

Open Enrollment at a Crossroads: White Paper

New Employee Expectations, New Employer Opportunities



MetLife

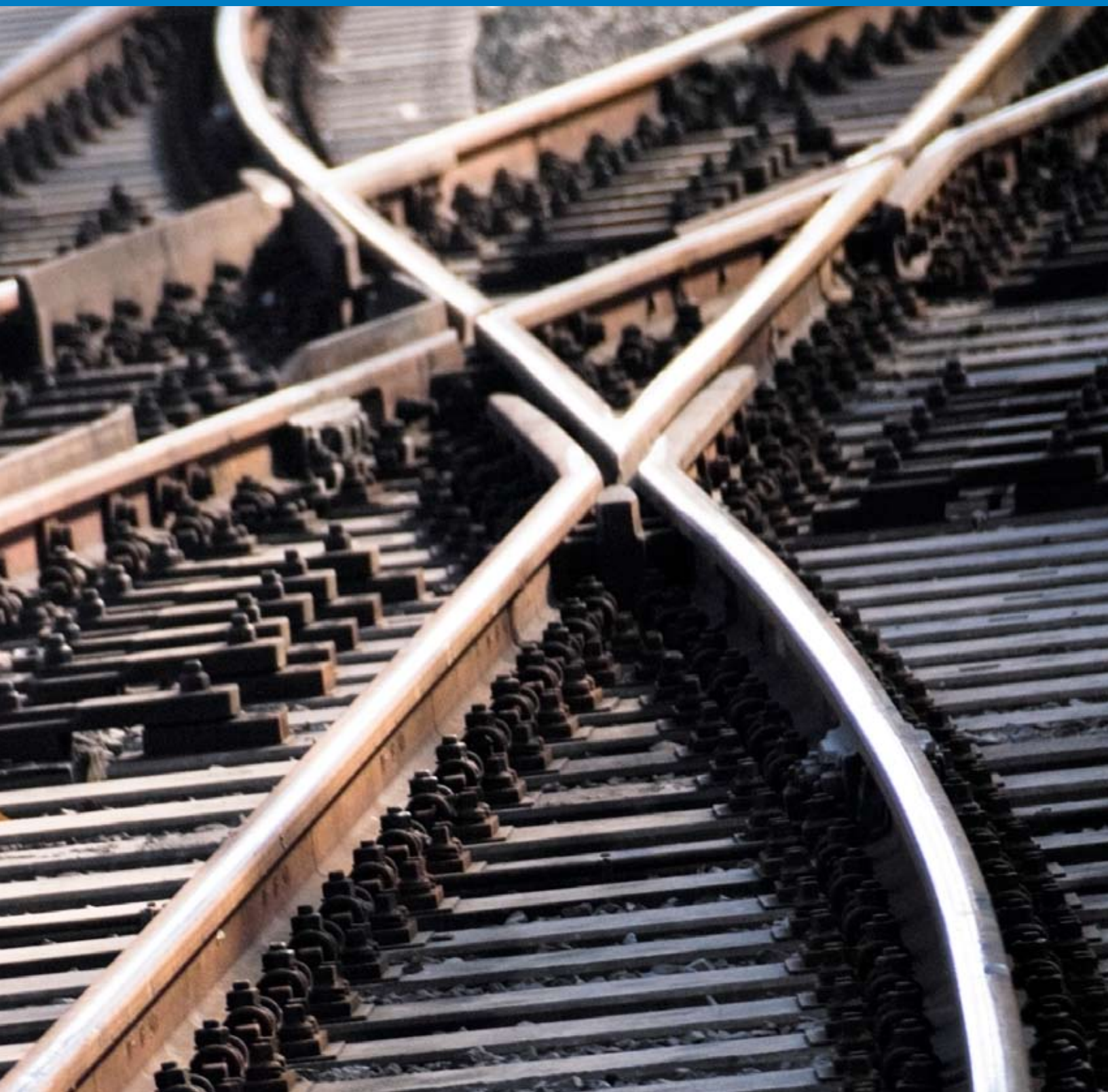


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*A Guide to
How Employees
Think and Behave
during their Company's
Open Enrollment – and
How Workforce Needs
are Changing*



Choose the right path; railroad crossings are complex and offer multiple pathways in the course of a journey. Employees are faced with a myriad of benefits choices during open enrollment. Employers who help their employees make the most of their benefits elections can maximize their benefits investment and help their employees get to the right destination.

Introduction

The purpose of this White Paper is to help US employers maximize the Open Enrollment experience for employees. Traditionally, Open Enrollment season is the one time each year during which employees are able to reevaluate their benefits needs and make changes to their elections. It's also a tremendous opportunity for companies to showcase the breadth and depth of their benefits offerings to employees.

