HealthEquity®

Engagement. Clarity. Understanding.

Strategies to boost employee confidence and overall benefits satisfaction.
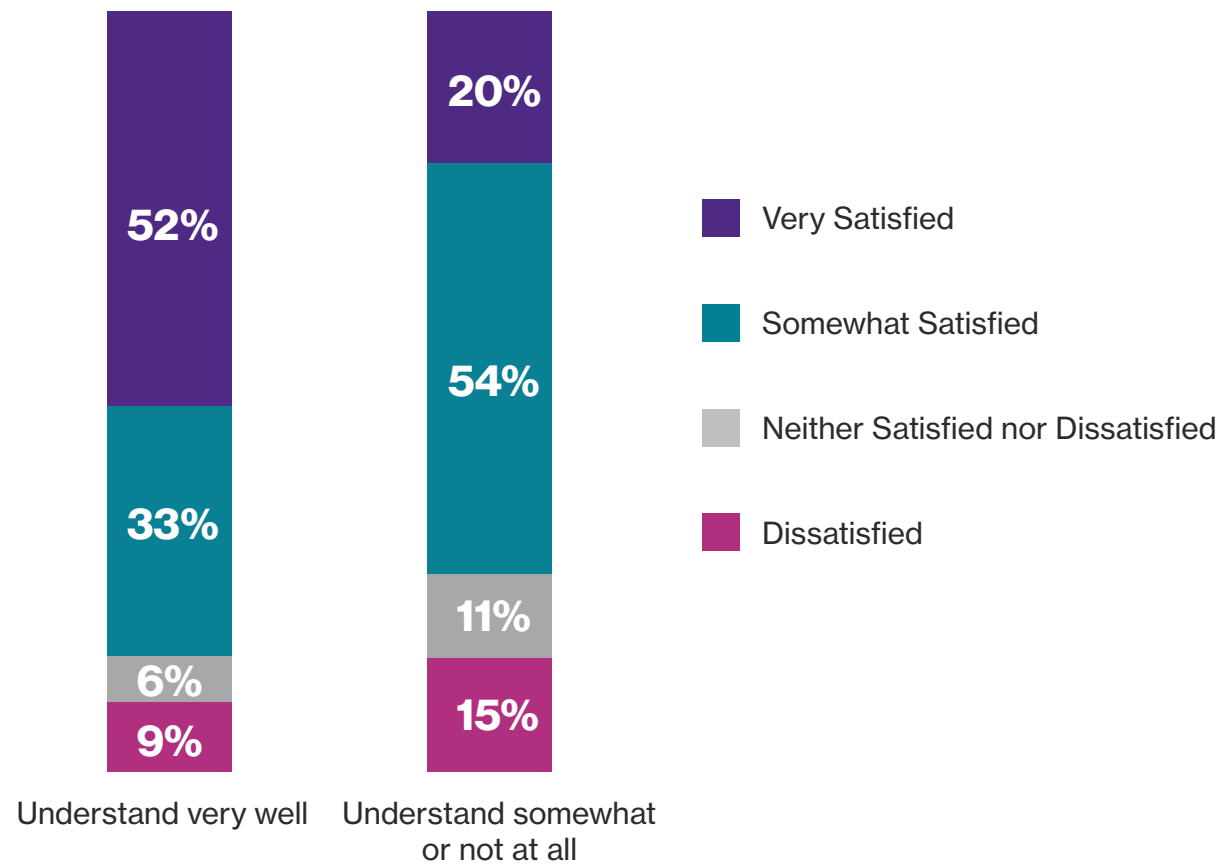
Connecting Health and Wealth

In early 2023, HealthEquity partnered with 8 Acre Perspective to survey 1,000 employees in the United States. Our research aimed to explore the relationship between benefits understanding and benefits satisfaction. We found that there's significant upside for employers who invest in and strengthen engagement and education.

Those who say they **understand their benefits "very well" are more satisfied** with them.

Overall Satisfaction with Benefits by Level of Benefits Understanding

Understand very well	Understand somewhat or not at all
52%	20%
33%	54%
6%	11%
9%	15%

