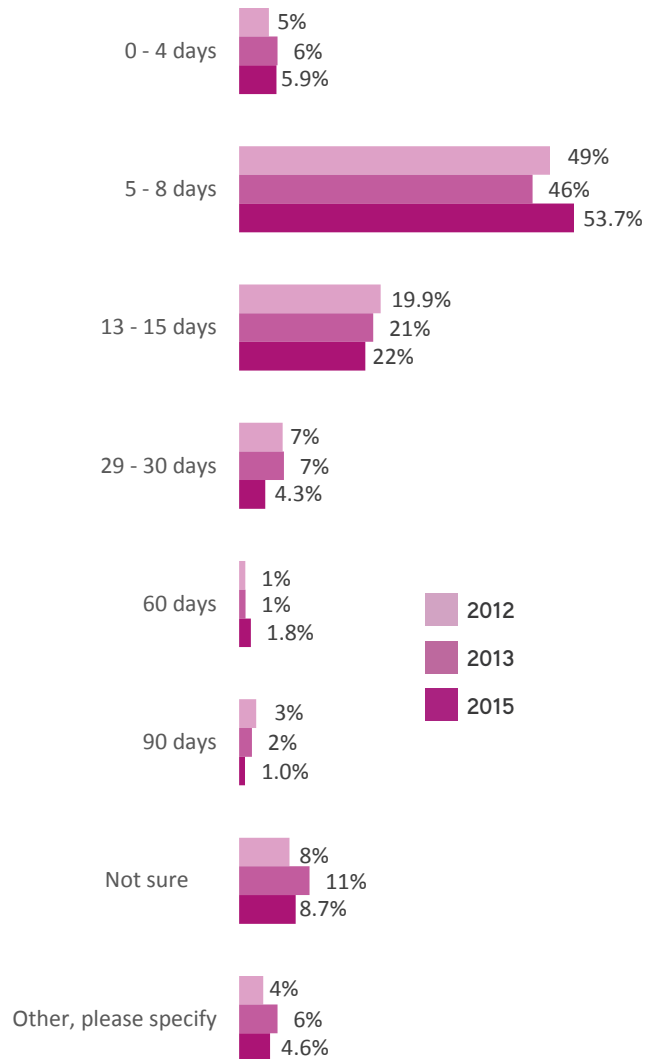
Do you offer short-term disability coverage?



What is the number of days an employee must be absent before benefits begin after an accident?

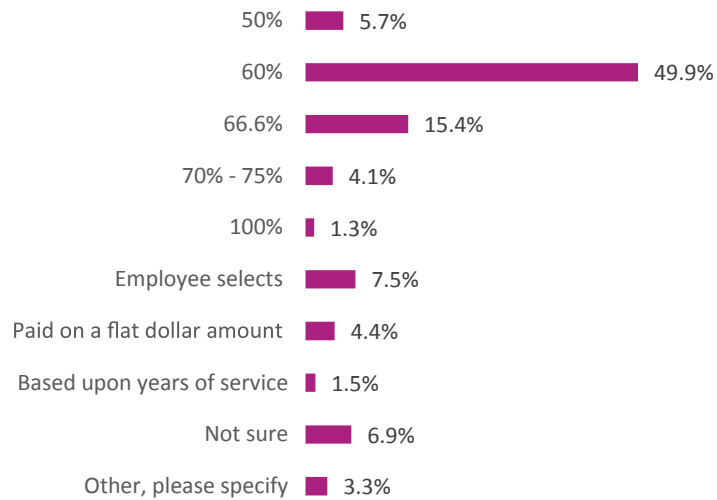


What is the number of days an employee must be absent before benefits begin for an illness?