Over the past few years, employee benefits have taken on a new significance for employees. A weakening of traditional social and corporate safety nets (i.e., uncertainty surrounding the future viability of Social Security and a shift away from defined benefit pension plans in favor of defined contribution plans) has put greater personal responsibility on employees when it comes to selecting benefits and securing their financial future. As a result, more than three quarters of Americans (77%) say they are planning to build their own personal safety nets to protect their family's financial future. Employee benefits that are commonly available through the workplace, such as health insurance and retirement savings plans, remain at the top of the list of important components of a personal safety net.

As employees continue to bear more responsibility for funding and choosing their own benefits, they are starting to act like consumers. They have a stronger interest in making smarter decisions than they did in years past—and they are asking for the information and tools that will help them choose wisely.

As a result, employers may see greater employee engagement in Open Enrollment. Consistent with previous findings, nearly half (47%) of employees surveyed by MetLife for its 2008 Open Enrollment Survey say they read their Open Enrollment materials from cover to

cover—a positive development. Nearly half of workers are also turning to their employers for benefits information and guidance. Employers and HR departments are the number one source consulted for advice during Open Enrollment (63%), according to the survey findings—ahead of co-workers (55%), spouse (54%) and benefits advisors (39%). Going forward, 27% of workers said they plan to listen to—and act on—their HR department's advice during their next benefits selection period, a higher percentage than those who expect to confer with and act on the advice of co-workers (16%), benefits advisors (15%), medical insurance providers (15%) or their parents (6%). Employees are also likely to credit both themselves (80%) and their employer (26%) when they get the information that they need to feel confident about their open enrollment decisions.

While many employees are turning to the HR department for benefits information and guidance, some employees are finding it harder than ever to understand the information they receive during Open Enrollment—and challenging to relate that information to their own household needs. Even though 22% of employees surveyed said they were happy during the Open Enrollment period held immediately prior to their participating in the survey, a sizeable percentage of employees said they felt either confused (25%) or frustrated (24%) while selecting their benefits during that Open Enrollment.

Perhaps because of their confusion, 75% of employees reported that they made no changes to their workplace benefits during their company's Open Enrollment period—a surprising statistic in light of the fact that 44% of the employees surveyed experienced a significant life event during the previous 12-month periods (e.g., having a baby, buying a home, getting married/

divorced, changing jobs, experiencing a +/- 25% change in salary). Typically, such life events can cause employees to reevaluate their benefits choices and coverage levels. Among employees who did update their benefits selections, access and information—the availability of new benefits offerings and “education...offered by employer”—were two notable reasons cited for making changes.

Fortunately, for employers and brokers, the solution may be fairly straight-forward. When asked what HR departments could do to make the Open Enrollment process easier, roughly one quarter of employees responded with each of the following:

“Provide more information about benefits”

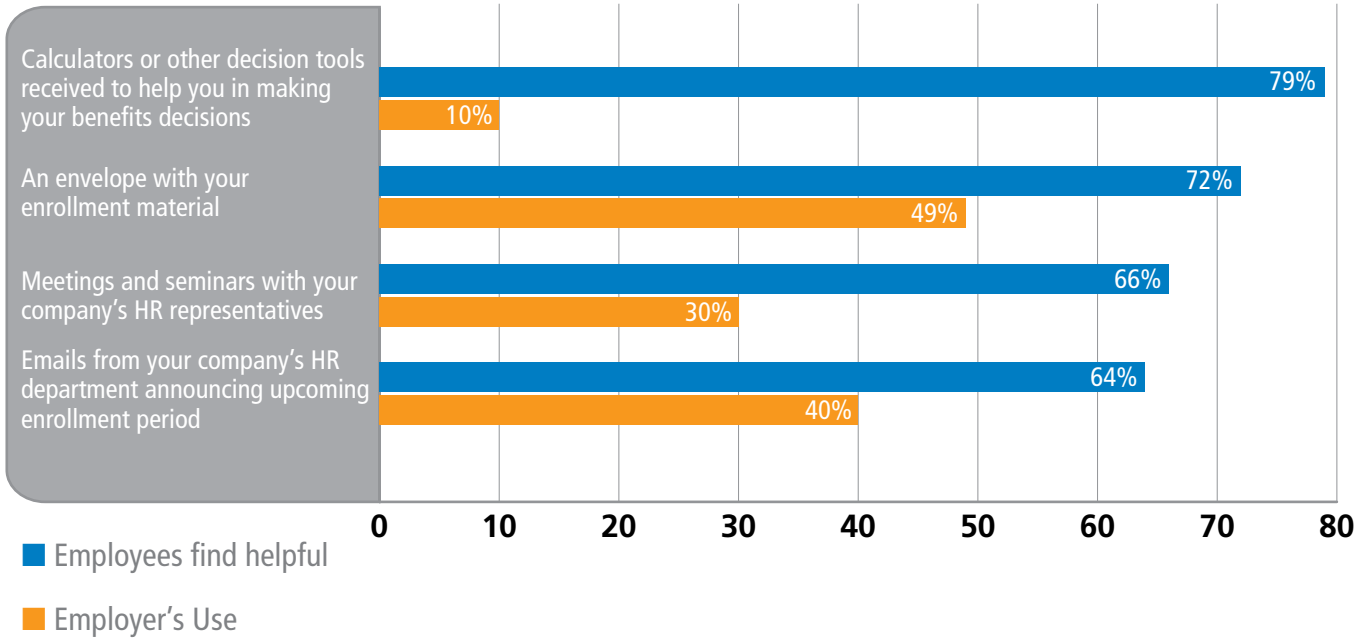
“Present benefits information in an easier to understand format”

