

2018 "State of Employee Benefits" Report Displays Continued Shift To Consumer-Directed Health Care

Enrollment data shows 65% of employers now offer HDHPs alongside traditional health plans; HSA participation is up 60% from 2017.

CHARLESTON, S.C., Jan. 30, 2018 /PRNewswire/ -- [Benefitfocus](#), Inc. (NASDAQ: BNFT), a leading cloud-based benefits management platform and services provider, today published its third annual "State of Employee Benefits" report, which analyzed the anonymous employee benefit election data of more than 1.3 million consumers from 540 large employers - representing a sample of the total consumers who use the BENEFITFOCUS® Platform.



The data shows a continued shift toward consumer-directed health care, with the rate of employers offering at least one high-deductible health plan (HDHP) increasing more than 20 percent since 2016. This growth primarily stems from employers offering HDHPs alongside traditional health plans, reflecting the increased commitment among employers to offer more choice to employees. With respect to enrollment, the data indicates that employees' health plan preference and benefits needs differ by demographic criteria, making plan diversity critical.

"This is a pivotal time for the benefits market as core and voluntary plan options multiply to meet consumers' preferences," said Ray August, President & CEO, Benefitfocus. "As employers seek to offer competitive packages while containing costs, the size and scale of our platform gives us the unique ability to identify trends and use data-driven insights to tailor our solutions to market needs and advise employers and, equally as important, their brokers, on how to be more efficient about their benefits strategy and plan design."

The report identifies other key trends for the 2018 benefit plan year, including:

- 1. Employees are embracing health savings accounts.**
Participation in HSAs among eligible employees - those in HDHPs - grew by more than 60 percent, from roughly 50 percent in 2017 to 81 percent in 2018. Millennials were especially eager to adopt these accounts, nearly doubling their HSA participation from 2017.
- 2. Higher earners don't mind higher deductibles.**
The report points to mounting evidence that HDHPs are more appealing to employees with higher incomes. On average, employees enrolled in HDHPs for 2018 earn seven percent more than employees enrolled in PPOs—a percentage difference more than twice what it was last year. This trend is consistent across all age groups.
- 3. Reduced out-of-pocket risk offsets rising premiums.**
As employers continue to fine-tune plan design, most employees will again see their medical premiums increase, but will also enjoy lower deductibles in 2018. Notably, PPO subscribers will see a nine percent decrease for family-coverage plans and a seven percent decrease for single-coverage plans.
- 4. Voluntary benefits address a diverse set of employee needs, from critical illness to pets.**
In addition to options like hospital indemnity, critical illness and accident insurance, employers are increasingly offering products like legal insurance, identity theft protection and pet insurance to round out their voluntary benefit offerings. Over the past two years, the share of large employers offering identity theft protection rose 56 percent, with the share offering pet insurance up 80 percent.

For more findings, download the full [Benefitfocus State of Employee Benefits 2018](#) report. Additionally, Benefitfocus will release two subsequent reports in the coming months providing insight into benefits trends by region and by industry.

About Benefitfocus

Benefitfocus (NASDAQ: BNFT) provides technology and services that improve the way employers of all sizes manage their benefits investment. Through a combination of powerful cloud-based software, data-driven insights and thoughtfully-designed services, we provide employers, their brokers and insurance carriers with a single partner to deliver a world-class benefits experience. Learn more at www.benefitfocus.com, [LinkedIn](#) and [Twitter](#).

Except for historical information, all of the statements, expectations, and assumptions contained in this press release are forward-looking statements. Actual results might differ materially from those explicit or implicit in the forward-looking statements. Important factors that could cause actual results to differ materially include: the need to innovate and provide useful products and services; changes in government regulations; the immature and volatile nature of the market for our products and services and other factors that could impact our anticipated growth; management of growth; fluctuations in our financial results; general economic risks; reliance on key personnel; our ability to compete effectively; our ability to maintain our culture and recruit and retain qualified personnel; privacy, security and other risks associated with our business; and the other risk factors set forth from time to time in our SEC filings, copies of which are available free of charge within the Investor Relations section of the Benefitfocus website at <http://investor.benefitfocus.com/sec.cfm> or upon request from our investor relations department. Benefitfocus assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

 View original content with multimedia: <http://www.prnewswire.com/news-releases/2018-state-of-employee-benefits-report-displays-continued-shift-to-consumer-directed-health-care-300589733.html>

SOURCE Benefitfocus, Inc.

News Provided by Acquire Media