

How I Built My Benefits Strategy

The Missing Data Driving Real-World Change



About SureCo

Amplifying Group Benefits.
Delivering Results.



Mission Driven

Improving the health and well-being of working Americans.



60+ Years

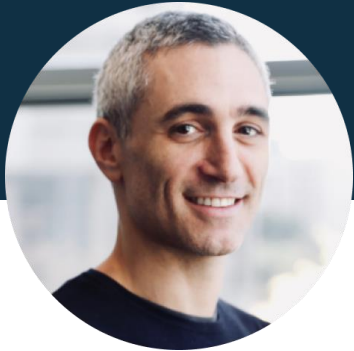
60+ years of combined healthcare and ICHRA experience.



Lobbying Efforts

Instrumental in the lobbying efforts that led to the passing of ICHRA.

Presenters



Adam Pines
Chief Marketing Officer



Carine Carmy
Co-Founder & CEO



Samiyah Fassette
Senior People Partner



Rosina Cherry
Director of Human Resources



Christina Zdanis
Head of Human Resources



Agenda

- Overview & Methodology
- Current Health Benefits Landscape
- Key Insights
- What Is an ICHRA?
- Q & A

Overview & Methodology

Data Sources

- » Partnered with market research firm *Censuswide*
- » Leveraged first-party data

Timing

- » December 2023-January 2024

Demographics

- » Employers — HR & Finance leaders from companies with 150-2,500 EEs
- » Employees across the U.S.
- » Health insurance brokers and benefit consultants



The **Current** Health Benefits Landscape

Limited Plans

» 90% of employers only offer 1-3 options

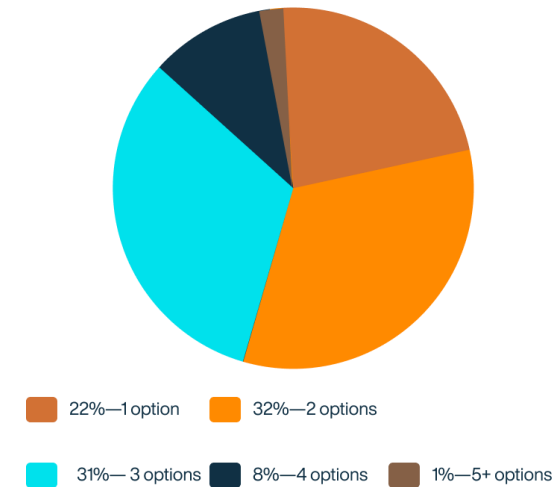
Average Contributions

» 60% of companies contribute between 61-80% toward employee premiums

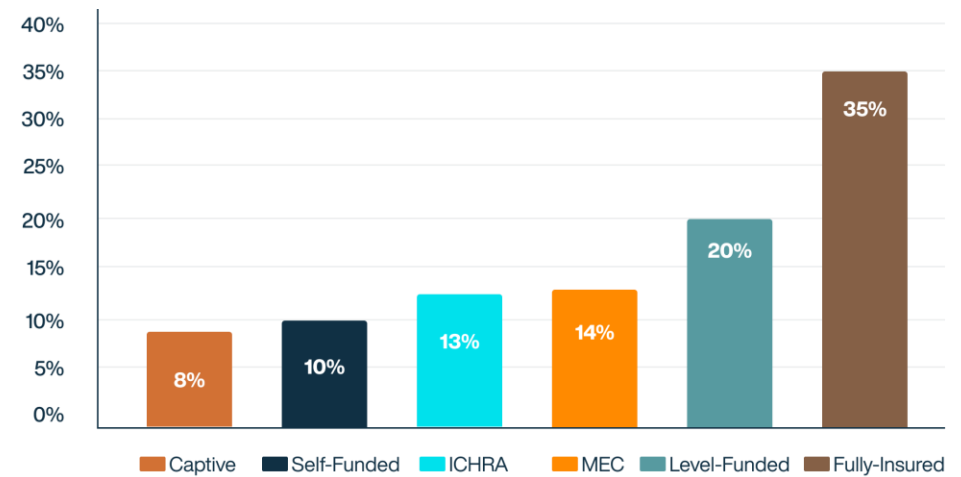
Plan Funding

» 65% of companies use either fully insured or self- or level- funding

Number of Plans Offered



Plan Funding



Key Insight

**Your Benefits Surveys
Could Be Giving You
the Wrong Signals**



Audience Poll



On a scale of 1 to 5, how satisfied do you think your employees are with their current benefits?

The Employee Satisfaction Disconnect

79%

of employees feel that their plan is sufficient to cover medical problems that may come up in the future, BUT...

47% of employees in the sample indicated that they've considered seeking alternative health insurance benefits outside of their employers' offerings.

