

Benefits Insights

Improving Employee Health Care Literacy



Low health literacy is quite common in the United States. According to the National Assessment of Adult Literacy, only 12% of Americans have proficient health literacy skills, which means many adults have difficulty understanding drug labels, following prescription instructions or identifying credible health care resources. Given today's complex health care system, health care literacy has become critical in ensuring individuals make informed decisions about their health. For employees, understanding health care options and how to access the right care can directly influence their well-being and work productivity.

For employers, promoting health care literacy within the workplace is a way to support their employees' health and strategic investment in reducing health care costs and boosting overall employee satisfaction. This article provides an overview of health care literacy, its importance and employer strategies for increasing it among employees.

Health Literacy Overview

The definition of health literacy was updated with the release of the U.S. government's Healthy People 2030 initiative, addressing personal and organizational health literacy:

- **Personal health literacy** refers to individuals being able to find, understand and use information and services to make informed health-related decisions.
- **Organizational health literacy** refers to organizations equitably enabling individuals to find, understand and use information and services to make informed health-related decisions and actions.

This definition update focuses on individuals' ability to use health information (versus simply understanding it) and acknowledges that organizations are responsible for addressing health literacy.

Health care literacy includes the capacity to understand the terminology, interpret health-related materials (e.g., insurance documents, medical instructions and treatment plans), confidently navigate the health care system and communicate effectively with health care providers. [Check out this chart](#) from the National Institutes of Health to learn more about the difficulty of certain health literacy tasks.

The Impact of Health Care Literacy

Inadequate health care literacy can lead to confusion, delayed care, mismanagement of health conditions and even poorer health outcomes. Employees with low health care literacy are at risk of making poor health decisions, such as choosing inappropriate treatments, neglecting preventive care or incurring unnecessary medical expenses.

For employers, the consequences of low health care literacy among employees can be significant and may include the following:

- Higher health care costs, as employees may not seek timely care or preventive services. As a result, they may incur unnecessary health care claims.
- Reduced team productivity, as employees may not fully understand how to manage their health conditions or those of family members and, as a result, may take more sick days. Furthermore, increased employee absenteeism may be connected to preventable health issues.

- Employee frustration with the health care system, which can lead to disengagement from workplace health plans and wellness programs.

By improving employee health care literacy, employers can help their workers become more empowered, make better decisions, and ultimately improve their quality of life both inside and outside the workplace.

Employer Strategies to Increase Health Care Literacy in the Workplace

Employers have a unique opportunity to enhance health care literacy among their workforce by creating a supportive environment and offering resources that simplify the complexities of today's health care system.

Employers can adopt the following strategies to boost health care literacy among their employees:

- **Provide clear and accessible health care information.** Health insurance documents, policy details, and treatment options should be presented in simple, jargon-free language. Employers can work with their benefits providers to ensure that these materials are clear and tailored to the literacy levels of their workforce. For example, offering an easily navigable website or portal where employees can access information about their health benefits and services can help demystify health care options.
- **Ensure insurance plans are transparent.** Understanding health insurance can be a significant barrier to health care literacy. For many employees, insurance plans are packed with confusing terms, amounts (e.g., deductibles and copays) and coverage options. Employers could consider organizing one-on-one sessions with benefits counselors who can help employees make more informed decisions about selecting the right health plan. Comparative or decision-making tools and educational materials can also help employees understand their options.
- **Educate with written resources, webinars and workshops.** Many employees may not have the time or resources to seek out health care education on their own. Regularly sharing content such as articles and newsletters can help employees better understand the health care landscape and how to seek and utilize care. Helpful topics to start with include selecting the right health insurance plan, understanding preventive care and navigating medical billing and unnecessary charges.
- **Educate about employee benefits year-round.** Although open enrollment is a pivotal time to highlight benefits to employees, employers also have opportunities to educate them throughout the year. Ongoing communication after open enrollment can help encourage employees to understand and utilize their available benefits.
- **Leverage technology.** Mobile apps and online platforms can provide instant access to health care information, medical records and insurance details. Employers can also encourage the use of digital health tools that explain health conditions, treatment options and preventive strategies.
- **Promote preventive care and wellness programs.** Employers can improve employee health care literacy by promoting preventive care services such as annual exams, screenings and vaccinations. Furthermore, offering wellness programs encouraging healthy behaviors (e.g., smoking cessation) can help employees make better lifestyle choices.
- **Foster a culture of open communication.** Employees should feel comfortable discussing health care challenges, asking questions and seeking assistance. By removing stigma and fostering transparency, employees are more likely to engage with available health resources and support services. Anonymous channels (e.g., surveys or suggestion boxes) can also help employers identify and address common health care challenges employees face.

Conclusion

Improving health care literacy among employees is a win-win strategy for both employers and employees. Educated employees are better equipped to make informed health care decisions, which can lead to healthier lifestyles and lower health care costs. Employers who take proactive steps to enhance health care literacy may save on total health care spend, mitigate high claims and contribute to a more engaged, healthier and more satisfied workforce.

Employers are uniquely positioned to help their employees navigate the complexities of the health care system with confidence and clarity. Contact us for more resources.