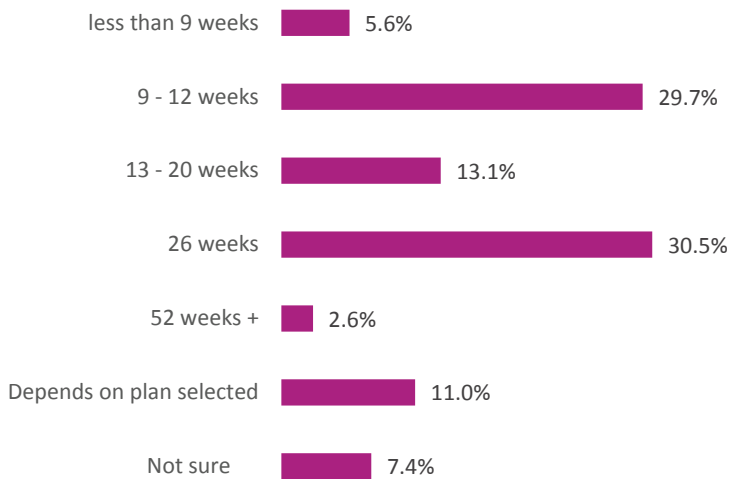


SHORT-TERM DISABILITY INSURANCE

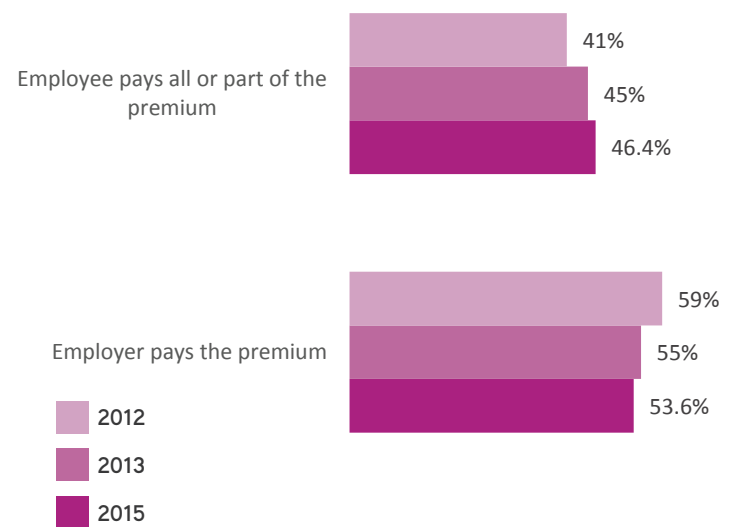
What percentage of salary is paid?



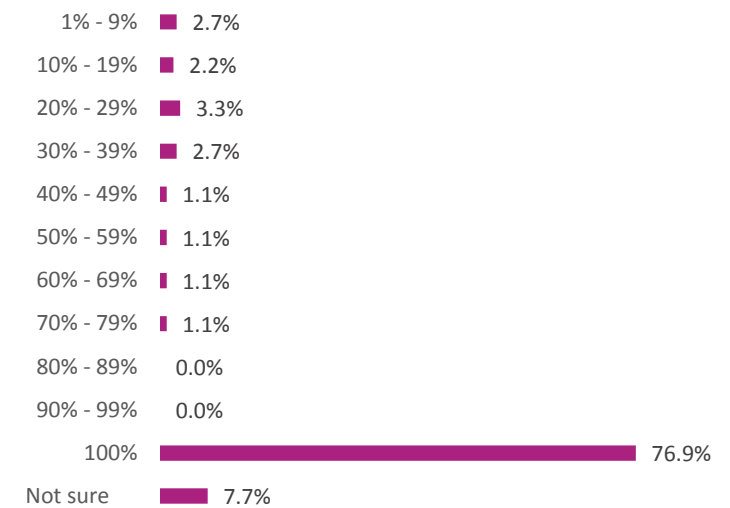
What is the duration?



Who pays for the STD insurance?



What percentage does the employee pay?



