

How advisers can better serve millennials

By Joel Kranc EMPLOYEEBENEFITADVISER.COM | February 8, 2016

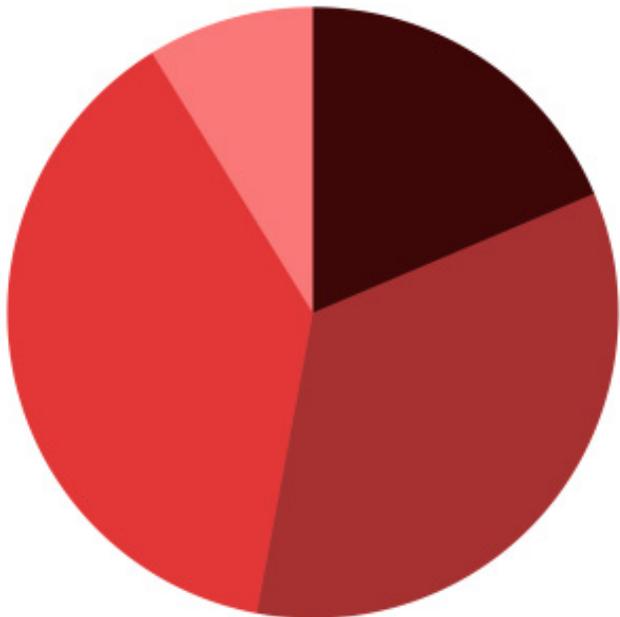
Insurance and benefit providers attempting to appeal to millennials have to use a new play book in terms of appealing to a generation reared on smart phones, screens and easy to digest information. A survey from San Mateo, Calif.-based Collective Health shows that 72% of 18-34 year olds are often confused about all the benefit options available to them. Also, 71% of 18-34 year olds say they are not prepared to handle out-of-pocket medical expenses of \$5,000.

“What you see is that when people are interacting with the [benefits] system they have the least amount of understanding,” notes Kristin Baker-Spohn, chief commercial officer with Collective Health. “It’s at that point of need when we, as an industry, are really falling short of helping them navigate and helping them understand.”

Dazed and confused

Millennials were asked if they felt disoriented by all the health options offered them during the benefit selection process. Here’s what they said:

- Strongly agree, 34%
- Somewhat agree, 38%
- Somewhat disagree, 19%
- Strongly disagree, 9%



Source: Collective Health

Many in the industry believe the delivery of information is the key strategy in getting through to this area of the workforce. Jessica Hinkle is chief operating officer with Benefits Done Right. She says that not only is there a young workforce to contend with, but also there are many young business owners who need education on implementation of benefits as well. “Not just millennials, but people [of all ages] are demanding technology and online enrollment systems. We need to ensure that if people are doing more enrollment on a self-service basis that they’re still getting the educational component and really still understand our benefits,” she stresses.

What that means in practice is providing enrollment “packets” that are similar or identical to the traditional paper packets provided at open enrollment meetings. “The online tools have become an important part of the process to not only streamline the process but also provide a wealth of information,” she says.

Beyond technology, however, is there a secret sauce to getting people, of any age or demographic, to be involved with their benefits programs? Says Baker-Spohn: “I don’t think there is a program that can get people engaged with their healthcare benefits. We as leaders in the industry need to be ready to help people when they are ready to be engaged.”

Do demographics matter?

Travis Riker, Senior Benefits Consultant with Arista Consulting Group, says, “benefits are benefits” and are for everyone. “Often the industry will segregate things but from our perspective we think of retirement plans, health insurance, income protection and life insurance as the core four,” he adds. “If we can do a good job making sure people are spending their money wisely on those four things everything else falls into place when money is there.”

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While those points are universal, Riker admits that millennials are technology-driven and so the right tools and information based on age, how much they use them and risks, can help them best choose the right health provider or program. That ends up being a do-it-for-yourself approach based on how they answer questions. “What we’ve found,” adds Riker, “is that millennials are more likely to use the technology and go through those types of models and customize their situations. Older populations are not prone to use those types of tools.”

Despite all the online customization abilities being offered, in general, providers are not necessarily thinking of demographic-specific products for the millennials. Hinkle says that add-on products like pet insurance or identity theft prevention may be part of newer offerings as a matter of convenience.

Riker says that no one group can be painted with the same brush. Not all millennials are the same and so it makes more sense to address people’s needs based on where they are in life rather than their age.

In many respects it is the engagement at the time of employment that will determine how and if employers can successfully get millennials to think about benefits. The right tools (and some convenience products) will be the best kick-start for that journey. Listening and adapting must come first.