■ Very Satisfied

■ Somewhat Satisfied

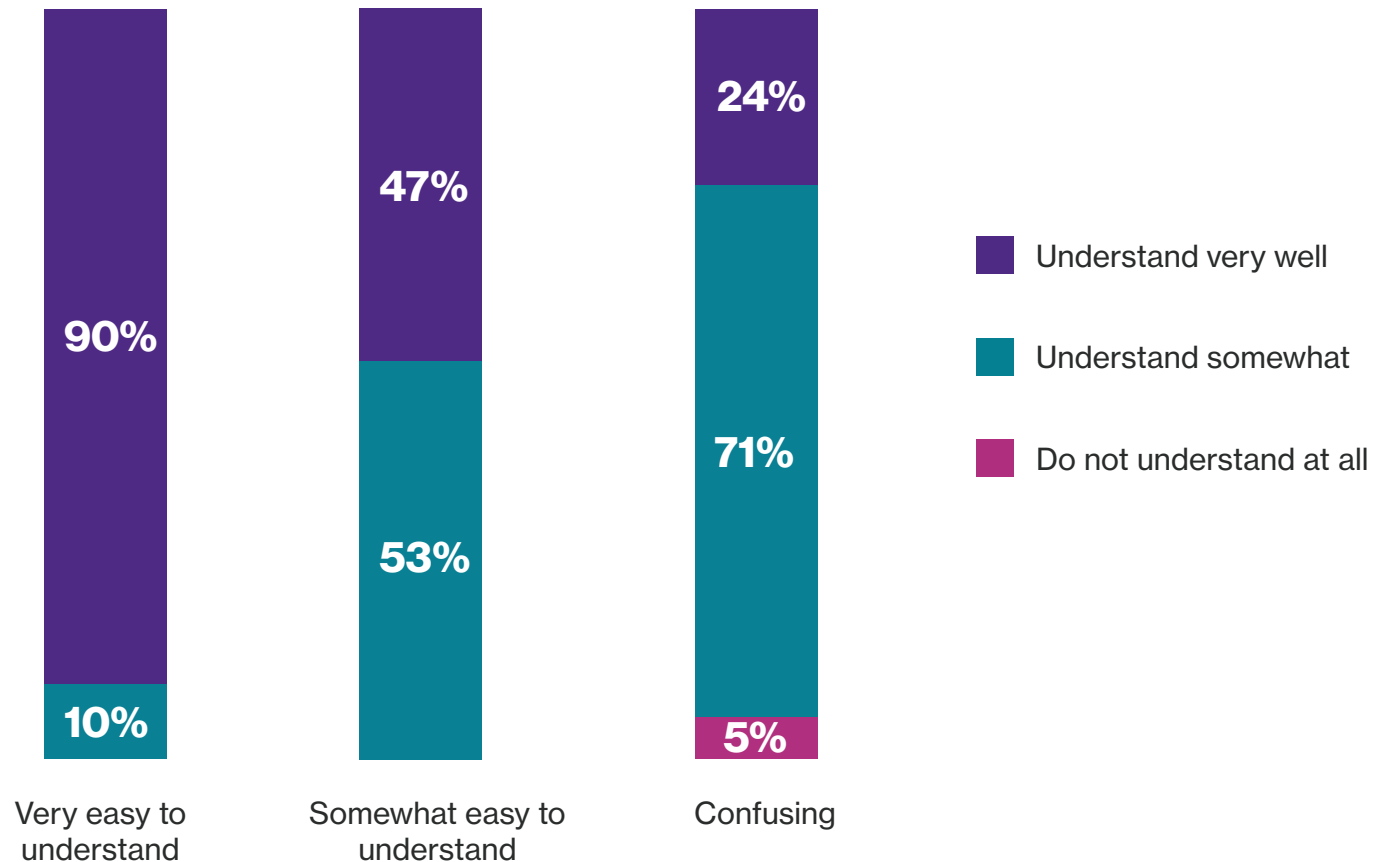■ Neither Satisfied nor Dissatisfied

■ Dissatisfied

Similarly, those who say their employer's benefits communications are "easy to understand" are **more satisfied with their benefits.**

Overall Satisfaction with Benefits by Ease of Understanding Benefits Materials

Legend:
- Very Satisfied
- Somewhat Satisfied
- Neither Satisfied nor Dissatisfied
- Dissatisfied