“Develop guidelines or instructions for people like me”

When employers successfully manage the Open Enrollment period for their workers, the impact can be felt across the entire company. Employers that are able to effectively communicate benefits offerings and guide employees to the best decisions for their family are likely to improve their workers' satisfaction with the Open Enrollment process. Among those workers who reported having access to resources to help them make informed decisions, 82% were satisfied with their benefits offerings—compared to half (51%) of employees who stated that they didn't get the resources they needed.

Overall, employers that recognize the value of an instructive and informative Open Enrollment season are taking an important step to providing an overall better return on their employee benefits offerings.

Employer Communication Methods rated “Extremely Helpful” or “Very Helpful” by Employees & Percent of Employees Recalling Employer Use of Communication



Background

Traditionally, a company's Open Enrollment period is the time between October and November when employees determine which benefits they will select for themselves and their families during the year ahead. While some companies put their benefits information on intranet sites or online portals, nearly half (49%) of the employees surveyed by MetLife say they still receive an envelope of paper materials and directories — i.e., the “Big Envelope” — that provides information about benefits options and employee cost/co-pays. Nearly three quarters (72%) of those who receive such paper materials say they are extremely or very helpful, making them more valued benefits communications tools than emails (64%), websites/portals (63%) and seminars (66%) but slightly less valued than interactive calculators and decision support tools (79%).

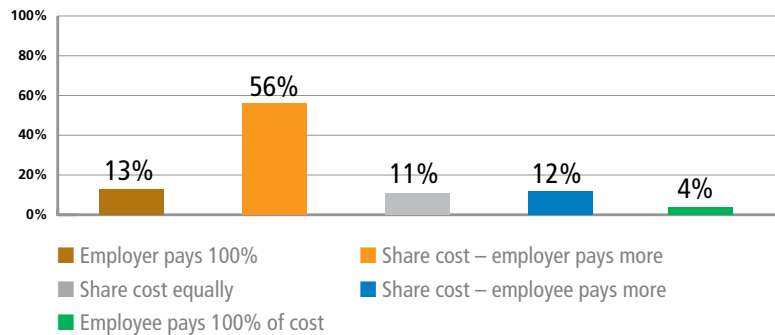
In terms of employee costs, some benefits are typically employer-paid or subsidized; others are purchased voluntarily by employees, who pay most or all of the cost. Interestingly, nearly one in three employees report that they pay at least half the cost of their entire benefits package; 17% say they fund the lion's share or all of the cost.

As companies increasingly offer voluntary, employee-paid or employee-

subsidized benefits, their workers are becoming *benefits consumers* with a greater stake in making smart, informed benefits decisions. As a result, workers are seeking more information about benefits — and they want information in an easier-to-understand format.

That's what makes benefits programs that target financial and protection offerings to employees by life stage a strong fit for today's workforce.

Employer–Employee Cost Sharing



At the core of such programs is the belief that an employee's financial and protection needs change as he/she ages. Single employees, for example, should favor disability income insurance and health savings accounts over dependent life insurance. Mid-lifers and pre-retirees, on the other hand, should consider retirement income products and long-term care insurance over 529 college savings plans. To help increase employee benefits satisfaction, employers can prioritize their workers' needs at each life stage, and then tailor benefits communications and employee education materials to meet those needs.

As was the case in 2007, this White Paper focuses on the actual emotions and behaviors that employees face as they go through their annual benefits Open Enrollment. It summarizes results from a MetLife survey of 1,204 employees, conducted online from February 25 — March 4, 2008. Fielded by GfK NOP, the survey is based on responses from a broad cross-section of employees, age 21 and older, who are working full-time for a company offering benefits and have at least some say in benefits decision-making for their household.

Open Enrollment: Setting the Stage

Typically, the Open Enrollment experience for employees consists of four stages: notification, information receipt, the decision process and enrollment. The types of benefits communications that workers receive from their employers can greatly affect the decision process—and ultimate enrollment decisions.