81%

say they're satisfied, BUT...

38% are also looking for a new job with better health benefits.

82%

say their current coverage is affordable, BUT...

Nearly **half** of workers indicated that they had avoided or put off preventative care or medical treatment in the past due to concerns that it wouldn't be covered.

The Takeaway:

Ask the **Right** Questions

Go beyond "How satisfied are you with your current health benefits?"

Ask things like:

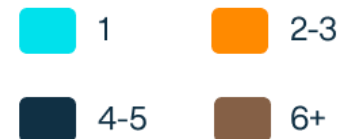
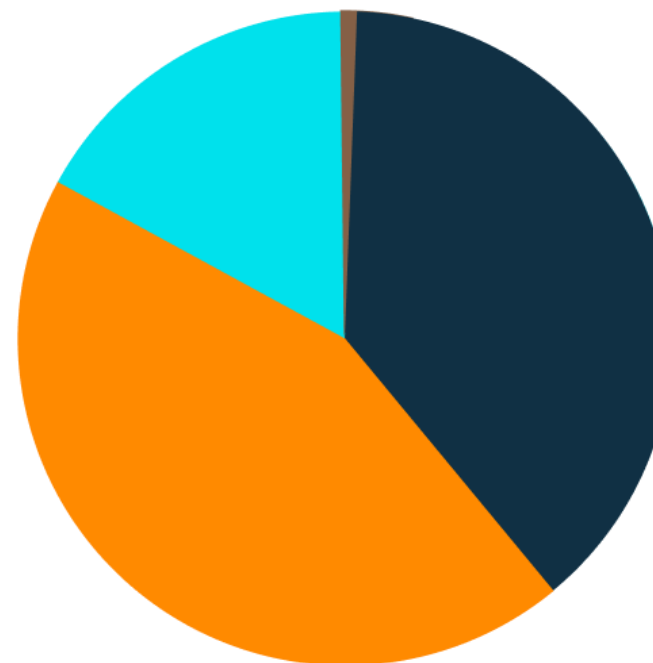
- What is your biggest fear when it comes to your current health benefits?
- If you could change one thing about your current coverage, what would it be?
- Have you ever put off preventative care or medical treatment? If so, why?

Key Insight

**Your Employees
Want to Be Seen as
Individuals, Not as
a Collective**



How Many States are Your Employees in?



They Live in Different Places

61%

of companies we surveyed had employees in at least two states.

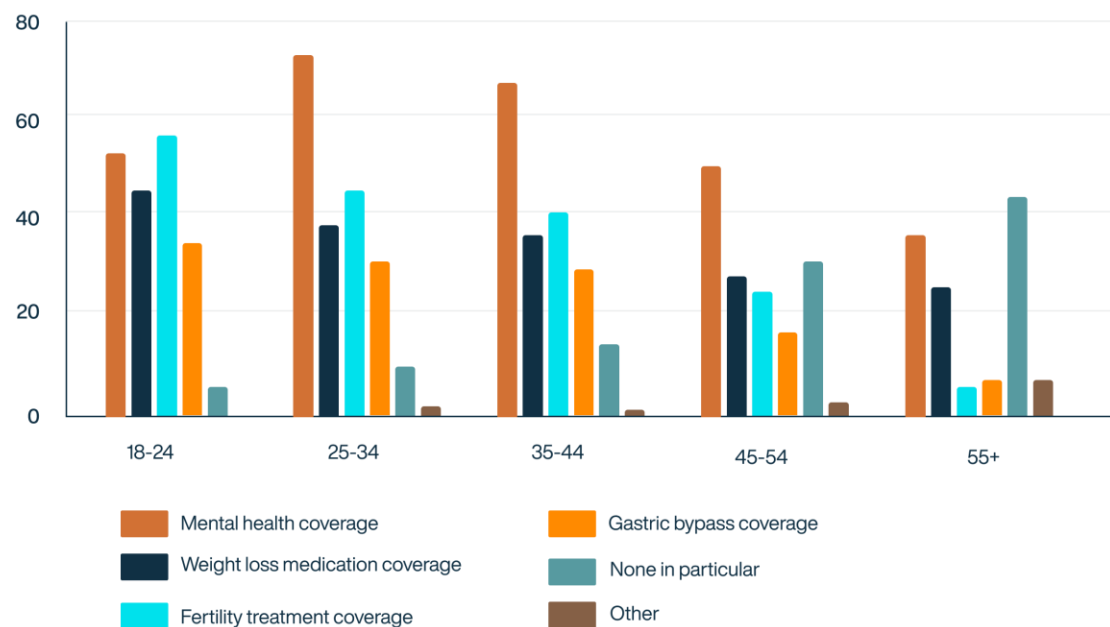
One-size-fits-all

group plans don't work in a multi-state world.