Very easy to understand: 71%, 21%, 4%, 4%

Somewhat easy to understand: 28%, 52%, 8%, 12%
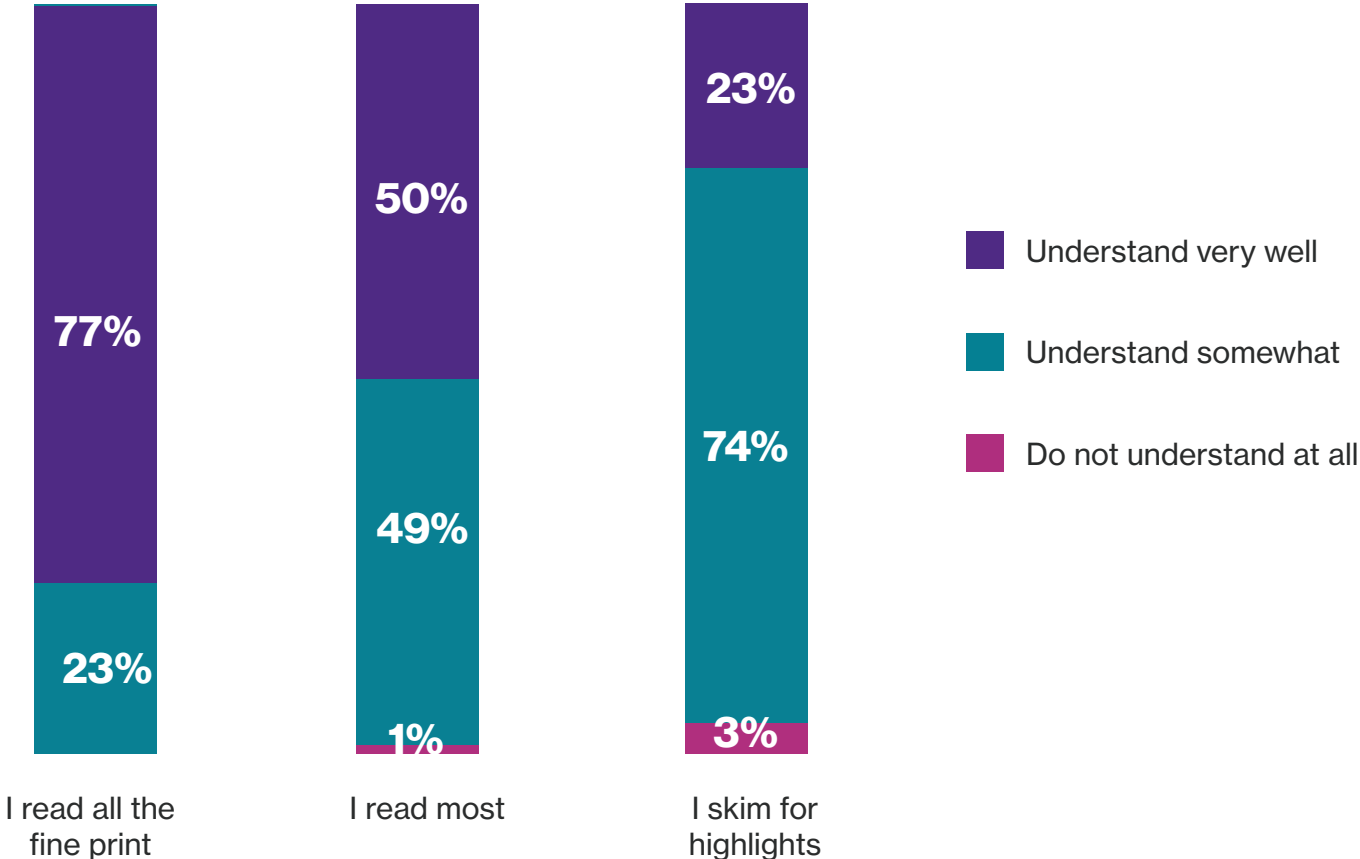
Confusing: 18%, 47%, 12%, 23%

Unsurprisingly, there's a strong correlation between clarity of benefits materials and benefits understanding. **Clearer communications lead to greater understanding.**

Overall Understanding of Benefits by Ease of Understanding Benefits Materials

- Understand very well
- Understand somewhat
- Do not understand at all

Very easy to understand: 90%, 10%

Somewhat easy to understand: 47%, 53%
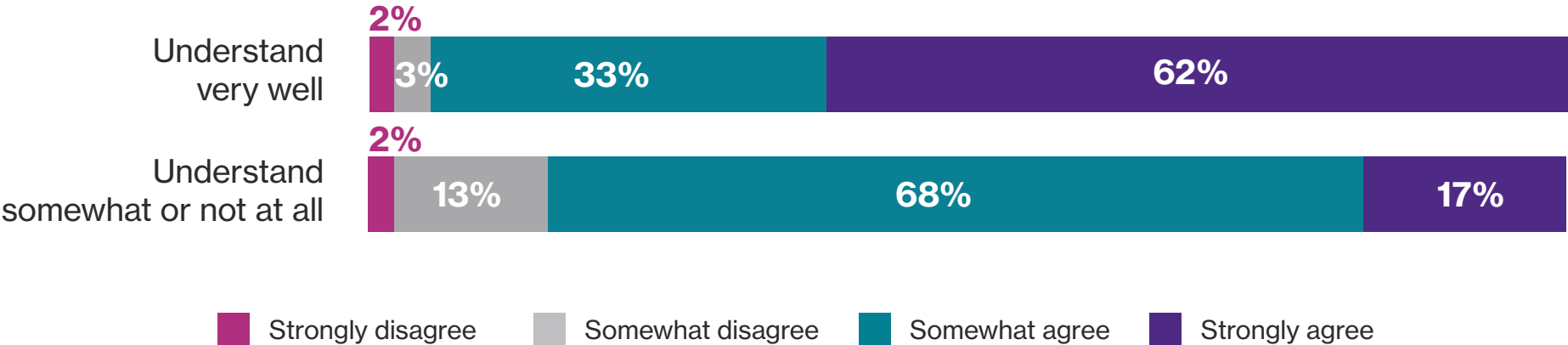
Confusing: 24%, 71%, 5%

In addition, employees who are more engaged with their benefits materials say they have a **better understanding** of their benefits.