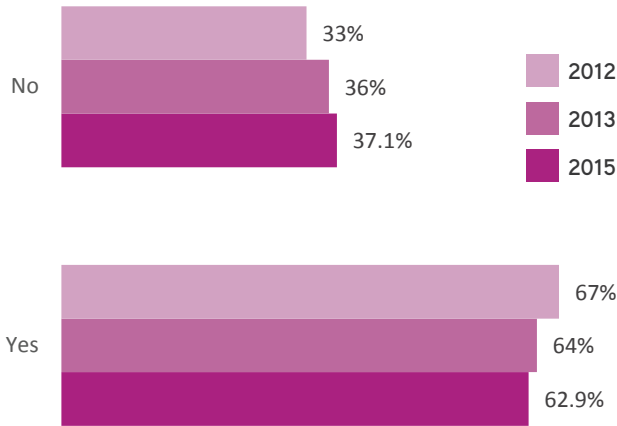


LONG-TERM DISABILITY INSURANCE

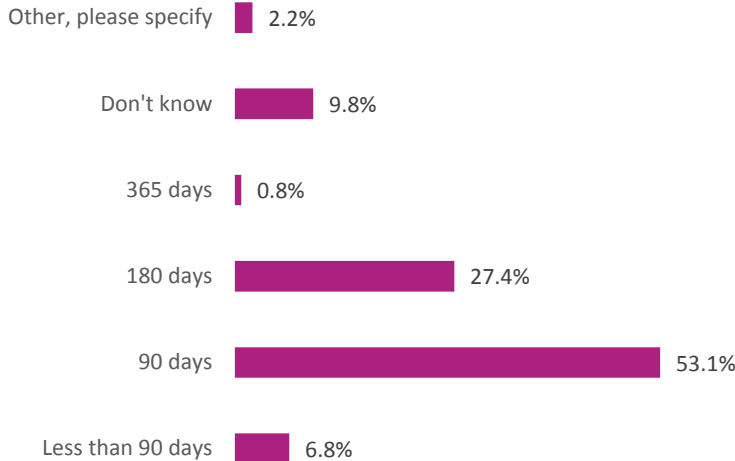
Currently, long-term disability insurance is offered by 63 percent of employers, and 67 percent of those plans are completely employer-funded. This is a drop from 68 percent in 2013 and 73 percent in 2011.

LONG-TERM DISABILITY INSURANCE

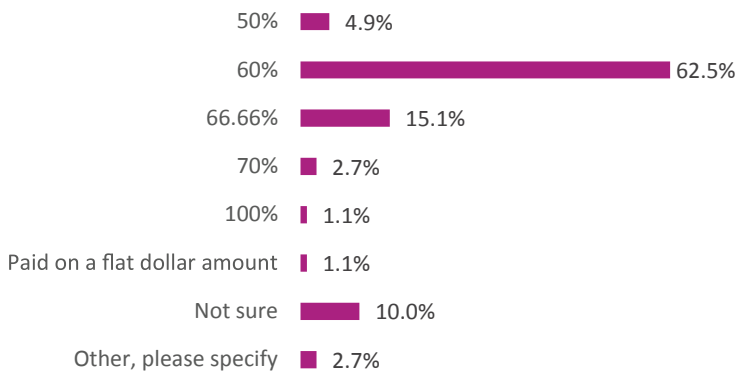
Do you offer long-term disability coverage?



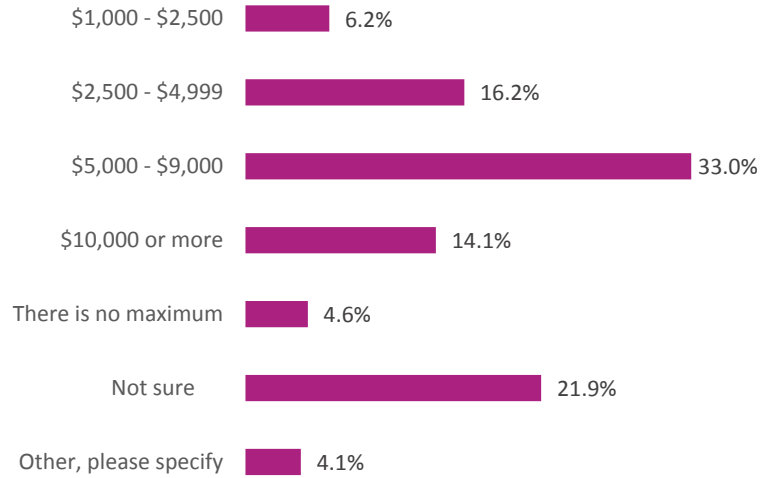
What is the elimination period (number of days an employee must be absent before benefits begin)?



