

Beating BENEFITS BEWILDERMENT

Why Your Employees Are Confused
& What You Can Do About It

by Harry Nathan Gottlieb
Jellyvision Founder and Creator of ALEX

Beating BENEFITS BEWILDERMENT

Why Your Employees Are Confused
& What You Can Do About It

Introduction	3
POSSIBLE CAUSE: 1. Language Barrier	4
POSSIBLE CAUSE: 2. Motivation	7
POSSIBLE CAUSE: 3. Everyone's Different	10
About the Author	14

Do your employees report feeling lightheaded and dizzy when reviewing your employee handbook? Do they review it at all? And during open enrollment? Any increase in headaches? Nausea? Apathy? Procrastination?

I see. Well, those symptoms often point to a general condition known as:

Benefits Bewilderment

There are a number of possible causes for this condition. Let's see which apply to you so we can discuss possible treatments.



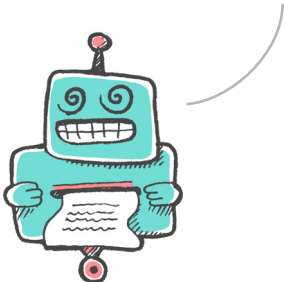
1.

POSSIBLE CAUSE:

Your employees speak English but you are speaking in Compliance or Legal or Technical—you may even be speaking in Large Comparison Charts—and have no idea you're doing it.

This is a common problem. As a child you learn to speak in ways that will allow you to be understood by other humans. Then, as an adult, you enter the corporate world. Before you know it, you start writing things like this:

“Beyond the basic benefit, both individual and spouse buy-up options are available. Please note: an election of voluntary life coverage for a spouse can equal up to half your individual life buy-up, although depending on the desired level of coverages, EOI may be required.”



You mean no harm, of course, but reading this causes employees with no prior history of migraines to start carrying EpiPens. Thing is, what you really meant to write is:

“The company is going to buy some life insurance for you. If you want, you can buy extra. Whatever extra life insurance you buy for yourself, you can also buy up to half that amount for your spouse. Now, depending on how much additional insurance you'd like, one or both of you may need to answer some questions about your health to see if you qualify for it.”



Treatment

Communicate in English.

The same English you use when you speak to your mother. I mean without all the psychological baggage you haven't finished working through. You get my point.

Prescription

1 Hire a Real Writer.

Somebody who knows how to captivate an audience. Somebody who would rather be writing her novel than working for you. Yes, she needs to be good at explaining things in a simple way. Real Writers know how to do that. And how to eliminate jargon. And how to inject a little appropriate humor to keep people smiling while they are reading.

2 Protect your Real Writer's efforts.

The world is awash in once-inspired writing that's been watered down by layers of review. (You know what a camel is? It's a horse, designed by committee.) Ideally, you determine WHAT needs to be communicated and let your writer make the final calls on HOW it gets communicated. A Real Writer intuitively knows how the selection of each word hits the brain of her audience. Get all the stakeholders to buy into the critical need for that role. Especially your lawyers and compliance people...

3 Reclaim your disclaimers.

Lawyers are trained to write for other lawyers, not for your employees. But even disclaimers can be clear and easy to understand (and are certainly a smarter approach for C.Y.A.). Get your legal folks bought in to collaborating with your Real Writer to redraft language to make it clear for mere mortals.

4 Don't define technical terms. Define natural terms.

For example: take the term "eligible employee." Some companies will define the term eligible employee at the beginning of a document and then use it all over the

place. But think about it: If somebody catches you in the lunchroom and asks a question about benefits, you'll probably just say "employees" or "associates" or whatever. You wouldn't say "eligible employee" four times in six sentences. Instead of defining a jargony term upfront, define the natural term instead. Like the example below.

"Insurance and other benefits are available to most, but not all, employees. To be eligible for benefits, you need to be receiving from BigCo either a full-time salary, or an ongoing part-time salary based on 25 hours of work per week. So, when we say "employee" anywhere in this handbook, those are the employees we are talking about."



5 Give your plans short names.

As opposed to say, Insurco Active Lifestyles High Deductible 2500 PPO Access Freedom Plus. I mean, have you ever seen a car with six words in its name? I'll answer that: no, you haven't. If you're good, you can keep plan names to two words. Three words max. But honestly, if you name one plan "Fred" and the other plan "Ginger," that'll be more memorable and, contrary to what you'd expect, therefore more helpful.

6 Make sure it passes the 7th grader sniff test.

Chances are you know way too much about benefits to be an objective judge of whether your communication is easy to understand. Give your Real Writer time in the schedule to test out communications with people outside the HR department...or even better, with 7th graders. If 7th graders understand what you're talking about, you're in good shape. No kidding.

2.

POSSIBLE CAUSE:

You mistakenly believe employees want insurance education.

They don't. They want to lie on a sun drenched beach drinking Mai-Tais. They want to go to the Superbowl. They want to be discovered on "America's Got Talent." But they don't want to learn about insurance. They may need to learn about insurance. The distinction is important.