Overall Understanding of Benefits by Level of Engagement with Benefits Materials

Legend:
- Understand very well
- Understand somewhat
- Do not understand at all

I read all the fine print: 77%, 23%

I read most: 50%, 49%, 1%

I skim for highlights: 23%, 74%, 3%

Importantly, those who understand their benefits "very well" say they're **more confident** in selecting benefits during enrollment season.
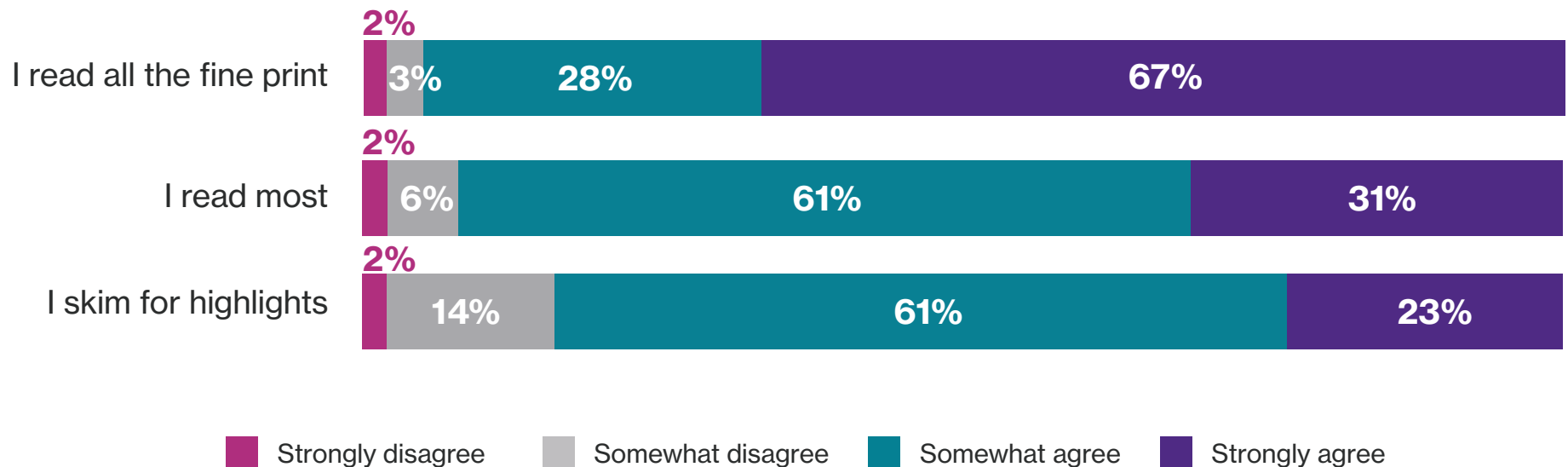
"I am confident in my ability to make the best benefit selections during open enrollment"
By Level of Benefits Understanding