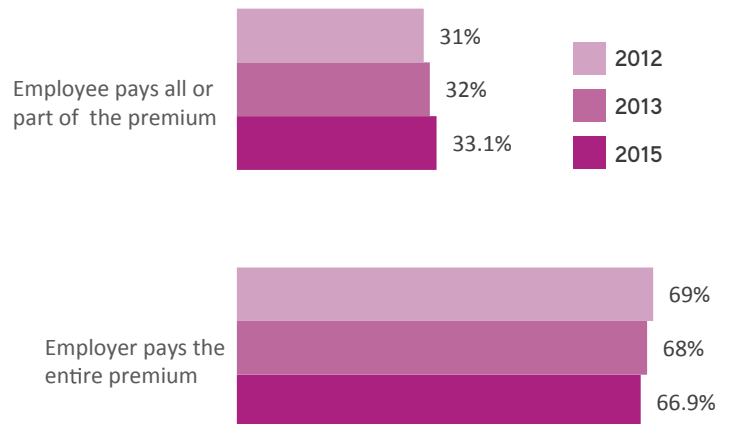
What percentage of salary is paid?



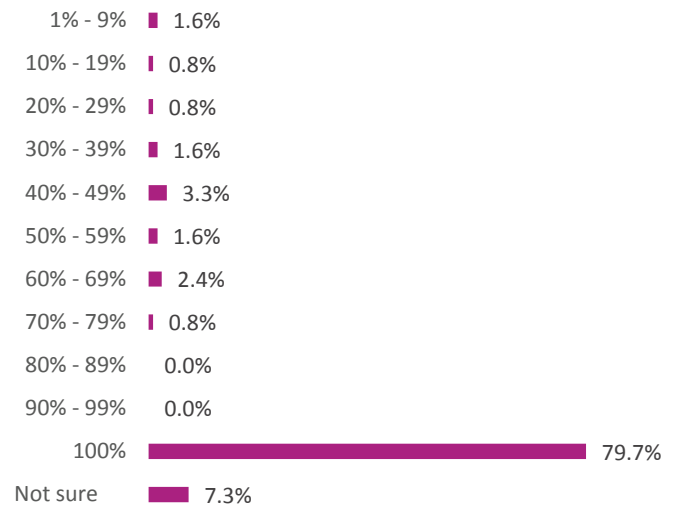
What is the maximum monthly benefit?



Who pays for the LTD insurance?



What percentage does the employee pay?



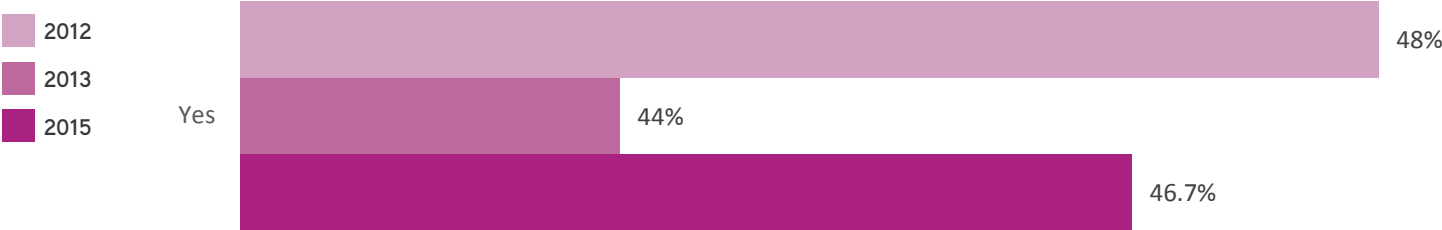


EMPLOYEE ASSISTANCE PROGRAMS

Employee assistance programs (EAPs) experienced a slight uptick, with 47 percent of employers offering the benefit in 2015 compared to 44 percent in 2013. EAPs can help employees address personal problems and tend to their personal needs—allowing them to be happier and more productive workers.