Notification:

For most employees, the benefits enrollment process begins with some form of organization-wide announcement — usually in August or September—that Open Enrollment is coming. These messages are communicated well before benefits selection begins, and are meant to notify employees that the season is approaching. Most reminders provide little education material. While appreciated by employees, these notifications are generally viewed by employees as less helpful than information-based communications (e.g., calculators or other decision tools) and should be kept short and brief.

Employees received the announcement

in a variety of ways: email (40%), flyers (28%), posters (24%) and voicemails (3%). In general, larger employers are more likely to send formal announcements than are smaller employers—and to do so through a larger variety of online, print and audio channels. The most helpful media for employees were emails and voicemails, with 64% and 52% finding these formats helpful, respectively.

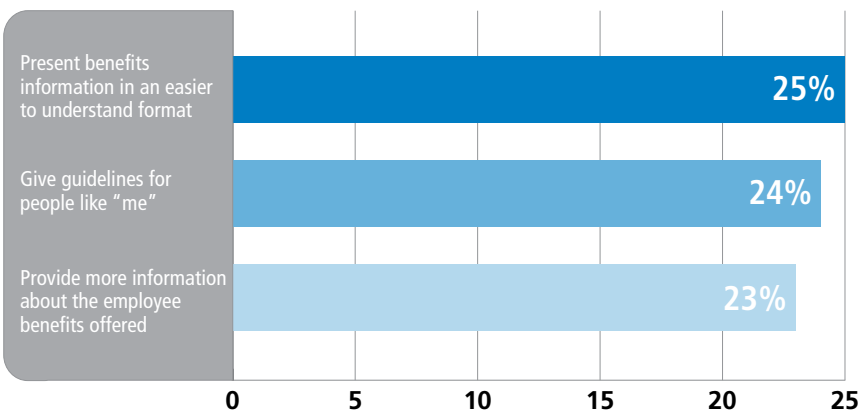
Information Receipt:

Employees usually receive printed Open Enrollment educational materials in the mail at the start of the selection period. Coined the “Big Envelope,” these materials typically describe the benefits offered during Open Enrollment and provide selection information and forms. Half (49%) of employees report receiving an envelope with enrollment materials, and three quarters of those who receive an envelope (72%) find the information helpful.

Typically, the Big Envelope contains:

- A cover letter or introductory page
- Description of options (typically in chart format with grids showing costs)—in this order:
 - Medical Benefits
 - Dental
 - Vision
 - Flexible Spending Accounts
 - Voluntary, employee-paid benefits (e.g., automobile insurance, homeowner's insurance, long-term care insurance, additional life insurance, critical illness insurance, legal services plans)
- Personalized information indicating employees' elections from last year (sometimes)
- List of phone numbers and websites of the various providers (sometimes)

How Human Resources Can Make the Open Enrollment Decision Process Easier



In the past, Big Envelope materials have not typically been customized for specific employee segments or life stages. More recently, however, workers have become more interested in receiving personalized guidance and counsel from their employers, and are pushing for much more interactive sources of information. When asked what their HR department could have done to make the process easier, roughly one quarter of employees said either provide more information about the employee benefits offered (23%), present benefits information in an easier to understand format (25%), or provide guidelines or instructions for “people like me” (24%).

Interactive sources of information are particularly popular and are becoming more widespread, especially among larger employers:

- 32% of employees say they were directed to their employer’s website; of those employees, 63% found the experience helpful.
- 30% of employees report being invited to attend seminars with their company’s HR department; 66% of those invited found the seminars helpful.
- 17% of employees report being invited to attend a “benefits fair” with insurance company representatives; among those who had the option of a benefits fair, 59% found them helpful.
- 10% of employees report having access to calculators or other decision tools; of those who did, 79% found these tools helpful.

Decision Process:

During the decision-making process phase, employees typically rely on three primary sources of information to make benefits decisions:

- **Research:** Employees begin by reading or listening to information about their benefits options. In years past, employers have been concerned that employees were spending too little time on their benefits decisions. In 2008, 47% of all employees (and 39% of employees working for organizations with fewer than 500 employees) say they read their Big Envelope materials from cover to cover. During this research phase, workers read the package of materials (47%), review previous benefits (44%), view the materials online (31%), visit the provider’s website (24%) and use online calculators (11%).
- **HR-hosted events:** As discussed above, employees are seeking more guidance from their HR department—and many organizations have responded by setting up meetings, benefits fairs or webcasts to help supplement the material and, thereby, help employees make better benefits decisions.
- **Informal Discussions:** Some employees tap into their personal network when making benefits decisions:
 - 33% discussed with spouse/partner
 - 31% discussed with co-workers
 - 19% with an HR person at work
 - 9% with friends
 - 7% with relatives

Many employees are still turning to informal sources for guidance on benefits decisions, yet oftentimes these people do not have all of the necessary information or experience to provide the best consultation. This highlights the need for professional, objective sources of advice and guidance in the workplace.