Understand very well
2%
3%
33%
62%

Understand somewhat or not at all
2%
13%
68%
17%

■ Strongly disagree ■ Somewhat disagree ■ Somewhat agree ■ Strongly agree

And those more engaged with their benefits materials also have **more confidence** in their ability to make benefits decisions.
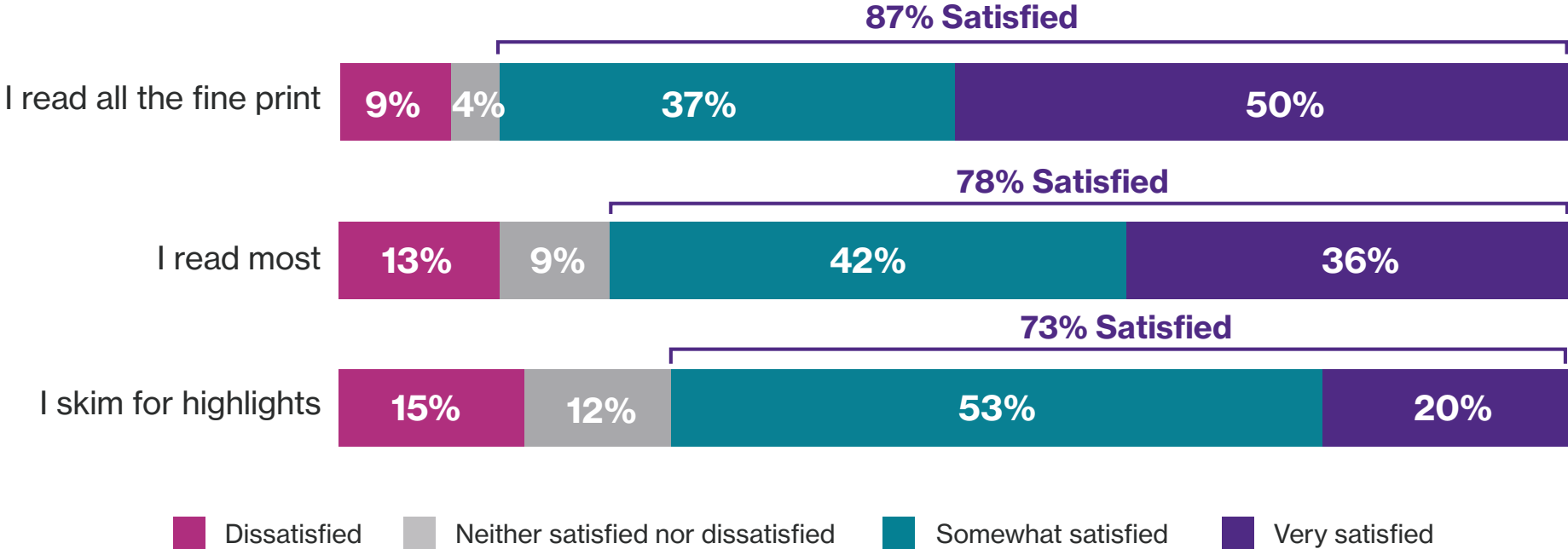
"I am confident in my ability to make the best benefit selections during open enrollment"
By Level of Engagement with Benefits Materials

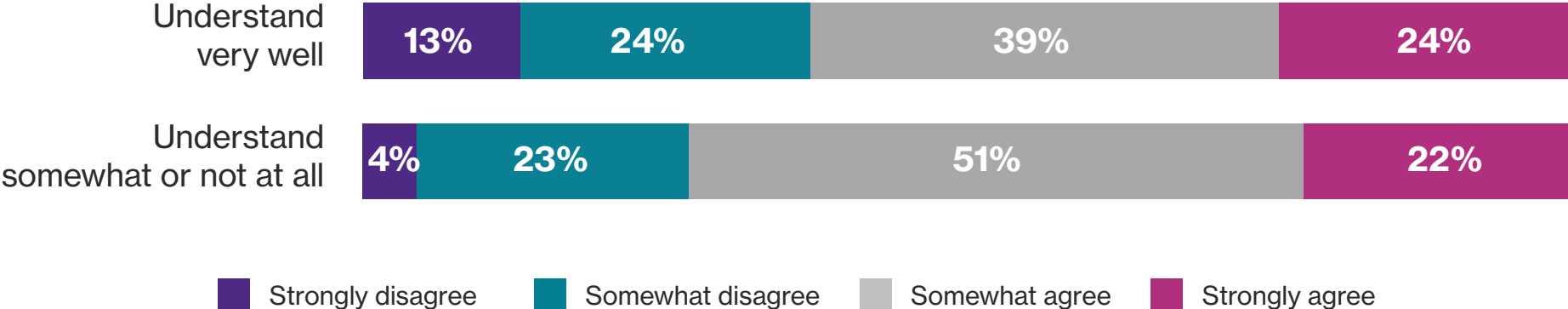|	Strongly disagree	Somewhat disagree	Somewhat agree	Strongly agree
I read all the fine print	2%	3%	28%	67%
I read most	2%	6%	61%	31%
I skim for highlights	2%	14%	61%	23%

Higher engagement with benefits materials also correlates with **higher benefits satisfaction**.

Overall Satisfaction with Benefits by Level of Engagement with Benefits Materials

