

Generational Views of Health Benefits

Survey Findings



The Surprising Differences and Likenesses Between Millennials and Their Older Colleagues

North Carolina | South Carolina | Virginia

Understanding how employees view their benefits is half the battle of a successful plan. It helps you know what benefits to offer, how to offer them and how best to implement your benefits plan.

MedCost conducted a research study in May 2019, of 500+ Millennials, Gen Xers and Baby Boomers in North Carolina, South Carolina and Virginia. The goal was to understand what is meaningful to employees, how they are using their benefits and topics they find most confusing. It is safe to say Millennials, those born from 1981 to 1996, are newer to the benefits experience and have different concerns. Gen Xers, born 1965 to 1980, and Baby Boomers, born 1946 to 1964, were so similar in their responses that we combined them.



How much do health care benefits affect job selection?

When it comes to choosing a new job, benefits can be the determining factor. In fact, for Millennials, they are far more likely to select a job influenced by their own or their family's health conditions. Nearly a third of all Millennials were highly influenced by health benefits due to health concerns, compared to 13% of combined Gen X and Baby Boomer respondents.



Considerations:

- When it comes to recruitment, it is imperative to explain your benefits offering in more detail—consider sharing network providers or formularies.
- Health benefits are more important than ever to employees and new hires.
- If benefits change, this may affect employee retention.

31% of Millennials are highly influenced by health conditions/benefits in job selection.

Only 13% of combined older colleagues were highly influenced by health conditions/benefits in job selection.

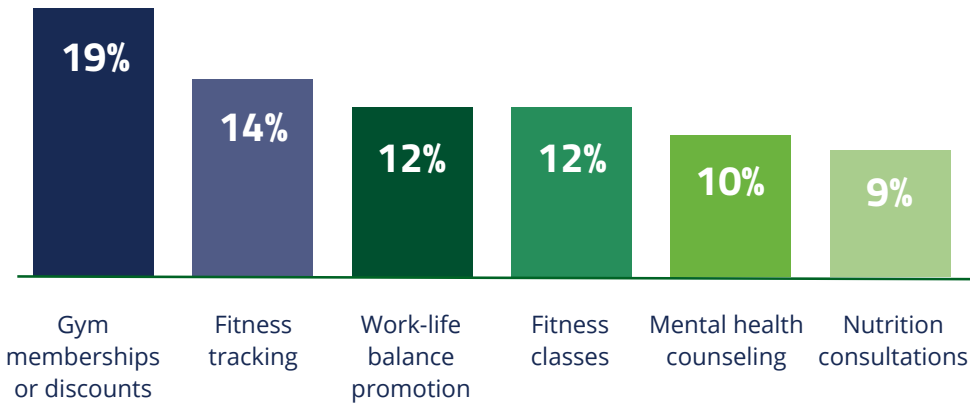
Thinking of wellness benefits?

Some programs are more desired than others.

Surprisingly, all respondents agree that gym memberships, fitness tracking and work-life balance programs are the most appealing wellness options. Both groups were equally interested in mental health counseling as well.

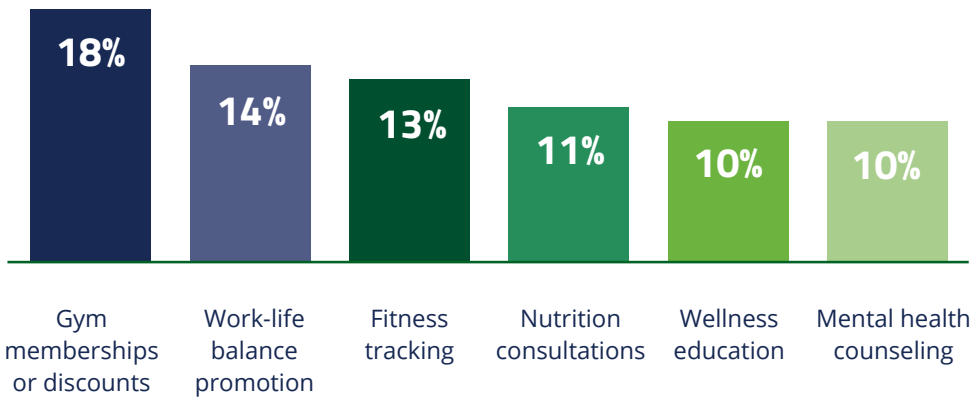
Top Wellness Program Choices for Millennials

(Select ALL that apply)



Top Wellness Program Choices for Gen Xers and Baby Boomers

(Select ALL that apply)



Considerations:

- Before investing in wellness programs, survey your employee population to find what resonates with them.
- Weight and exercise are the biggest concerns of every age group. Find ways to encourage walking and [healthy eating or snacking](#).

Regardless of age, all respondents were worried about exercise and weight gain.

20% of both Millennials and their older colleagues are worried about getting enough exercise.

Are we all sharing responsibility for reducing the cost of company benefits?