EMPLOYEE ASSISTANCE PROGRAMS

Do you have an employee assistance program?





DISEASE MANAGEMENT PROGRAM

Disease management programs help employees with chronic conditions better manage their health. The number of employers offering a disease management program increased slightly in 2015—with 14 percent of employers offering this benefit, compared to 13 percent in 2013.

DISEASE MANAGEMENT PROGRAM

Do you have a disease management program?





VOLUNTARY BENEFITS

Voluntary benefits are benefits that employees can pick and choose, offered in addition to employees' core compensation and benefits packages. While voluntary benefits include traditional mainstays like dental insurance, disability insurance and AD&D insurance, many employers have begun to offer or are considering offering non-traditional voluntary benefits.

Non-traditional voluntary benefits include offerings that are newer benefits products or more specialized than the traditional voluntary benefits insurance products. Some of the non-traditional benefits are insurance plans, but others are types of reimbursement or discount programs that contribute to employees' quality of life or their ability to get the most out of their budgets.

For most voluntary insurance offerings, employees pay 100 percent of the premiums.

For 2015, the most common group voluntary benefit was vision insurance, offered by 52 percent of all respondents. Dental and term life insurance was offered by just about half of respondents, followed by short-term disability insurance, which are both offered by over 45 percent of employers. The most popular non-traditional group voluntary benefits are membership or discount programs and financial counseling or investing advice, offered by 16 and 15 percent of employers, respectively.

The most common individual voluntary benefit was term life insurance, offered by 34 percent of employers. Dental, vision, short-term disability, cancer and accident insurance were all close behind with about one-third of respondents offering them in their employment packages.

VOLUNTARY BENEFITS

What type of voluntary (employee-pay-all) GROUP benefits do you offer, or plan to offer, your employees?

	Offer Now	Plan to Add in the Next Year	Don't Offer
Medical or mini-medical	31%	1%	68%
Dental	50%	2%	48%
Vision	52%	3%	45%
Term Life	49%	2%	49%
Whole or Universal Life	16%	1%	83%
Long-term Care	11%	1%	88%
Long-term Disability	38%	2%	60%
Short-term Disability	45%	3%	52%
Group Legal	9%	1%	90%
Critical Illness Insurance	27%	2%	71%
Cancer Insurance	31%	2%	67%
Accident	35%	3%	62%
Home & Auto	4%	1%	95%
Membership or discount programs	16%	2%	82%
Pet Insurance	2%	1%	97%
Financial Counseling / Investment Advice	15%	2%	83%
Adoption Assistance Program	3%	1%	96%
Identity Theft Insurance	9%	2%	89%

What type of voluntary (employee-pay-all) INDIVIDUAL benefits do you offer, or plan to offer, your employees?

	Offer Now	Plan to Add in the Next Year	Don't Offer
Medical or mini-medical	18%	1%	81%
Dental	28%	1%	71%
Vision	30%	2%	68%
Term Life	34%	2%	64%
Whole or Universal Life	14%	1%	85%
Long-term Care	11%	1%	88%
Long-term Disability	24%	1%	75%
Short-term Disability	32%	1%	67%
Group Legal	6%	1%	93%
Critical Illness Insurance	25%	1%	74%
Cancer Insurance	30%	1%	69%
Accident	31%	1%	68%
Home & Auto	5%	1%	94%
Membership or discount programs	10%	1%	89%
Pet Insurance	2%	1%	97%
Financial Counseling / Investment Advice	8%	2%	90%
Adoption Assistance Program	2%	0%	98%
Identity Theft Insurance	5%	1%	94%