87% Satisfied

I read all the fine print — 9% | 4% | 37% | 50%

78% Satisfied

I read most — 13% | 9% | 42% | 36%

73% Satisfied

I skim for highlights — 15% | 12% | 53% | 20%

Legend:
- Dissatisfied
- Neither satisfied nor dissatisfied
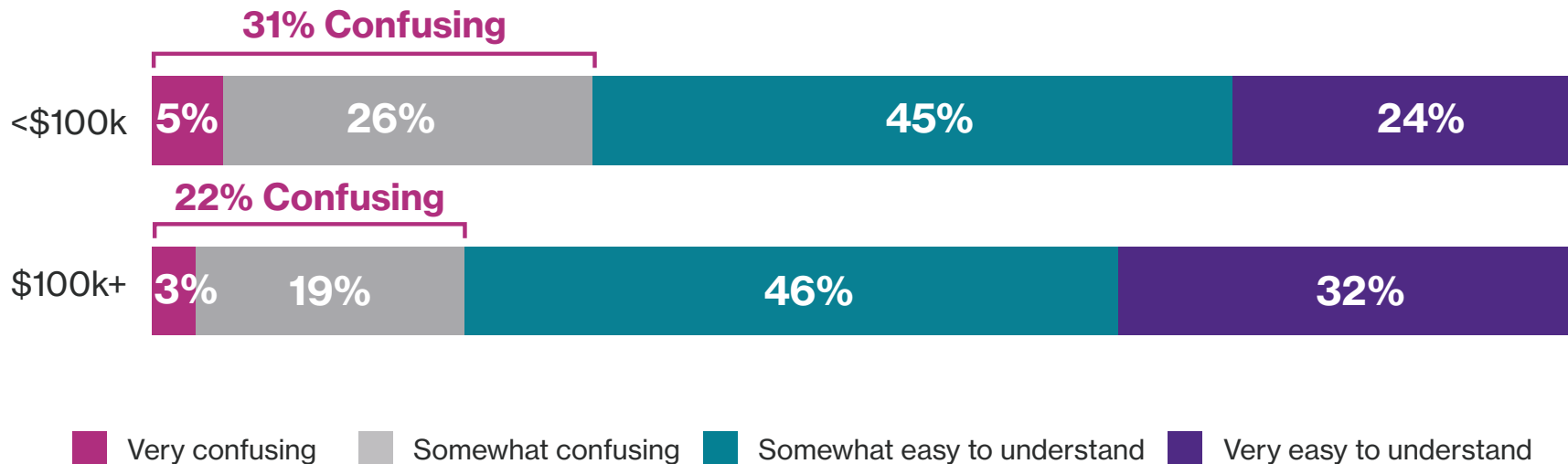- Somewhat satisfied
- Very satisfied

But there's room for improvement. Even those who understand their benefits well say they **want better educational materials.**

**"I wish my employer provided better education materials/
training about the benefits options available"**
By Level of Benefits Understanding

Understand very well	13%	24%	39%	24%
Understand somewhat or not at all	4%	23%	51%	22%

■ Strongly disagree ■ Somewhat disagree ■ Somewhat agree ■ Strongly agree
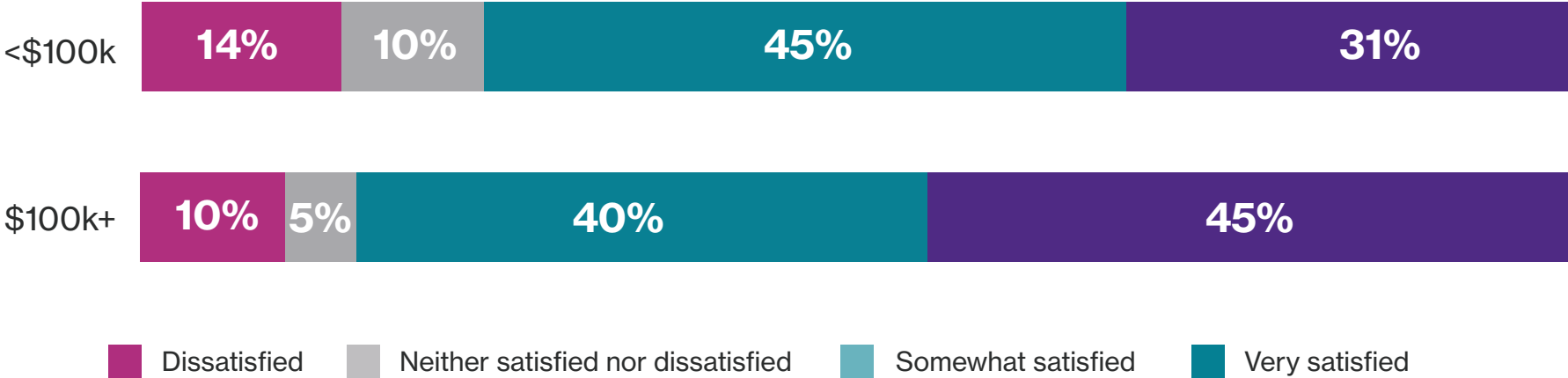
And not all groups share the same experience. For example, lower income employees are more likely to say their **benefits materials are confusing**.