Why are employees' enrollment decisions so often influenced by their friends at work? Why are there still hundreds of thousands of registered insurance brokers in the country? Because given the choice between researching something painfully complicated, and taking the suggestion of a trusted advisor, who wouldn't go with the latter?

Underwriters, that's who. But we're not talking about them, are we?

But hey, you're the company. You can't tell employees what to elect. I mean, your compliance people would put you on the rack for that. So what do you do?

Treatment

Embrace the reality.

Most employees want to make good decisions with as little effort and time spent as possible.



Prescription

1 Give your employees access to a really good decision support tool. Pick one that:

- speaks in plain English (see above)
- doesn't require much time or effort
- creates trust
- clearly highlights the options that will likely be in the employee's best interest
- doesn't force employees to learn more than what they need to know to make a good decision
- entertains them along the way-that's going to help your employee satisfaction scores more than you can imagine.

2 Drive your employees to use that decision support tool.

Remember when your company hired James Cameron and Steven Spielberg to produce your sexual harassment training video, and the folks in that department thought because they went all out, everyone would just flock to see it on their own? Then three months later, only a

handful of folks in accounts payable had viewed the seven-figure masterpiece.

Whatever effort you put into creating communication, at least equal effort should go into marketing it. Yes, that's the right word: marketing. Here's what you do: find the most creative person in your company's marketing department, bribe them with [the best English toffee](#) on the planet and enlist their help.

3 Consider eliminating certain benefit choices.

Do you need three choices of medical plans and two for dental? Without a solid decision support tool, making those choices is pretty painful. Plenty of big companies do not offer a choice of medical plans to their employees. Don't be fooled by the American passion for consumer choice. People want insurance that's affordable and provides good coverage, including coverage for doctors outside the network. If you can provide that with one plan, why complicate things? Besides, employees like to know the CEO gets the same plan they get.

4 Make sure all your benefits can be summarized in a numbered list that fits on one page.

Think of this as a spec sheet you might see when evaluating refrigerators or the sticker on the window of a new car at the dealership. It provides only the basic information. Anything requiring a choice to be made should be noted with a little icon.

Each item should map to a half-page description of each benefit. Keep those descriptions tight. Then follow up those half-pages with FAQs again divided by benefit in the same order. Why FAQs? Take a look below. Which title is more helpful?

“Preventative Care”

“What Preventative Care Is Covered?”

Most people say the second one.¹ The first is the title of a section drafted by a writer. That’s fine. But the second maps directly to a possible question in a person’s head. FAQs organize information the way we humans think. Speed matters. If FAQs are well organized, scanning through or doing a search on them will get you to what you care about quickly.

If you see the question that’s in your head, then you know positively you are in the right place.

FAQs also encourage good writing because one writes answers rather than descriptions. And that’s what employees want: answers. If employees don’t have the questions yet, then they want to know what questions they SHOULD be asking and then get the answers. FAQs deliver. Use them.

By the way: seeing all of your benefits listed together on one page has the nice side effect of portraying your corporate generosity in all its grandeur. So, don’t forget to include fringe benefits in that list (awesome cafeteria, exercise facilities, bagels on Friday, endless supply of free coffee) ... if you’re giving it away, get credit for it!

¹ In a totally unscientific poll conducted during a webcast on MarketingProfs.com, 83% of participants preferred the question over the plain title.

3.

POSSIBLE CAUSE:

You're communicating with everyone and it turns out: everyone is different.

Your benefits education could be so much more to the point if you only hired diabetic, post-menopausal 52-year-old women with bad gums and one child entering college. But no, you don't. I mean, Cheryl in accounting just got the fantastic news that she's pregnant. Congrats, Cheryl! And then there's her boss, Steven. He's probably going to need surgery for his thunderous snoring (assuming he wants to save his marriage), and to make matters worse, he just cracked his tooth. Oh, and let's not forget about Gary. Gary eats 380% of the recommended daily allowance of trans fat and hasn't seen a doctor in five years. And won't see one for another five years, since he's 26 and doesn't think about such things.

Imagine having to provide information and meaningful assistance to each of these individuals!

Oh right, you don't have to imagine it.

Seriously, how can you possibly give individualized attention to each of your 10,000 employees?

Treatment

Divide and conquer.

Short and useful beats long and boring every single time.

Prescription

1 Group Education? Do Interest-Specific Meetings.

Open enrollment meetings tend to be long and have to give everyone the basic information they need. But if you're single, and marriage and kids aren't around the corner, you probably don't want to hear about spouse and dependent care and all the questions the breeders will be throwing out. People who think surgery or other major medical treatment may be in their future have more pressing issues

than hearing about the gym and spa discounts. Obviously, you can't advertise group meetings like: "Open Enrollment Meeting for People Who Are Really Sick." But you could have much shorter education sessions like:

- The Basics for Singles
- The Basics for Couples
- The Basics for Families
- Focus on Prescription Coverage
- Focus on Surgery & Hospitalizations
- Focus on Alternative & Other Wellness Treatment

"Basics" sessions can be followed immediately by the "Focus" sessions. Employees can just go to segments that they care about. Sure, you'll want to attend more than one session. But would you rather sit through 25 minutes that are meaningless to you, or leave and come back later for a discussion you care about?