Enrollment:

Enrollment is the final step in the Open Enrollment process, and is the area where employees feel most at ease. In fact, 83% of employees state that they are confident with the decisions they made during their company’s most recent open enrollment period. Overall, one quarter (25%) of employees reported that they made changes to their selection of benefits, and of those that made changes, almost half (46%) increased their level of coverage or benefit options. A much smaller percentage said they either reduced their coverage (20%) or cancelled a benefit (16%).

KEY FINDINGS

Changing Dynamics

Employees are taking on more responsibility for selecting and funding their own benefits. According to MetLife's 2008 Open Enrollment Survey, nearly one in three employees (27%) now pays at least half the cost of their total benefits package—and 17% pay most or all of the cost. Along with their checkbooks, workers are bringing a heightened spirit of consumerism to the workplace. They expect access to a broad range of products as well as easy-to-understand information and advice. According to other MetLife research, 44% of today's employees want access to general financial planning advice. An additional 49% of all employees also want their employers to provide retirement advice.

Emotions, Satisfaction and Their Link to Behavior

Employees who feel educated about their benefits are more likely to be satisfied during Open Enrollment—and make informed benefits decisions.

Overall, roughly three quarters of employees (71%) are satisfied with their company's employee benefits. Yet, a sizeable minority (29%) feels either "dissatisfied" or "neither satisfied/dissatisfied." Among those who don't feel confident about their benefits decisions, more than half (54%) hold their employer or HR department responsible; 45% blame themselves.

While over one third of employees overall feel frustrated, confused and annoyed during Open Enrollment, the percentage jumps to 46% among the youngest workers surveyed. These younger employees appear to crave information; more than half (53%) thoroughly read the Big Envelope package of materials sent out by their employer, almost 10% more than other groups.

Giving employees access to the information they want during Open Enrollment is linked to benefits satisfaction. Among workers with access to resources in order to make informed decisions, 82% were satisfied with the benefits offered vs. 51% for employees who stated that they didn't get the resources they needed.

Access to benefits information is also linked to behavior. Only one in four employees made changes to their benefits during their company's most recent Open Enrollment period. Among those who did, the most popular reason for making modifications was the availability of new benefits, cited by 23% of employees; another popular trigger was education offered by employer, cited by 10% of respondents. Employees are also looking for new benefits offerings in addition to information and guidance. When asked for their benefits wish list, employees first cited dental insurance (56%), followed by vision insurance (47%) and a prescription drug plan (32%).

Product Confusion

In addition to wanting simple tools and easy-to-understand advice, many employees surveyed appear to need more straightforward product information. Many report having trouble understanding the benefits that their employers offer. More than one third (37%) of employees, for example, are confused by annuities. Roughly the same percentage (31%) has trouble understanding legal services plans, while one quarter has the same issue with critical illness insurance.

Effective benefits communication from employers is one important answer to employee demand for more information and product confusion about available benefits offerings. A clear and concise presentation of

benefits options—particularly if it is targeted to different life stages—can fulfill employee needs and could potentially increase overall satisfaction. This approach can help employees take action and overcome inertia when faced with benefits decisions.

Employee Life Stage Characteristics

Employees are looking for interactive sources of information (e.g., online tools, face-to-face advice) that enable them to customize a benefits package for "people like them." When asked to rank the helpfulness of the communications used by HR during their company's fall 2007 Open Enrollment period, employees rated interactive vehicles such as calculators and other decision support tools as most helpful (79%), followed by Big Envelope enrollment materials (72%), and meetings and seminars with HR representatives (66%).

But not all employees need the same level of education, nor do they all like to receive their information in the same way.

Young Singles

Of all the employee life stages surveyed by MetLife, Young Singles are the most likely to feel confused during Open Enrollment. In terms of benefits advice, as a group Young Singles are much more likely (48%) than their co-workers overall (22%) to consult with their parents before making benefits decisions—and more likely to find their parents' advice very or extremely helpful (61%). Young Singles are also more likely than most other life stages to want easy-to-understand benefits information and guidelines for "people like them."

The most popular benefits communications vehicle among Young

Singles is a webinar or teleconference to explain benefits, followed by meetings and seminars with HR representatives. In terms of product importance, Young Singles report having strong participation in dental insurance (75%), vision care insurance (61%) and life insurance (54%), but also report higher than average participation in critical illness insurance (36%).

Dual Income, No Kids

As a group, the Dual Income No Kids (DINKs) segment is fairly satisfied with the Open Enrollment process. They are the least frustrated and appear to be confident (84%) about their benefits decisions. As a group, they are more likely than their peers to say that there is nothing their company could have done to improve the overall Open Enrollment experience (46% of DINKs, 37% employees overall). They are also more likely than some of their peers to have added one or more benefits during their company's most recent Open Enrollment period; 40% added benefits compared with 19% of Established Families.