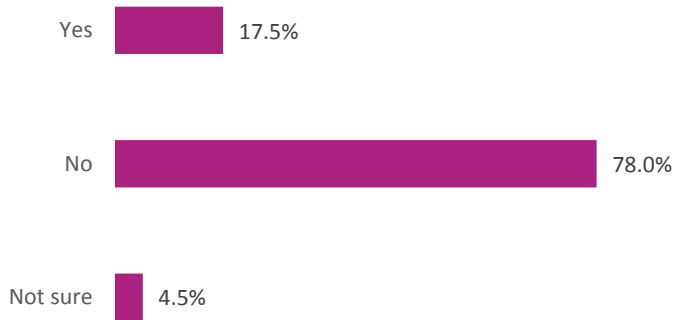


RETIREMENT PLANS

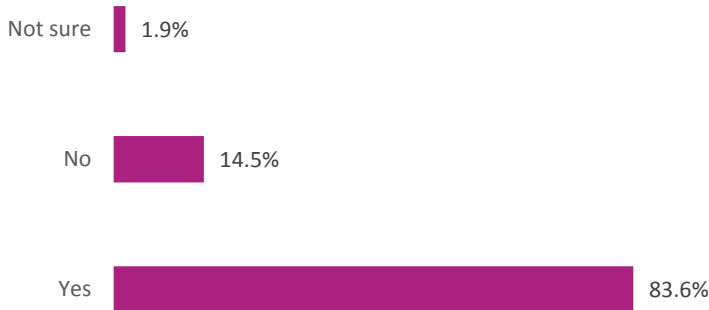
While the percentage of respondents offering defined benefit pension plans has declined, the percentage of respondents offering a defined contribution plan over the past few years has increased. Only 18 percent of respondents offer defined benefits pension plans, down one percentage point from 19 percent in 2013. Eighty-four percent of employers, however, currently offer some sort of defined contribution pension plan, up three percentage points from two years ago. The 401(k) remains the most popular defined contribution plan, with 85 percent of respondents offering it to their employees.

RETIREMENT PLANS

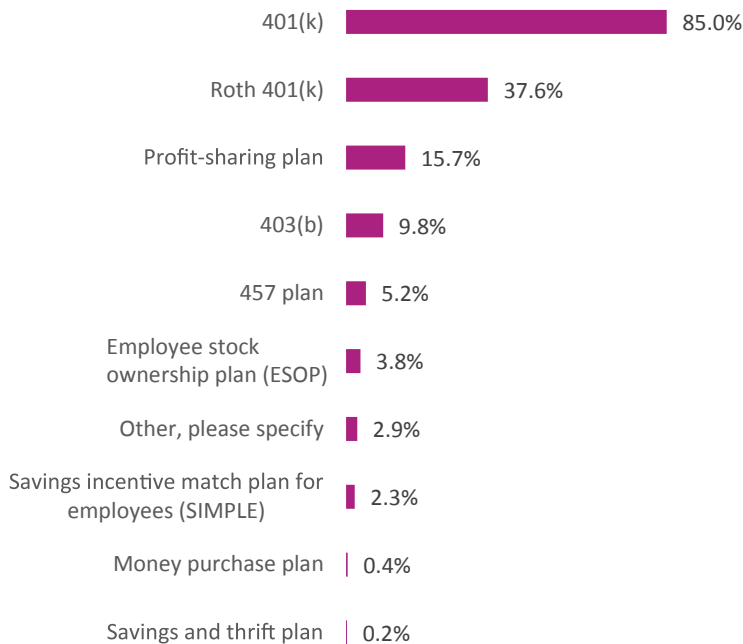
Does your organization currently offer a defined benefit pension plan?



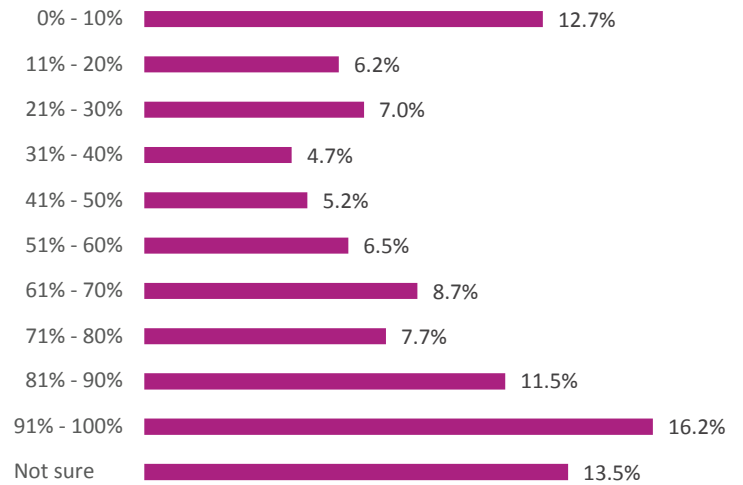
Does your organization offer a defined contribution pension plan? (i.e. 401(k), 403(b), etc.)



