

# Benefits Literacy: What Employees Don't Know Might Be Hurting Them

Key findings on how well employees understand benefits, and what you can do to help.



## Employees are confused about their benefits, but some are more confused than others.

Our 2021 MyChoice® Recommendation Engine Benefits Insight Report found that while some employees feel knowledgeable about their benefits, most know just enough to get by. The rest are downright confused.



However, that's just an average across all employees who used the MyChoice Recommendation Engine to help them decide on their benefits choices.

Results are based on MyChoice Recommendation Engine users during 2021 Annual Enrollment.

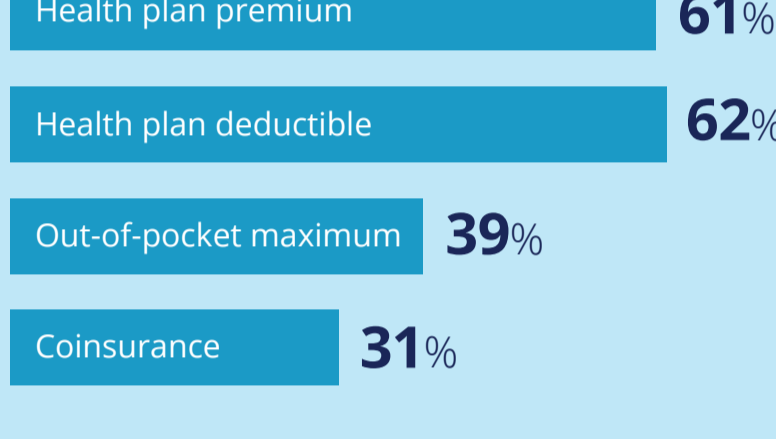
When you dig into the numbers, it's possible to see which groups are most and least confused.

	Most confused	Least confused
<b>Generation</b>	Gen Z 54%	Boomers 25%
<b>Income</b>	Less than \$30k 48%	More than \$100k 22%

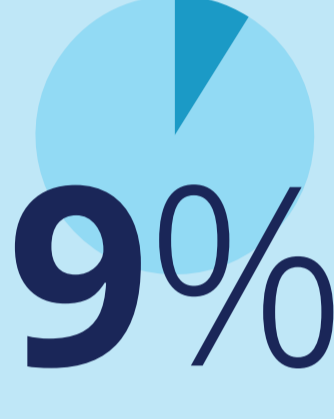
While there's a wide gap between the most and least confused in these two groups, the numbers are still no cause to celebrate.

A United Healthcare study reinforced that employees don't understand the basic concepts necessary to compare health plan options and use them wisely.

Understood the definition of the term:



Understood the definition of all four terms:



And, employees aren't spending a lot of time making important benefits choices that can have a significant financial impact.

Time spent enrolling in benefits:

# 17 minutes\*



\*Businessolver data.

These findings can serve as a benchmark to help employers determine how large a benefits literacy issue they likely have.



## Why is benefits literacy important?



Supports informed employee decision-making.



Safeguards employees and employers against unnecessary costs.



Helps employees understand the value of benefits.

Use these statistics to understand where your workforce may fall on the comprehension continuum. Then, consider these action steps.



**Review your benefits data.** Understanding if employees in these groups are making different choices can help pinpoint areas of confusion.



**Think critically about how you communicate.** Are you using the most appropriate methods for these groups? Experiment with other ways to get the message out.



**Take stock of your platform and processes.** Address confusion with an easy-to-use, intuitive process that includes decision guidance.

Benefits are confusing, and some employees are struggling more than others. Bring clarity to your workforce by understanding who's most befuddled and then implementing an action plan to help.

## Want more insights about employees' health, wealth and benefits knowledge?

Read the full MyChoice® Recommendation Engine Benefits Insight Report.

[Read the Report](#) →

