

Benefits Insights

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5 Things to Consider When Selecting a Health Plan

Changing health plans is a major decision for any employer, regardless of size. Not only is health insurance a costly commitment, it also impacts recruitment capabilities, retention levels and overall employee satisfaction. The right plan can improve employee health, boost morale and increase attraction and retention rates without unduly straining an organization's budget. When deciding if it's time to change health plans, knowing how to proceed can be daunting. Here are some considerations employers can weigh before changing health plans.

1. Overall Plan Costs

Understanding their needs and setting priorities to meet those needs can help employers determine whether they are getting the most out of their health plans. These plans need to be affordable to both employers and employees. The cost of health plans can differ widely depending on type, design and risk pool. As with any significant decision, proper research is essential. Selecting the cheapest plan may seem like the best idea, but employers must consider the entire picture before changing plans. This may include evaluating coverage options, funding arrangements, integration of benefits, customer support and employee health and morale.

2. Quality of Benefits

While minimizing expenses is often the priority for most employers, changing health plans doesn't have to sacrifice the quality of benefits for lower costs. Prioritizing a health plan that provides valuable care options benefits both employers and employees. By reviewing their current plans, employers can determine what benefits they're currently offering and, for self-insured or level funded plans, whether employees are using them. Employers can ask employees if there are benefits they need or want that aren't currently

being offered. Deciding which benefits must be included can help employers effectively design their health plans.

3. Employee Health and Well-being

Since health plans are expensive, employers need to choose plans that their employees will use to help them stay healthy. Selecting plans that provide access to a wide range of primary care providers and specialists can be more valuable to employees than opting for cheaper alternatives. While restricting access to care is tempting as a cost-saving measure, it's usually not an effective strategy and tends to lead to denied care, decreasing employee satisfaction.

Since the onset of the COVID-19 pandemic, mental health has become a bigger priority for employees and many expect employers to provide them with mental health benefits. Offering valuable and desired benefits can lead to improved employee attraction and retention rates.

4. Technology Offerings

Health plans with improved technology offerings, such as telemedicine, can expand employee access to care and broaden their network of health care professionals. Mobile and web tools can simplify care by assisting employees with locating providers, scheduling treatments and maintaining price transparency. When deciding whether to change health plans, employers should consider choosing plans that increase employee accessibility to benefits through technology.



5. Contribution Strategy

Employers and employees typically share the costs of health care, with employers bearing the majority of plan expenses. Shrinking budgets have forced some employers to evaluate different contribution strategies. An effective contribution strategy can align an employer's budget concerns while maximizing employees' use of their benefits. Not only can this improve affordability, enrollment and employee satisfaction, it can also boost an organization's morale and productivity.

Conclusion

There are many things to consider before changing health plans. Finding the best plans require employers to balance multiple considerations. While many employers focus on lowering expenses, looking beyond costs can help organizations find plans that best fit their unique needs and are most beneficial to their employees.

For more information on health care plans, contact National Insurance Services today.