The older colleagues (Gen Xers and Baby Boomers) feel extremely responsible for doing their part to reduce costs and provide savings to the plan at large. All the awareness of rising health care costs have these two groups using generic drugs when possible and staying in-network. Surprisingly, Millennials do not see themselves as responsible for cost saving measures such as staying in-network for doctor visits or comparing prices for shoppable procedures.

50% of Gen Xers & Boomers feel highly responsible

for managing the overall costs of their company's health care plan compared to **33% of Millennials**.

27% of Millennials feel no responsibility

to help cut or manage costs of their company's health care plan compared to only **8% of Gen Xers and Boomers**.

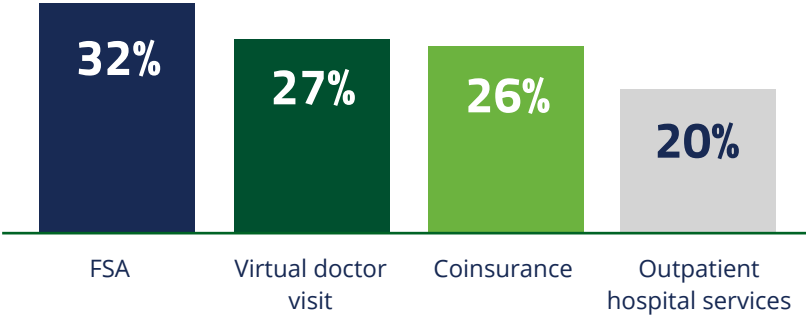
Considerations:

- Offer more education to Millennials who are new to benefits plans to help them see the financial benefits or cost implications for health care choices.
- Share your company's perspective with employees, explaining how insurance providers view the company and how premium costs are determined.
- Remind younger employees of cost saving tips such as having a primary care physician and using the Emergency Room for emergencies only.
- If you feel that many in your employee population are working toward cost savings, a self-funded benefits plan could be a good option for your company.

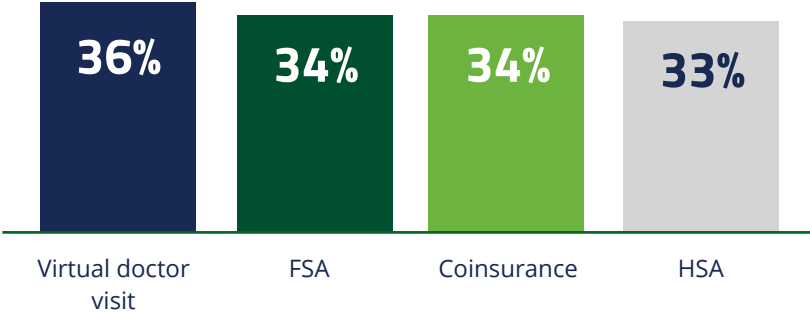
The language of insurance terms is still a foreign one.

When asked how comfortable you would be explaining some health benefits terms to a new coworker, it becomes apparent that more education is needed to make everyone fluent in their existing plan. Less used benefits terms like coinsurance, FSA and HSA are not understood by any generation.

Most misunderstood terminology/Millennials



Most misunderstood terminology/Gen Xers and Baby Boomers



Considerations:

- Deductible and copay were widely understood. It will take time and education to help all employees understand an FSA and a virtual doctor visit.
- Any time your employees are gathered for enrollment or other educational training, take the opportunity to introduce a less understood word or concept.

Fortunately, nearly two-thirds of all employees are highly interested in better understanding their health benefits, prescription drug plans and wellness programs.

64% of Millennials want more education.

70% of Gen Xers and Baby Boomers want more education.

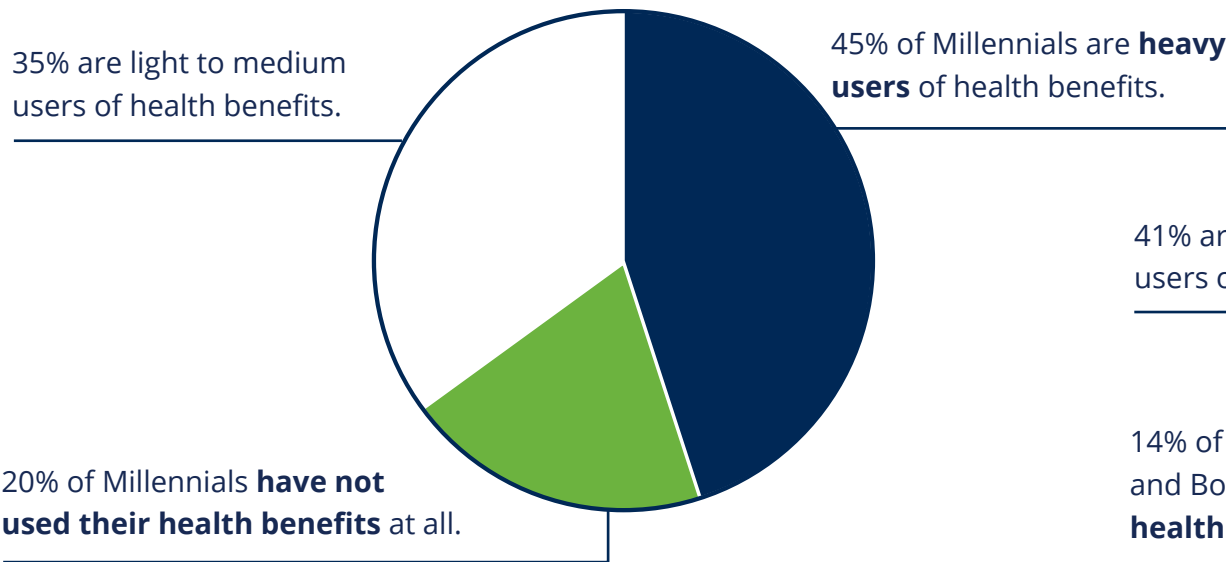
Nearly half of all employees feel they are utilizing their health benefits.

