

THE ENGAGEMENT IMPERATIVE: THINKING BEYOND EMPLOYEE EDUCATION TO MAXIMIZE HSA PROGRAM SUCCESS





When it comes to HSA program success, employee engagement matters more than ever. But it's difficult to execute effectively.

To be successful benefits leaders need to think beyond employee education and consider ways to systematically engage their people. To that end, many benefits teams have started operating like quasi-marketing teams. The problem is that benefits teams are not marketing teams, and few have the time and resources required to overcome the steep learning curve.

The good news is that there are engagement methods proven to help benefits professionals engage HSA members more effectively. These engagement methods can help drive adoption, maximize account utilization and propel members on the journey to long-term savings and retirement readiness.

This paper explores four pathways to HSA program success, showing how to step up engagement and make a bigger impact with less effort.

In the pages that follow, you'll discover strategies and ideas to help you execute on each of the four pathways:



Pathway 1

Drive adoption



Pathway 2

Promote positive habits



Pathway 3

Measure and benchmark



Pathway 4

Never stop learning

1 PATHWAY 1

DRIVE ADOPTION

The most straightforward way of improving benefits ROI is to increase the number of people enrolled in your HSA program. At HealthEquity, we believe success requires smart engagement at three critical moments:

- When you bring on **new hires**
- During the **qualifying life events** of existing employees
- In the weeks leading up to and during **annual open enrollment**

New hires

The onboarding process is one of the best times to tailor benefits communications to the individual. Personalize your HSA offerings by speaking to your new hire's specific needs and interests. For example, younger employees may benefit from increased focus on employer contributions while older employees may want more information on how HSAs can assist in their retirement planning. Just be sure that your engagement allows proper time for education and includes materials that won't get lost among employee handbooks, tax forms and other new hire paperwork.

Qualifying life events

Another way to personalize engagement is by reaching out when your people experience critical outcomes known as qualifying life events (QLEs). Events like loss of health insurance, changes in your household or changes in residence trigger a special enrollment period (typically 60 days) in which a person can make plan changes or sign up for new health insurance coverage—including enrolling in an HSA-qualified plan. Your benefits team can monitor such changes and reach out preemptively if possible to reduce the administrative burden on your people. With helpful, proactive engagement, your people can reconsider their HSA enrollment and—hopefully—adopt a qualified plan.

Annual open enrollment

The biggest opportunity your team has to drive adoption is annual open enrollment. Just half of employers implement active open enrollment, meaning half are missing out on the opportunity to help their people review and reflect on their benefits choices¹. With active open enrollment, you have the chance to inspire your people to enroll in more benefits like the HSA and to increase their participation in their existing plans. An analysis of 700 employers partnered with HealthEquity found that active open enrollment led to a 39 percent increase in HSA adoption over seven years.

To maximize your success, you should prioritize education during open enrollment. Not all people understand terms like copays, matching, or deductibles, and many consider the HSA option to be complex. You can help demystify some of these concepts with meaningful experiences and helpful resources, including webinars with Q&A sessions, microsites with searchable content and tools to help your people compare and contrast their options.



What is a Qualifying Life Event (QLE)?

A qualifying life event allows you to enroll in health insurance outside open enrollment. Types of QLEs include:

- Loss of health coverage, like losing job-based coverage or Medicare eligibility
- Changes in household, like getting married or having a baby
- Changes in residence, like moving to a different ZIP code
- Life changes, like becoming a U.S. citizen or leaving incarceration

¹ <https://www.griffinbenefits.com/blog/active-versus-passive-open-enrollment-weighing-pros-cons-risks>



PATHWAY 2

PROMOTE POSITIVE HABITS

Don't hit pause on your engagement efforts once open enrollment ends. Research from Aflac shows that three-quarters of employees don't fully understand how their benefits work². That puts them at risk of rarely or even never using the plans, accounts and services they signed up for.

To combat this, benefits teams should think like marketing teams. Engagement matters all year, so it's crucial that your team has a detailed communications calendar with multi-touch campaigns to reach your people at critical moments along the journey. Your communications should be fresh and varied, working not just to educate but—crucially—to shape behavior.