Clarity of Benefits Materials by Household Income

31% Confusing

<$100k | 5% | 26% | 45% | 24%

22% Confusing

$100k+ | 3% | 19% | 46% | 32%

- ■ Very confusing
- ■ Somewhat confusing
- ■ Somewhat easy to understand
- ■ Very easy to understand

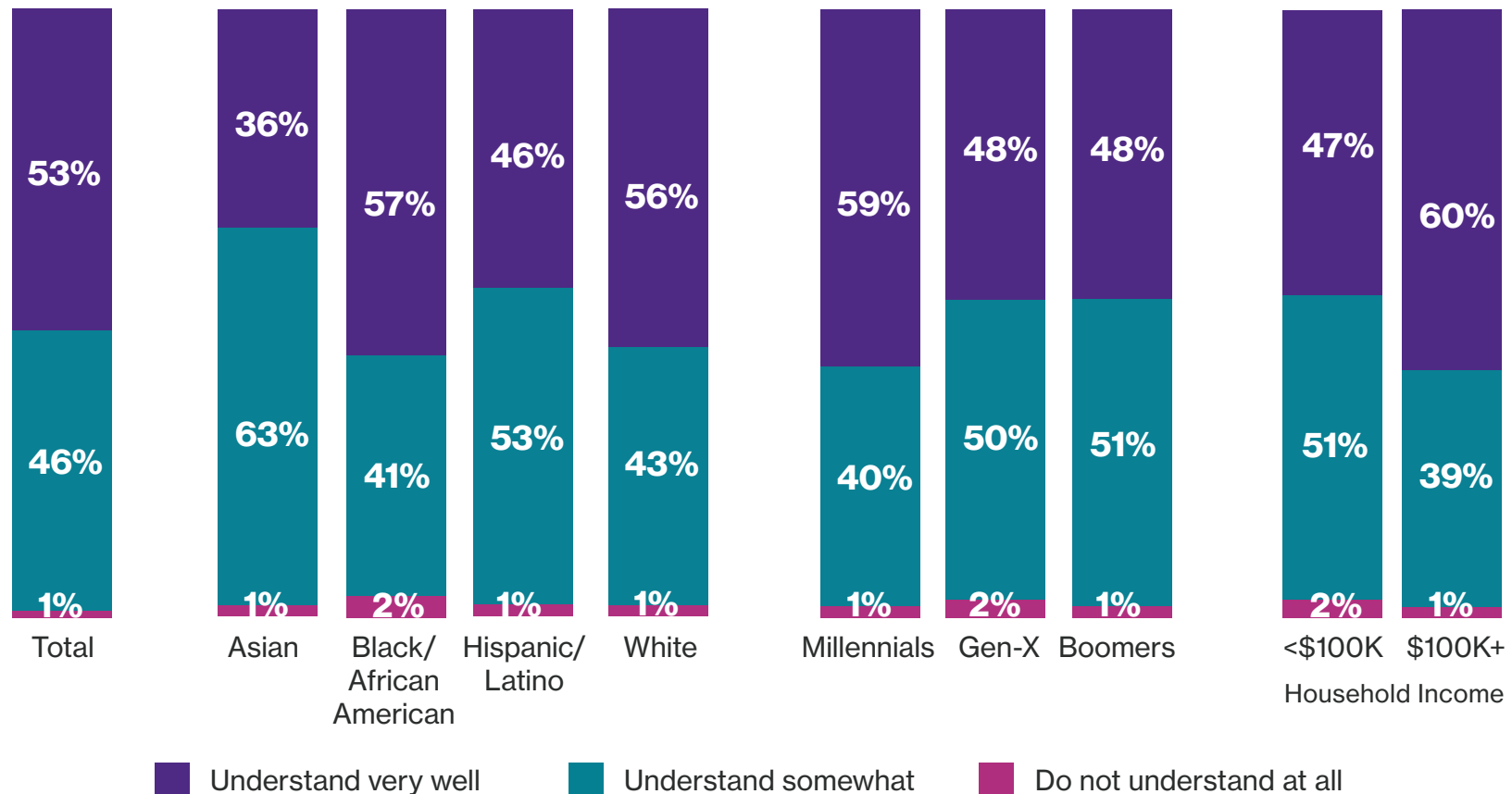# True to trend, lower income employees are also **less satisfied** with their benefits.