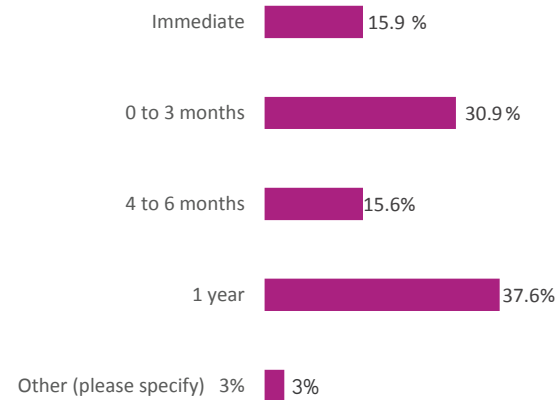
Which of the following types of defined contribution plans does your organization offer?



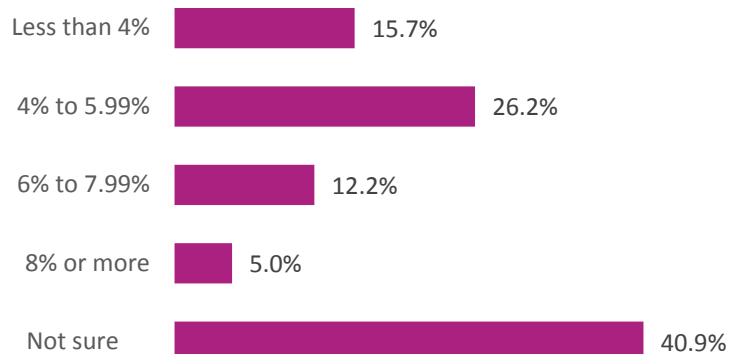
What is your 401(k) or Roth 401(k) plan's participation rate?



What are the service requirements for plan entry?

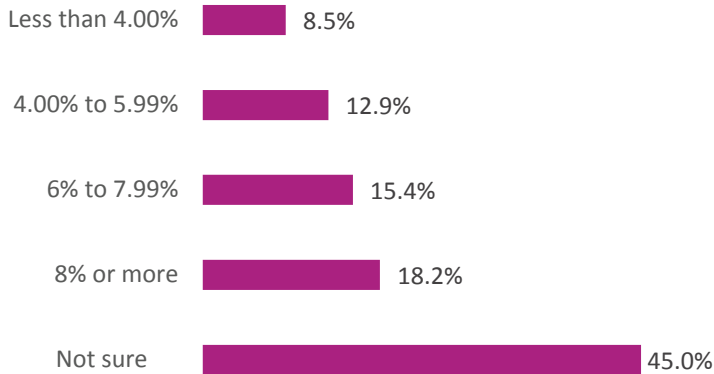


Based on your most recent nondiscrimination testing, what was the average deferral percentage for non highly compensated employees?

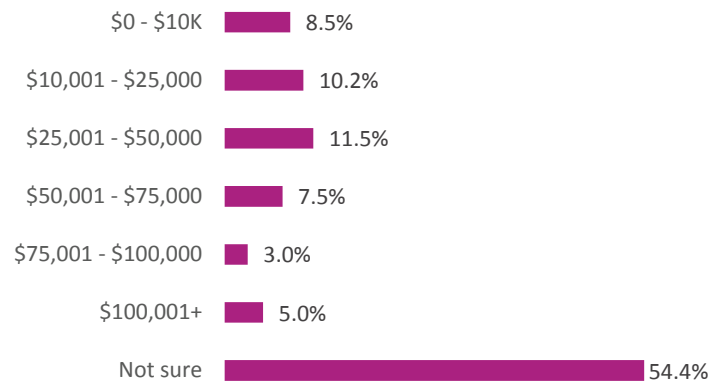


RETIREMENT PLANS

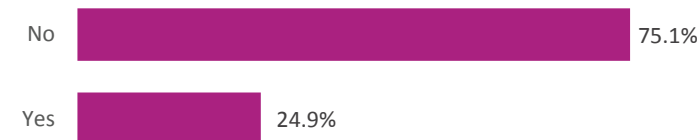
Based on your most recent nondiscrimination testing, what was the average deferral percentage for highly compensated employees?



