

WHAT IS IT?

Custom employee benefit communications supplement or replace materials from insurance carriers and present benefit program information in an easy-to-read format, while still meeting legal requirements for disclosure. Communications can be designed to fit a company's corporate culture, style, and employee audiences. Most communication campaigns occur during Open Enrollment; however, there are other opportunities throughout the year to educate employees about their benefit plan features and options.

WHY OFFER IT?

Clear and concise communication to employees reinforces the employer's benefits and compensation philosophy and can increase employee appreciation of benefit offerings. A communications program can also ease the burden on HR/Benefits personnel by providing answers to the most frequently asked questions.

WHAT TYPES AND SIZES OF EMPLOYERS OFFER IT?

Any employer that provides benefits to employees should provide some type of communications related to their benefits program.

Employers of any size are capable of communicating to employees about their benefits. Here's a guideline of what is typically offered, based on the size of the employer:

- **1 - 50:** Photocopied or electronic PDF format "benefits overview" brochure; periodic emails and fliers about benefit plan updates.
- **50- 200:** Same as above, plus organized open enrollment packet.
- **200 – 1,000:** Same as above, with professionally designed materials; topical brochures focusing on 401(k) participation, family status changes, benefits during a leave of absence, etc. Employees have access to benefit forms and other materials online.
- **1,000+:** Same as above, with a "themed" benefit campaign; consolidated summary plan description; periodic newsletters about benefits and/or wellness-related topics. Should also consider personalized communications such as annual total compensation statements and a web-based platform for enrollment and other benefit transactions.

WHAT ARE THE CRITICAL REQUIREMENTS?

- Internal HR and Benefits departments are not always staffed to effectively produce benefit communication materials. Assistance from the employer's benefit advisor is recommended to ensure materials meet quality standards for readability, accuracy, and compliance with legislative requirements.
- Materials need to meet communications compliance requirements under ERISA and PPACA.
- Organizations desiring online solutions will need technical assistance to implement and maintain a web-based system.

WHAT'S NEW IN THIS AREA?

- Web-based communications have become commonplace even among mid-size companies and often replace hard copy as a means of making information available to employees and covered dependents "24 x 7" via a company intranet or website.
- Employee self-service (ESS), where employees make benefit elections or changes online, is also becoming more common.
- Through the internet, employees now have unprecedented access to benefits, health and wellness related information through their insurance carriers' web sites and health portals such as [WebMD](#). Employers may consider incorporating third party web portals into their overall communication strategy.
- A small portion of employers are experimenting with social media using online resources such as blogs, wikis, and even Twitter and Facebook to communicate the company's benefits and wellness philosophy and provide employees with regular updates and additional vehicles to discuss or get answers to their questions about corporate benefit programs.

HOW MUCH DOES IT COST?

The cost depends on the size of the employer, the types and number of communication pieces, and the desired mode(s) of communication. Employers should budget 1-2 percent of their annual benefit budget for discretionary communications over and above those made available by insurance providers.

INFORMATIONAL LINK(S)

- [Benefit Intranets](#) (ArlenGroup)
- [Employee Self Service](#) (ArlenGroup)
- [ArlenGroup Communication Consulting Services](#)
- [Total Compensation Statements](#) (ArlenGroup)

PROS AND CONS

PROS

- Eases HR's burden of responding to benefit inquiries
- Benefits are communicated in a consistent manner
- Enhances employee appreciation of the value of their employer's benefit offerings
- Increases employee morale

CONS

- More extensive solutions may be cost prohibitive for some employers



This Fact Sheet is designed to provide a general overview of the benefit program, service, or regulatory act it describes. The information included in this document is not a substitute for legal or professional opinion relative to a plan sponsor's particular fact pattern. Your ArlenGroup consultant can answer more specific questions relative to its application for your organization.