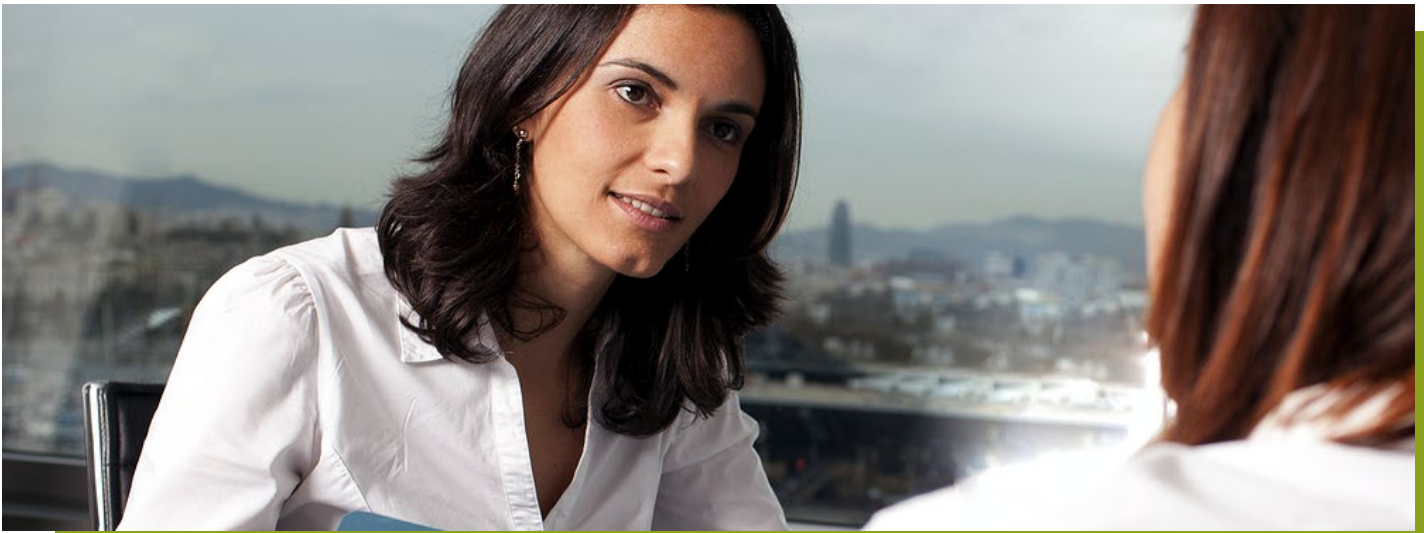


# FOCUSED BENEFITS COMMUNICATION INCREASES PARTICIPATION IN HIGH-DEDUCTIBLE PLANS

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Like most employers, the cost of providing health benefits to employees increases each year, driven up by the rising cost of health care and employees' health claims.



## Background

Increasingly, employers are offering high-deductible health plans with lower paycheck contributions than traditional PPO plans. High-deductible plans shift more of the cost of their healthcare to employees. The challenge is getting employees to switch from the perceived safety of the low deductible PPO plan to a high-deductible plan. Even though they have higher paycheck contributions, they seem to prefer PPO plans, fearing the financial risk of a high deductible.

However, a focused and relentless communication campaign combined with a strategy to widen the pricing gap between the two plans can change their thinking. It's a powerful combination that works if the employer has enough patience to stay the course for a few years.

## Case Study

One retailer with 23,000 employees calculated that healthcare costs were between 48% and 59% higher for employees enrolled in its PPO plan than if enrolled in a high-deductible plan. So, getting employees to switch from the PPO plan to a high-deductible plan during annual enrollment would help control rising health plan costs and help fund an investment in top quality communication.

A two-pronged strategy combined pricing, that increased the rates in the PPO plan each year to widen the gap between what employees paid in the PPO plan and the high-deductible plan, with focused, high-quality communications. The communications were designed to make it easier for employees to embrace the high-deductible plan as they became more price sensitive to the rising rates in the PPO plan. Groh & Associates' created a theme, "Choose Well" and stylized graphic designs that were applied to these communication components:



1. An oversized newsletter mailed to homes focused on benefit changes and highlighted three ways for employees could use to decide if the high-deductible plan was a better choice than the PPO Plan.



2. An interactive video explaining the choices and how the high-deductible plans were the right choice for many employees. See [this video](#) for more on these types of interactive videos.



3. Use of “personas” which reinforced how the high-deductible plans fit certain employees, matching the company’s demographics. See [this video](#) for sample personas.



4. Promotion of an online plan modeling tool to use in comparing employees’ actual health costs under each option.



5. A Benefits Guide posted on the company’s enrollment site, and downloadable from the interactive video, which provided the details on benefit choices for enrollment.



6. HR training included talking points to use with local HR and store managers.

## Results

The strategy worked in:

1. Keeping the employer’s annual increase in health plan costs to less than 4% (below the national trend average over the same period).
2. Increasing participation in the high-deductible plans from 11% to 53%.

See how Groh & Associates, Inc. can produce results through effective benefits communication. View and download our [Benefits Communication Sample Book](#). Learn more at [www.grohcomm.com](http://www.grohcomm.com).