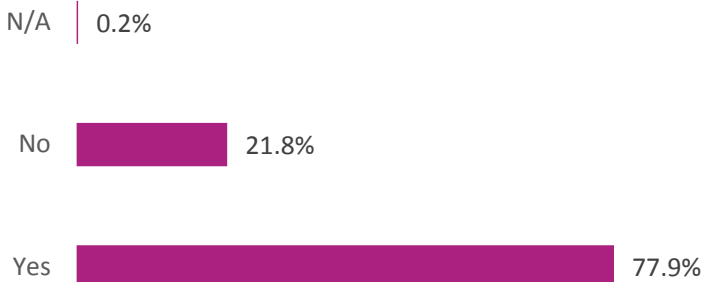
What is the participant average account balance?



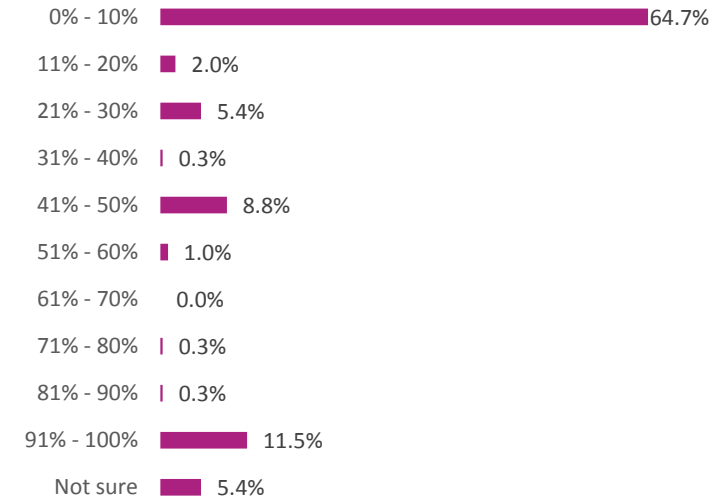
Does your plan have an automatic enrollment or negative election feature?



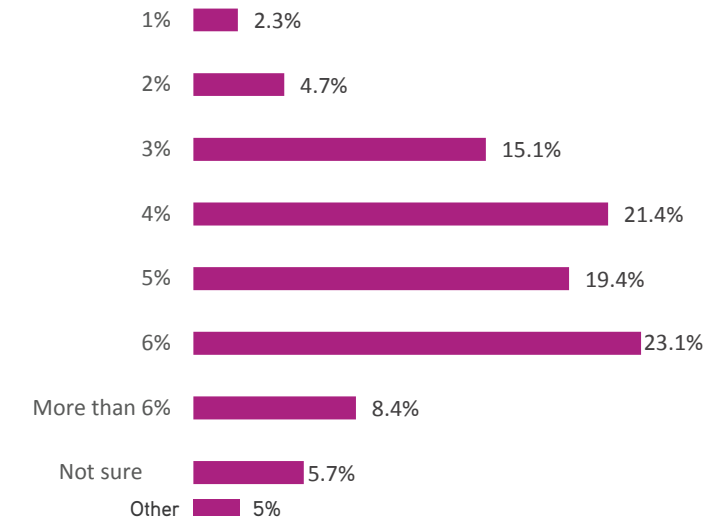
Do you offer matching contributions for your 401(k) or Roth 401(k) plan?



What is your match rate?



What percent of an employee's contribution (percent of salary) is subject to match?



What percent of an employee's contribution (percent of salary) is subject to match?