Overall Satisfaction with Benefits by Household Income

<$100k

| 14% | 10% | 45% | 31% |

$100k+

| 10% | 5% | 40% | 45% |

Dissatisfied | Neither satisfied nor dissatisfied | Somewhat satisfied | Very satisfied
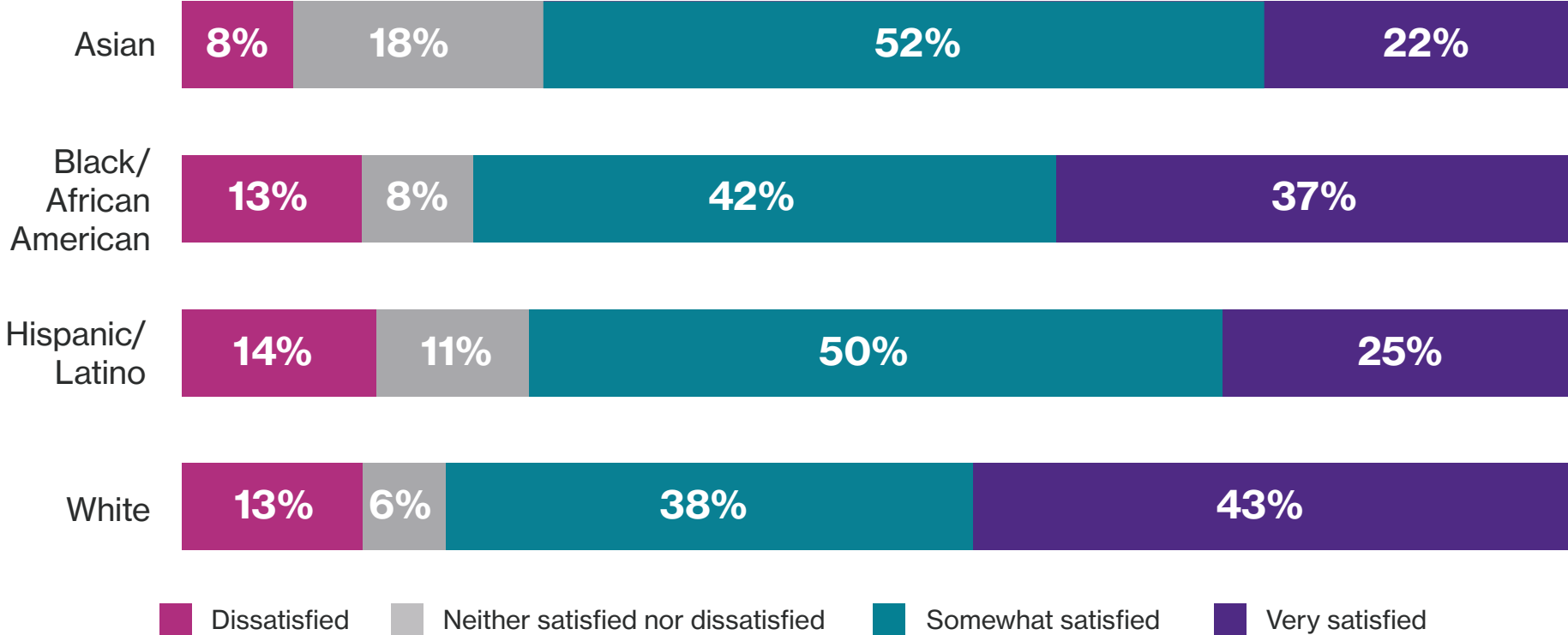
When we parse the data by demographic cohort, we find **other opportunities to improve**. Asian, Hispanic/Latino, Gen X, Boomers, and lower income respondents are less likely to say they have a good understanding of their benefits.

Overall Understanding of Benefits

	Understand very well	Understand somewhat	Do not understand at all
Total	53%	46%	1%
Asian	36%	63%	1%
Black/African American	57%	41%	2%
Hispanic/Latino	46%	53%	1%
White	56%	43%	1%
Millennials	59%	40%	1%
Gen-X	48%	50%	2%
Boomers	48%	51%	1%
<$100K	47%	51%	2%
$100K+	60%	39%	1%

Household Income

Legend:
- Understand very well
- Understand somewhat
- Do not understand at all

And again, true to trend, Asian and Hispanic/Latino employees are **less likely to be very satisfied** with their benefits packages.

Overall Satisfaction with Benefits by Race/Ethnicity

Race/Ethnicity	Dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied
Asian	8%	18%	52%	22%
Black/African American	13%	8%	42%	37%
Hispanic/Latino	14%	11%	50%	25%
White	13%	6%	38%	43%

Legend:
- Dissatisfied
- Neither satisfied nor dissatisfied
- Somewhat satisfied
- Very satisfied

Connecting the dots:
From education to benefits satisfaction

The preceding data shows strong directional correlation. Better communications clarity can encourage more engagement with benefits materials, resulting in greater understanding and confidence during enrollment season. Employees in turn make more informed benefits decisions. And that leads to greater overall benefits satisfaction.

Communications clarity & engagement

Benefits understanding & confidence

More informed decisions

Greater benefits satisfaction

Want more?

Check out our affordable benefits resource page.

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Affordable

Discover more ways to connect health and wealth

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