Leverage insights from behavioral sciences to create compelling content, strong calls-to-action and trigger-based interactions that encourage members to take an informed next step.

Be sure to reach employees across multiple channels. Emails or benefits portal messages are great, but adding in social media content, videos and webinars maximizes your potential for engagement and satisfies a wide variety of communication preferences.

Additionally, keep a record of your efforts and note your successes and failures. Tracking important metrics like email open rate, click-through rates, video or webinar views or registration numbers will tell you whether your campaigns are working.

Need some ideas?

Some examples of great content to share with your people include:

- **Step-by-step instructions** on how to set up and engage with your HSA, including opportunities for employees to sign up for individualized help
- **Notices and registration opportunities** for time-limited offerings or programs
- **Access to tools** that help employees make appointments or purchases with their HSA funds, including price-shopping tools
- **Examples of HSA success stories** from other employees, with forums for peer-to-peer discussion and assistance

² <https://www.aflac.com/docs/awr/pdf/2017-overview/2017-aflac-workforces-report-employee-overview.pdf>

PATHWAY 3

TRACK YOUR PROGRESS

Too many benefits teams focus exclusively on engagement without taking the time to measure and quantify their efforts. Without the ability to gather and benchmark engagement data, they aren't able to build on their successes and rectify their failures.

The best benefits teams know that robust metrics and analytics tools are key to a high-performing program. By taking the time to understand how employees are using their HSAs, organizations can evaluate their program and identify opportunities for improvement. After all, you don't know how to improve if you don't know where you're lacking.

The exact metrics a benefits team should track will vary from organization to organization, but some critical ones for HSAs may include:

- Employee account contributions and distributions
- Employee retirement readiness
- Health of employees' safety nets
- Total employee savings
- Overall employee engagement

Once you've identified your most important metrics, you can uncover roadblocks to adoption and usage. Then, tailor your improvement strategies to address specific issues. The point is to use data to more directly target your engagement strategies. On the next page, we illustrate what that might look like.



A CLOSER LOOK

These are some examples of statistics to consider and tactics you can use to boost your performance.

Engagement Metric	Key Statistic	Tactics for Improvement
Contributions 	To max out their HSA contributions in 2021, an individual employee with 24 pay periods would contribute \$150 per paycheck (without an employer contribution or match) ³ .	Implement an employer match to drive higher employee contributions ⁴ .
Retirement readiness 	EBRI projections suggest senior couples need \$325,000 in savings to cover medical costs in retirement ⁵ .	Execute a multi-touch educational campaign that demonstrates the value of the HSA in saving for retirement.
Safety net 	Nearly 60% of Americans say they wouldn't be able to cover a \$1,000 emergency from their savings without turning to other sources ⁶ .	Target those with less than \$1,000 in their HSA for increased reminders to contribute.
Engagement with employer communications 	The average email open rate across industries is 21% ⁷ .	Experiment with different subject lines and sending times to maximize key statistics like open rate and click-through rate.

Tracking these metrics can be difficult. If you don't already have a standard of evaluation for your HSA program, you should examine your team's capacity to measure and track data without violating HIPAA privacy regulations. Keep in mind that if you wish to compare your organization's performance to others in your region or industry, you'll also need access to wider data sets. Investing in data analytics tools is one solution.

³ <https://blog.healthequity.com/2021-hsa-contribution-limits>

⁴ <https://blog.healthequity.com/help-your-employees-build-health-savings-heres-how>

⁵ https://www.ebri.org/docs/default-source/ebri-press-release/pr-1264-savingstargets-28may20.pdf?sfvrsn=5e993d2f_2

⁶ <https://www.bankrate.com/banking/savings/financial-security-january-2020/>

⁷ <https://mailchimp.com/resources/email-marketing-benchmarks/>



PATHWAY 4

NEVER STOP LEARNING

Like anything else, being a benefits professional requires practice and a commitment to ongoing career development. The need for benefits expertise never changes, but employee attitudes and behaviors do. By regularly following the market and capitalizing on the training resources available to them, the most successful benefits teams flourish.

But it's not always easy to find available opportunities. Make sure your team taps into all opportunities for improvement, harnessing proven best practices to help your people achieve more through benefits.