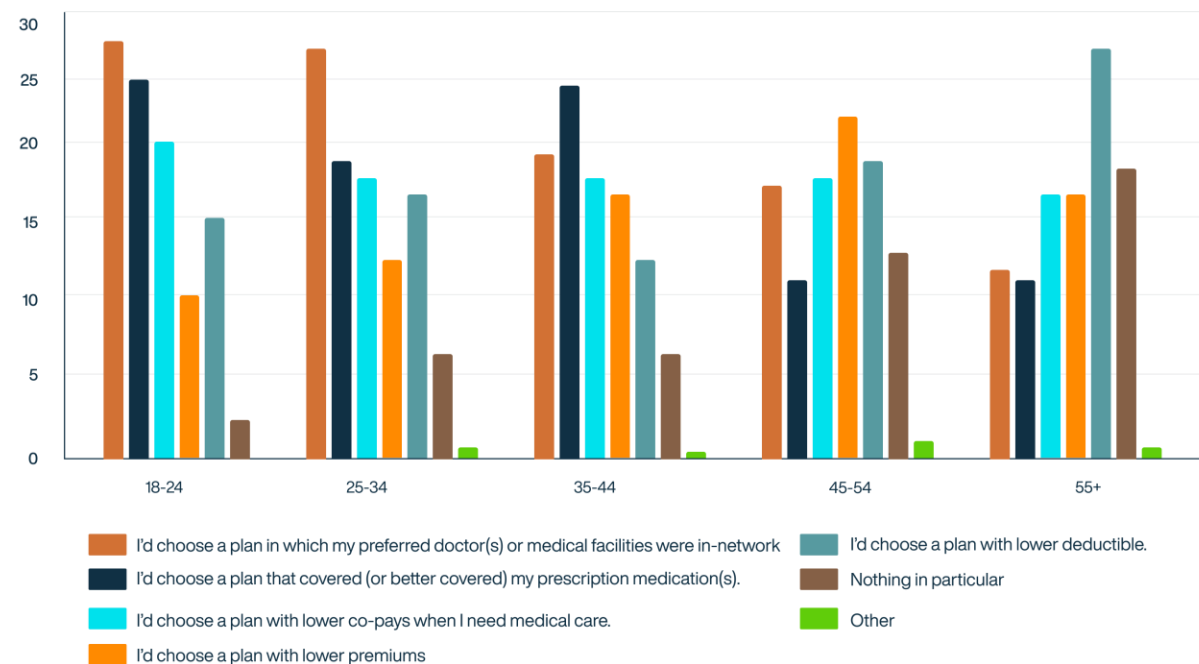
Futureproof your benefits strategy now.

They're at Different Life Stages

What Coverage Do You Want Enhanced?



What Would You Change?



The Takeaway:

Employees Want More Options!

80%

of employers said they would prefer to select their own plan from all options available in their area.

74%

said they feel confident in their ability to select their own plan.

32

is the number of plans chosen by companies using SureCo's Enrollment Platform
But some have as many as **161** unique plans!

Key Insight

**The Cost of
Traditional Group
Health Coverage is
Becoming
Unsustainable**



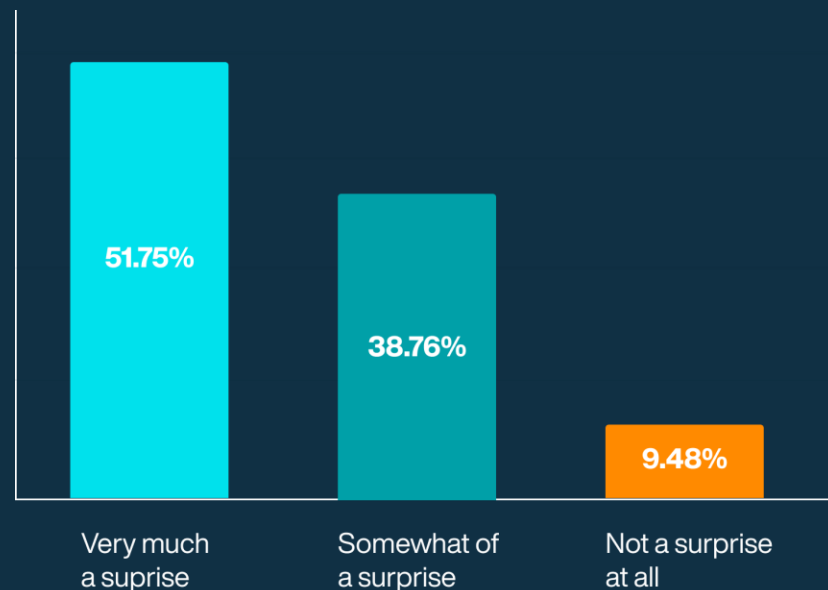
Audience Poll



What was your most recent renewal rate change?