DINKs favor calculators and other decision support tools (78%) and benefits fairs (77%) over other vehicles for benefits communications. Half (50%) have experienced a life event (e.g., changed employer, gotten married/engaged, purchased a home, received an inheritance) over the past 18 months. They state that they have strong participation in dental insurance (82%), vision care insurance (72%) and life insurance (68%), but also higher-than-average participation in auto insurance (30%).

Employees polled for the 2008 MetLife Open Enrollment Survey are represented in the following life-stage segments:

- **Young Singles** — Age 21–34, not married, no children
- **Dual Income, No Kids (DINKs)** — Married, no children at home, not a retiree, <55 years old
- **New Families** — At least one child under the age of 7, no children 7 or older
- **Established Families** — At least one child 7 or older, no children under the age of 7
- **Older Singles** — Age 35+, no kids

New Families

New Families are more likely to feel frustrated during Open Enrollment and they are more concerned with “the rising cost of benefits” (30%) than other life-stage groups. They are also more likely than employees overall to wish that their employers offered access to benefits advisors (35% vs. 21%), financial planners (22% vs. 12%) and guidelines for “people like me” (45% vs. 24%).

New Families favor calculators and other decision support tools (91%). They report having strong participation in dental insurance (81%), vision care insurance (74%) and life insurance (69%), but also higher-than-average participation in long-term care insurance (40%) and annuities (33%).

Established Families

Many established Families, like DINKs, are satisfied overall with the Open Enrollment process; 45% say there is nothing HR could have done to improve their enrollment experience. As a group, Established Families may have limited discretionary income; still they are the segment most likely to contribute to their 401(k) plan. Nearly all (98%)

state that they contribute the amount necessary to qualify for a company match, compared with 86% of Singles in total.

Established Families favor teleconferences and webinars (82%) slightly over other interactive communications tools such as calculators (78%), voicemails from HR (77%) and benefits fairs (51%). More than one third (39%) experienced a life event (e.g., a birth, death, purchase of a home, new job) over the past 18 months. Established Families report having strong participation rates in dental insurance (84%), vision care insurance (82%) and life insurance (80%) but also higher-than-average participation in disability insurance (64%) and long-term care insurance (37%).

Older Singles

Compared to other workers, Older Singles are the most satisfied with the insurance benefits offered to them through their employer (77% of Older Singles, 71% employees overall). Overall, this group has a higher-than-average understanding of benefits details, and perhaps therefore is the

least likely to want access to a benefits advisor or financial planner. They are also the least likely to talk with coworkers about benefits options (20%, compared with 31% overall).

Older Singles are more concerned than their peers with a “fear of an economic recession” and “job security,” but are more likely (66%) to say that their level of discretionary income has no effect on their benefits enrollment decisions. They report having stronger than average participation in long-term care insurance (38%) and disability insurance (67%).

Solutions for Employers

Fortunately, there are various ways for employers to get the right information into the right employees’ hands during Open Enrollment. Easy-to-understand tools—such as online life insurance or retirement calculators, for example—are just one way to meet employees’ life-stage needs.

MetLife research shows that benefits satisfaction is increasingly linked to attracting and retaining talent. That’s good news for employers. But, with greater importance placed on benefits, it also means that employers need to be prepared with an Open Enrollment process that delivers the right information in an easy way.

The 2008 MetLife Open Enrollment Survey highlights some tactics for improving the Open Enrollment experience, which—based on MetLife’s experience—can be relatively easy and, in many cases, cost-effective for employers to implement:

- Nearly four in five (79%) employees find calculators and decision support tools extremely or very helpful, but only 10% of employers offer them.

- Two thirds (66%) of employees find meetings and seminars with HR representatives extremely or very helpful, but only 30% of employers offer such programs.

Benefits Communication

Almost all employees (94%) report receiving some type of benefits communications from their employers—but the type of materials and tools vary widely across companies. Overall, the most common types of communications are reminders of the enrollment deadline (50%), the Big Envelope of benefits enrollment materials (49%) and e-mails from the HR department (40%).

Organization size has a significant impact on the benefits communications available to employees during Open Enrollment. Not surprisingly, large organizations tend to have the most expansive and formalized communications programs during Open Enrollment. The challenge for these organizations is to combine face-to-face, print and interactive tools in a way that’s convenient for employees across life stages. Calculators, intranet education and benefits fairs: these are just a few of the practices that are likely to work well in large and mid-size workplaces.

Among the smallest organizations surveyed by MetLife (i.e., those with fewer than 500 employees), workers are less likely to have access to formalized communications materials:

- 38% of employees at small organizations received a Big Envelope of benefits enrollment materials, compared with 53% of those working for mid-size and large organizations (500+ workers).
- Employees who work for small organizations were also much less

likely to get emails (25% vs. 45%) and flyers (16% vs. 33%) from their HR department announcing Open Enrollment.