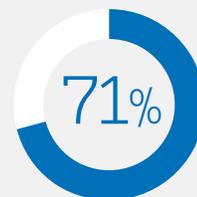
A 2020 survey from the Society of Human Resource Management found that among US professionals:



attribute their career progression to skill development



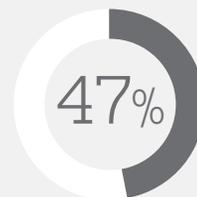
participate in online learning courses



participate in external conferences



engage in peer learning



participate in on-the-job training events



apply their professional learning in the work they do

INTRODUCING ENGAGE 360

Clearly, it's a lot of work to implement and manage a successful HSA program. Beyond time, it requires deep subject matter expertise, marketing know-how, complex data analytics capabilities and so much more. Given the demands in the marketplace, your organization needs more than any single team can reasonably deliver.

The good news is you don't have to do it alone. Welcome to Engage360, the proven approach to member engagement from HealthEquity. Engage360 includes original collateral, analytics tools, professional training and the support you need to make a difference for your people and your organization.

Drive adoption

Open Enrollment Toolkit

Tap into a huge library of flyers, webinars and other resources you can use during annual enrollment and for new hires.

Maximize utilization

Engagement Packages

We'll send targeted, systematic communications to promote positive habits and address specific areas for program improvement.

Measure and benchmark

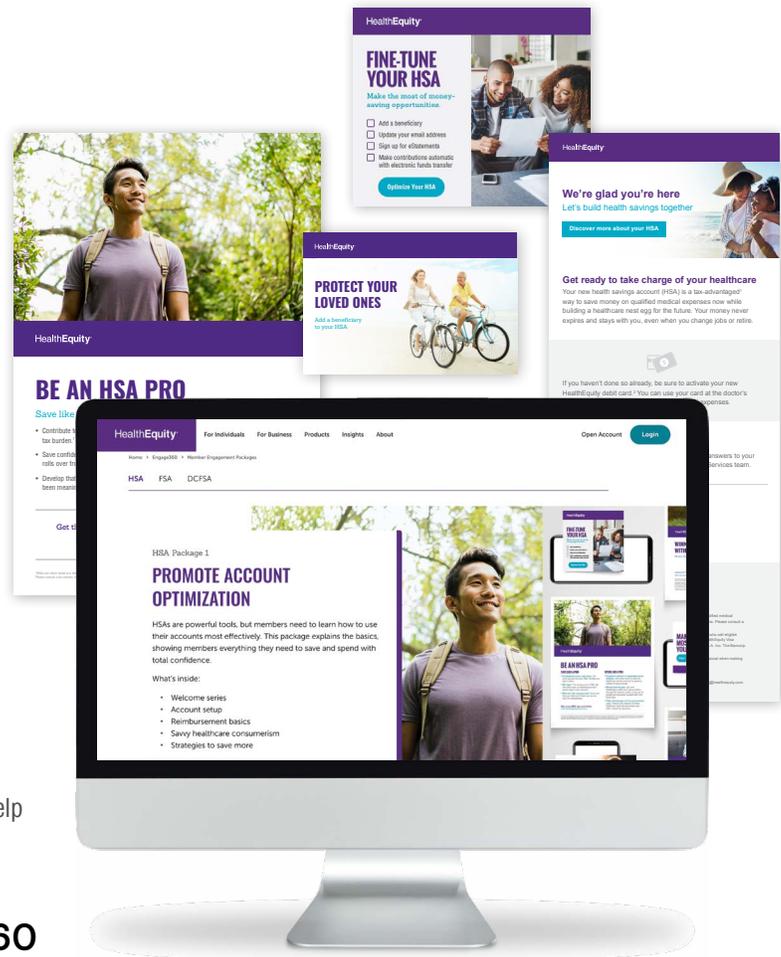
Health Savings Score™

Use proprietary analytics to gain visibility into program performance, benchmark against peers and identify opportunities for improvement.

Reine and optimize

Best Practices

Access workshops and original insights that will help you make a bigger impact with less effort.



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Only HealthEquity delivers the integrated solutions you need to simplify benefits and truly impact people's lives.