2 Stop/Munging/Numbers/Together/With/Slashes.

Your coverage for doctor visits 90%/80%. Prescriptions? \$10/\$20/\$50. Premium contributions? \$85/\$125/\$215. And look, it's not just the slashes, this atrocity can be committed with charts.

What about a sheet of paper that just shows single people the premium they have to pay? Employees who want to enroll their families get their own sheet of paper.

Most people want to stay in-network. Put your in-network numbers on one chart: "How much insurance will cover if you go to doctors, hospitals and other medical providers in our network." Then on another chart below it: "Here's the coverage if you go out of our network."

This puts employees on notice about how the plan works, but they only need to look at the details that matter to them. Not to mention, breaking up these packed charts will make them much easier to read, so...they're more likely to be read.

Of course all of this is so much easier on you, if you're digital...

3 Make everything searchable online.

If you haven't put all your benefits online already, you MUST be thinking about it. I mean, it is 2014, isn't it? So consider this a friendly nudge <elbow jab>. Follow the 1-page summary → ½ page description FAQs format, described above. The ability to do electronic searches through well-written → FAQs gives employees a super-easy way to learn what they, personally, need to learn. And, as importantly, ignore what's not relevant to them. Not to mention: people can't lose the benefits communications and it reduces printing and updating costs.

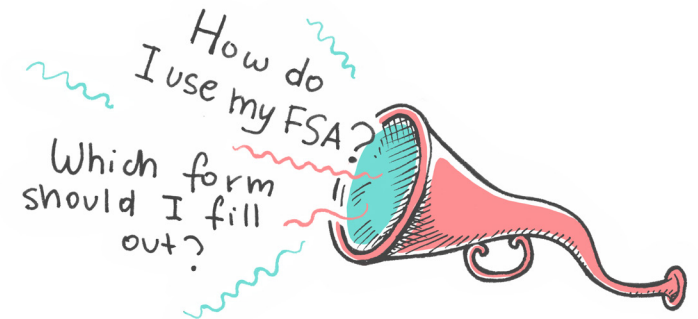
4 Make your online communications interactive.

Once online, use a secure method to gather a few tidbits of information on each person. Based on their responses, provide them with benefits communications that are relevant to them. This is the best solution of all. Going back to Cheryl, Steven and Gary...the right application can give each of those employees their very own, personalized benefits overview tailored to their situation and interests.

5 Consider an email help desk.

One person who is really knowledgeable and knows their way around the plan documentation can probably answer 40 emails a day or more during open enrollment in a very personalized way (200 a week). If 1 out of 10 employees need questions answered (that can't be answered by your FAQ) and you want all emails responded to within a week, that means one HR help desk person can provide rock star treatment for every 2,000 employees.

Not only that, those help desk folks will have their ears to the ground. You'll learn a lot about how your customers feel about the benefits you are providing.

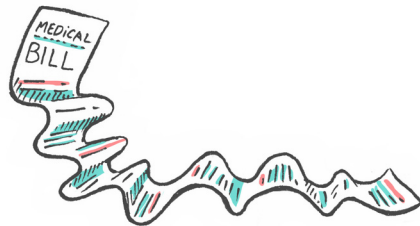




Feeling Better?

Hope so. Let me just sign your discharge papers here...

Woah! Look at this bill!
Good thing you've got insurance...



About the Author



Harry Gottlieb founded Jellyvision in 1989. The company had a different name then, and the international headquarters was in his bedroom, in the corner, over by the closet. Since that time, Jellyvision has expanded into marketing and corporate communications, making learning and decision making delightful for scores of big companies like, say,

Microsoft, Comcast, Aetna, and Clorox. In 2009, employee benefits caught his eye—because, well, it seemed so confusing and boring at the same time (and for Harry, that’s sort of a turn-on...in a “My Fair Lady” kind of way, if you get my drift)—and inspired the birth of ALEX®. Today, ALEX is available to millions of people in hundreds of organizations, something Harry attributes to an ability to take the mystery out of complicated benefits details and give employees personally relevant information they can use to select their best-fit plans.

About ALEX



ALEX—the best SaaS benefits communication company in the universe—saves HR leaders time and money by guiding employees through difficult health insurance, retirement savings, and wellness decisions. Hundreds of companies, including 51 of the Fortune 500® and more than a quarter of Barron’s list of the “World’s Most Respected Companies based in the US,” trust ALEX to transform confusing jargon, legalese, and gobbledygook into useful information and helpful advice for more than 3 million grateful end-user employees. Learn more about ALEX at meetalex.com.

Contact Us

For more information, please call **Josh Fosburg** at **312.667.0420**, or email him at fosburg@jellyvision.com.

He’s waiting. Right now. He’s just standing there. It’s kind of freaky.