- Interactive Open Enrollment tools were in particularly short supply among small organizations. Only 2% of workers at companies with fewer than 500 employees had access to calculators and other decision support tools, compared with 12% of employees at mid-size and large companies. Similarly, 7% of workers at small organizations were directed to an Open Enrollment website or intranet portal, compared with 41% of employees at organizations with a head count of 500 or more.

While employees at smaller organizations have fewer formal communications at their disposal, many have access to an equally large (and, in some cases, broader) range of informal communications (e.g., impromptu meetings with HR, small group information sessions or one-on-one discussions with a supervisor).

- Roughly the same percentage of employees at small (29%) and larger organizations (30%) were invited to attend meetings and seminars with their company’s HR representative.
- More employees at small organizations (23%) talked to their HR department before making selections than did employees at large organizations (18%). More employees at small firms also spoke to their supervisor before making benefits decisions than did employees at larger organizations (14% vs. 7%).

As a result, employees at smaller organizations are nearly as satisfied about the benefits decisions as their large company counterparts:

- Roughly two thirds (65%) of employees in the small market are satisfied with the benefits available to them during Open Enrollment, compared with 73% of employees at mid-size and large organizations.
- Nearly six in ten (59%) employees working for organizations with staff sizes of less than 500 believe their company gave them everything needed to “make informed decisions about benefits during Open Enrollment,” compared with slightly more than six in ten (67%) among employees working for larger organizations.

Employers who figure out how to combine the formal communications of the large market with the innate interactivity of smaller environments are likely to be more effective at educating employees and motivating them to take action during Open Enrollment.

New Open Enrollment Imperatives

For companies of all sizes, there are several key principles to keep in mind as employers strive to make the Open Enrollment experience more effective while meeting the needs of a diverse workforce:

- *Customization matters.* Employees are looking for life-stage appropriate rules-of-thumb and guidance. Most employees—but especially younger workers—are interested in rules and tools for “people like me.”
- *Interactivity matters.* Because employees want customized information, tools that allow for interaction (online or offline in seminars or one-on-one meetings) are important.
- *Simplicity matters.* Employees want easy-to-understand rules and tools. They can become overwhelmed and

confused when the information is hard-to-find or difficult-to-understand.

- *New Offerings matter.* Employees tend to make more changes to their benefits when employers offer (and provide information about) new benefits. Consider making new benefits available—even on a voluntary basis. Among the most-wanted new offerings: dental insurance, vision insurance and prescription drug benefits.

Tips and Recommendations

So what can employers do to improve the Open Enrollment process for their employees, while keeping costs in check? Below are eight simple practices that employers should consider:

Poll employees: Survey employees to find out their benefits priorities—What products are important? What tools and communications would be useful? How would they like to be notified? Have HR and management review the findings and see how the organization can best meet employees’ needs and wishes.

Benefit for employers:

Employers can see what their workers want—and take action. Each workplace is different, so finding out what employees want is imperative in identifying communications and benefits plans that meet everyone’s needs.

Benefit for employees:

Workers will feel “heard,” especially when they see their recommendations acted upon by management and the HR department.

Tailor offerings and communications to workplace demographics: Look at the composition of your company’s

workforce to determine how to best communicate benefits offerings—and which benefits and coverage levels to offer. Companies with a large number of older workers, for example, might offer and feature retiree benefits as well as voluntary products such as long-term care insurance. To help employers customize their offerings, MetLife offers a free online benchmarking tool for HR professionals.

In terms of communications, try to communicate with employees through the channels they rely on for other company information. If your organization is made up of workers who have little or no access to email, consider flyers and mailers. If you’re trying to reach sales professionals or frequent travelers, consider podcasts and videocasts.

Benefit for employers:

When organizations customize their offerings and communications, they maximize benefits satisfaction without increasing benefits spend.

Benefit for employees:

Employees want options that work for “people like me.” When employers take the time to tailor their offerings and communications to workplace demographics and life-stage needs, employees have an easier time identifying the best solutions for themselves and their families.

Consider adding voluntary benefits that match your employees’ life-stage needs: Most employees want options and coverage levels that meet their life-stage needs. Consider making available additional voluntary benefits, where the employee would pay 100% of the cost. According to MetLife research, nearly all workers (94%) feel that it is important for employers to continue to offer benefits even if employees must pay for

most or all of the cost of those benefits. Among the benefits that employees would most like their employers to consider adding: dental coverage, vision insurance and prescription drug benefits.

Benefit for employers:

Voluntary benefits typically cost employers very little, often nothing. Despite this, they create goodwill with employees (and recruiting advantages with new hires) who value workplace products and protection. Other MetLife research has shown that more than half (52%) of employees now purchase the majority of their household's financial and retirement products through the workplace (including banking products, homeowner's/ auto insurance, mortgages, investments). Many employees value the convenience of payroll deduction, group rates and group underwriting criteria.