Healthcare Costs Continue to Skyrocket

Did your renewal rate increase
come as a surprise?



81%

Renewal rates increased for 81% of employers this year

70+%

70+% saw increases of 5-15%

1/3

Brokers said 1/3 of their clients had increases over 5%

The Takeaway:

Get in Front of Your Next Increase

- Rates are going to keep going up.
- Brokers feel their clients have either been unhappy with a renewal rate increase and/or forced to make a plan design change for the past 3 years.
- Don't wait until your next renewal to explore alternatives.

Key Insight

**You're Most Likely
Going to Change
Plans Again This
Year or Next**



Change Is **Inevitable** With Group Insurance

33%

Brokers say 1/3 of their book of business needs an alternative solution to traditional, fully-insured coverage options

36%

36% of employers say they'll have to change plans next year.

85%

85% of employers have changed healthcare plans at least once over the past 5 years.

The Takeaway:

Get Off the Hamster Wheel & **Be Bold**

- Stop making incremental changes each year
- Be open to a benefits paradigm shift that can drive real impact

Key Insight

**ICHRAs Are
Emerging as a
Popular Alternative**



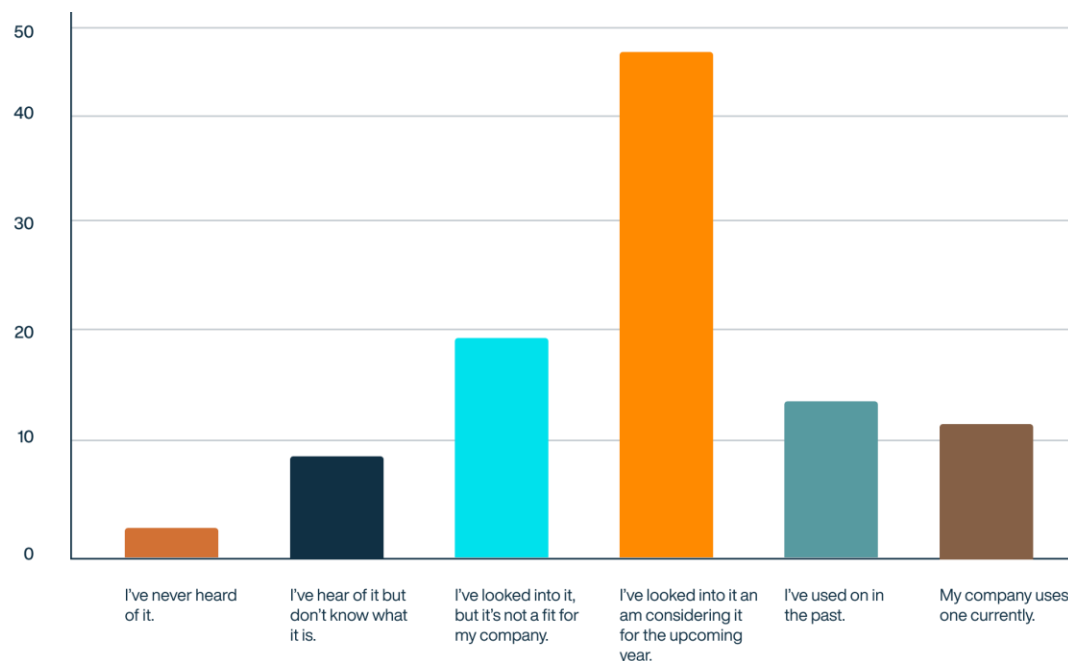
What is an ICHRA?

Individual Coverage Health
Reimbursement Arrangement

I ch | ra ('ikra) *n.* [[ih-ker-uh]] An alternative to traditional group health insurance that allows employers of any size to use pre-tax dollars to contribute to the premiums of health plans their employees purchase on the individual market

ICHRA Data

How Familiar Are You With ICHRAs?



42%

of employers are considering an ICHRA for the upcoming year

63%

of brokers believe ICHRAs will take over at least 50% of the market in the next decade

78%

of employers said their broker raised an ICHRA to them

The Takeaway:

ICHRA Satisfaction

- Of those employers that have utilized an ICHRA, **88%** felt their employees were satisfied with the plan, and similarly, **89%** indicated that it was the right move for the company.
- Among companies that did switch to an ICHRA, the average **cost savings was over \$900,000**, with **84%** indicating savings above \$500,000.

Q & A



Thank You!

Contact Us



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