When asked how much employees are utilizing their company's benefits including prescription drugs and wellness programs, nearly half of both groups are taking advantage of their benefits plan. On the flip side, 20% of Millennials had not used their health benefits at all.

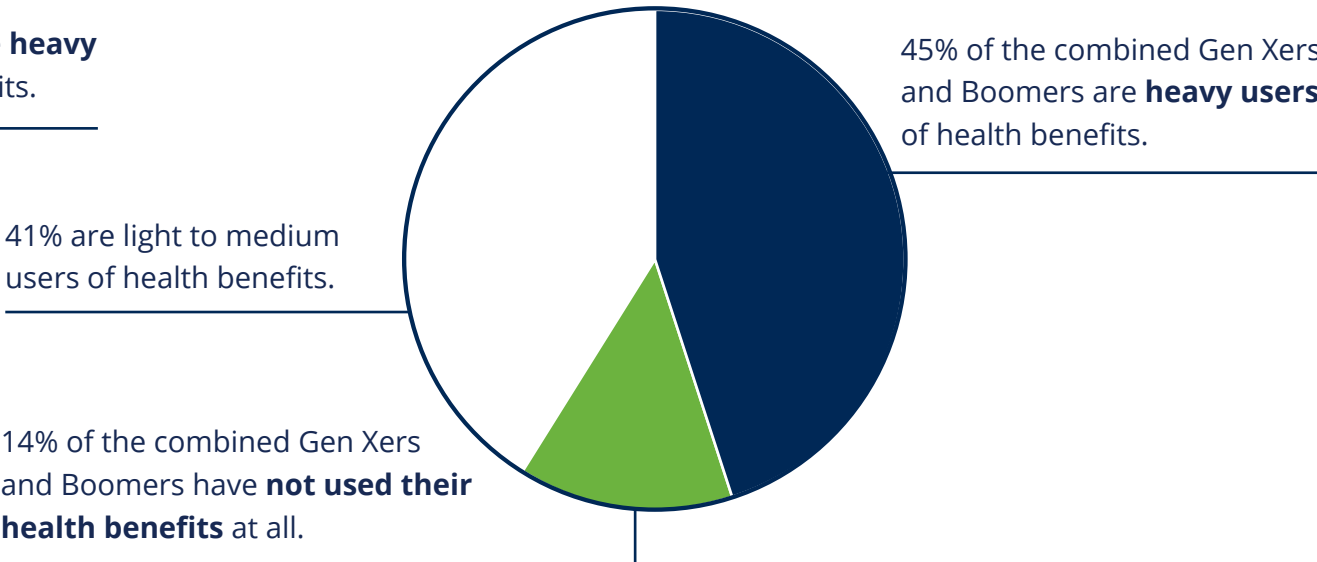
Considerations:

- Understand your employee population and their benefits involvement to create engagement and savvy usage.
- Reinforce where employees can access education and benefits materials so when the time comes, the fifth of employees not using their benefits can find them.

Millennials Only



Gen Xers and Boomers



About Our Survey:

Fielded: May 2019

Respondents: 531 Full-Time Employees

Location:

- 171 from South Carolina
- 171 from Virginia
- 189 from North Carolina

Age:

- Gen Xers 42%
- Millennials 29%
- Baby Boomers 29%

Methodology:

20-minute online survey

Health Plan Funding Model:

28% Self-Funded Health Benefits

72% Fully Funded Health Benefits

About MedCost

MedCost Helps Employers Achieve the Benefits Balance™.

Employers are looking for effective ways to manage the rising costs of health benefits—searching for the balance between quality medical care and costs to the company and individual. With a self-funded health insurance plan, employers assume greater control of their health plan in exchange for many potential financial benefits and more choice in what their health plan offers. Understanding the difference between a fully insured health plan and a self-funded plan will help you know if self-funding provides the balance that is right for your company.

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