Benefit for employees:

These group plans are typically negotiated by the employer—so employees generally get group rates on their coverage. Additionally, it is easier for workers to purchase all protection products in one, centralized place, and have the costs deducted directly from their paycheck.

Consider a second, off-cycle enrollment period: Some companies are adding an off-cycle Open Enrollment period, where they feature new benefits and voluntary options. During fall Open Enrollment, voluntary benefits are sometimes overshadowed by traditional offerings (i.e., medical, retirement products, dental insurance), leaving employees less time to think through their need for (and desire to enroll in)

other popular but less traditional areas (e.g., long-term care, group legal plans, critical illness insurance, automobile insurance and homeowner's insurance.)

Benefit for employers:

Employers can draw attention to new benefits offerings, and HR can devote their attention to educating employees about the voluntary options that best meet their life-stage needs. This could result in higher enrollment rates, and greater employee benefits satisfaction and confidence in Open Enrollment decisions.

Benefit for employees:

Often, popular voluntary benefits go overlooked during the enrollment period, with employees focusing their energy on their core health benefits. When employers offer voluntary benefits at a separate time, employees may have more time to research new benefit offerings, and to think through their household's changing needs and appropriate coverage levels.

Offer one-on-one in-person meetings or online interaction with Human Resources:

Employees want more guidance and direction from their employer, and they want recommendations for "people like them." In the past, companies often had benefits representatives available for employees to talk to and consult. Today, workplaces have become more geographically dispersed; often, it's logistically impossible to have a benefits representative on-site in every location. To help large organizations meet their employees' needs for one-on-one guidance, consider setting up chat boards on intranet microsites—or invite outside advisors to sit down with employees. Either option will allow

employees to discuss life-stage priorities, current finances and long-term goals.

Benefit for employers and employees:

Companies can offer interactivity to their workers through one-on-one meetings or online chat boards. Online chat boards, in particular, allow employees to have their questions answered in an online forum that can be read by—and, in turn, inform—their coworkers, who may have a similar query.

Make sure tools and plan descriptions are simple, interactive:

Employees tend to go to a few key places for benefits information. One place is often a company's intranet/benefits site. Another is the Summary Plan Description for the benefits offered during Open Enrollment. Employers should do everything they can to make these key sources of information simple, interactive and easy-to-use. In some cases, that may mean including rules-of-thumb. In other cases, it may mean embedding tools, links and other interactive communications into summary plan documents. The bottom line is that these materials need to be easily readable—both by employees and their family members.

Benefit for employers and employees:

When employees understand their benefits, they make better choices and tend to be more satisfied by and confident in the Open Enrollment process.

When possible, house all Summary Plan Descriptions on one common, employer-sponsored microsite.

Open enrollment is a good opportunity to try to build employer-employee loyalty. Rather than only driving employees directly to provider websites, try to house some employee tools and Summary Plan Documents together on a company-branded microsite.

Benefits for employers

Providing access to content on a company-sponsored microsite could help to reinforce the relationship between the “employer” and “employee” with regard to employee benefits.

Benefit for employees:

Employees get easy access to information in a familiar place—their own company intranet or benefits microsite.

When employees are satisfied with their benefits and the Open Enrollment process, it can affect the entire company. A successful Open Enrollment program could have an impressive impact on the employee/employer relationship. Among those workers who report having access to resources to help them make informed decisions, 82% were satisfied with their benefits offerings—compared to half (51%)

of employees who stated that they didn’t get the resources they needed. And this satisfaction extends beyond Open Enrollment—for employees who are highly satisfied with their benefit programs, MetLife’s research found that 85 percent plan to be working for their current employer 18 months from now, versus only 50 percent among those who are not satisfied with their benefits.

MetLife is a subsidiary of MetLife, Inc. (NYSE: MET), a leading provider of insurance, employee benefits and financial services with operations throughout the United States and the Latin America, Europe and Asia Pacific regions. Through its subsidiaries and affiliates, MetLife, Inc. reaches more than 70 million customers around the world and MetLife is the largest life insurer in the United States (based on life insurance in-force). The MetLife companies offer life insurance and annuities, auto and home insurance, retail banking and other financial services to individuals, as well as group insurance, retirement and savings products and services to corporations and other institutions. For more information, visit www.metlife.com.

Throughout its history, MetLife has collected a vast knowledge of the marketplace, with input from businesses, brokers, benefits consultants, and employees. The depth and breadth of MetLife’s research and insight into the marketplace are accessible by visiting the MetLife research center on www.metlife.com. For additional information about the MetLife “Big Envelope” research or Open Enrollment Survey, please contact Neil Marcus, Director of Marketing Research, at 212-578-7713 or nmarcus@metlife.com.



Metropolitan Life Insurance Company
200 Park Avenue, New York, NY 10166
www.metlife.com