



2023

BENEFIT SOLUTIONS TOP TRENDS

*What your workers want and
how to deliver it*

2023

ABOUT NAVIA

Navia is a national, consumer-directed benefits provider serving 9,000+ employers across all 50 states. The company provides comprehensive health, wellness, and compliance solutions to employers and consumers, and offers industry-leading customer service, communications, and technology. Founded in 1989, Navia began as Flex-Plan Services, and over the years has grown into one of the nation's premier benefit providers. Navia offers FSA, HSA, HRA, Commuter, Wellness, Student Loan Repayment, Tuition Reimbursement, Retirement, Benefit Administration, Compliance, Direct Billing, and COBRA administration. www.naviabenefits.com

2023 TRENDS REPORT

In 2022, the US emerged tentatively from a pandemic and employers and employees struggled with a multitude of lingering issues. Battling a critical shortage of workers and experiencing a phenomenon called "quiet quitting," management struggled to find the right combination of benefits to attract and retain workers. In addition, the tumultuous year was marred by soaring inflation and political unease. HR and benefit teams are looking to arm themselves with new solutions and creative ways to tackle the needs of 2023. To help, Navia has assembled a list of benefit trends/predictions from leading HR journals and our seasoned panel of experts, which include CEOs and industry leaders with more than 40 years of benefit experience.



BUILDING A REMOTE COMMUNITY IS MORE IMPORTANT THAN EVER

The COVID-19 pandemic caused a dramatic reformation in the workplace. No longer clustered with teammates, workers reinvented themselves as “remote workers,” replete with zoom meetings, laundry, and kids/pets. “You’re on mute” became a meeting mantra.

While some companies have seen a return of employees to the workspace, many straddle the fine line between forcing workers back and allowing them to continue with the freedom and flexibility remote work offers. For many companies, a mix of in-office/remote is now seen as permanent.

Couple this with a phenomenon called “quiet quitting,” where workers become disengaged from their employer and their work, and you can easily see why a report compiled by Lattice says, “the majority (86%) of HR teams say they’re putting more effort into improving employee engagement this year than they have in the past.”

Beer Fridays, themed contests, and an emphasis on holidays are designed to bring the workforce together and promote the right culture. When that workforce is geographically distanced, it means companies must try harder to create a glue that brings workers closer and allows them to form bonds traditionally seen in successful organizations.

Engagement programs can include sponsoring teams (bowling, softball) to nurture the camaraderie so often seen in prior years. Other events could be climbing wall experiences, wine/art classes, running/fitness competitions. We are sure to see much more of this in 2023.



INFLATION SPARKS NEW INTEREST IN FLEXIBLE SPENDING ACCOUNTS (FSA)

Tax-busting Flexible Spending Accounts (FSA) will become more popular. With health insurance premiums expected to rise five to seven percent, employers may increasingly pass a greater percentage of the costs to workers. Since a medical FSA lets workers pay for family medical, dental, and vision expenses tax-free, more employers may sponsor and heavily emphasize these plans as they implement insurance plans that increase deductibles.

The maximum contribution for a healthcare FSA increased to \$3,050 in 2023, meaning a worker could save \$762-\$1,220 in taxes. Day Care FSAs are capped at \$5,000. Employees will seek shelter from inflation by using these budget-friendly accounts.

MEDICAL TRAVEL REIMBURSEMENT

Travel Health Reimbursement Accounts reimburse employees for travel expenses related to medical treatment. Typical reimbursements are for lodging, meals, air/bus fare to and from medical appointments. Often a companion's costs are also reimbursed.



BLOG

Medical Travel Benefits for Employees and What Employers Need to Know

[Read the blog here.](#)



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[Download the LSA white paper](#)



WORK/LIFE BALANCE IS A DECIDING FACTOR IN JOB CHOICE

Lifestyle Spending Accounts (LSA) will continue to gain traction among employers who recognize employees value a company that promotes work/life balance. According to a Deloitte study, 67% of employees would consider reimbursement for well-being expenses to be highly valuable and a deciding factor in whether to take a job.

One of the attractive features of an LSA is its flexibility. The employer determines how much the company is contributing to the LSA, the timing of the funding and, importantly, whether a single benefit is offered or if there are multiple categories from which the employee can choose.

For example, the employer could fund an LSA with \$500 that reimburses wellness items such as gym memberships, exercise classes, fitness apparel, coaching, race entry fees, yoga classes, personal trainers, and weight loss programs. Or the employer could offer an LSA that lets the employee spend the \$500 on any number of different categories such as Wellness, Vacation, Student Loan Repayment, Home Office Equipment, Career Development, and more.

case study



Lifestyle benefits boost worker morale

In 2022, Navia's client Uplift instituted an LSA with great success. The company's Glassdoor reviews call out its LSA benefit program as a key reason for staying with the company and Uplift ranks in the top 20% for happy workers on the trusted worker review site.

[Read the full case study here.](#)



FERTILITY & ADOPTION BENEFITS SUPPORT GROWING FAMILIES

Companies are aware that a percentage of employees seek to expand their families. Some are unable because of various health reasons. There has been an increase in assistance in the form of Health Reimbursement Accounts (HRA), and employer funded accounts that help employees pay for those services.

Fertility Reimbursement can include embryo transfer, sperm evaluation, egg freezing, and artificial insemination. Adoption Reimbursement can include adoption fees, attorney fees, court costs, travel expenses while away from home, and re-adoption expenses related to adoption of a foreign child.

TUITION REIMBURSEMENT SHOWS WORKERS YOU BELIEVE IN GROWTH

Many employers are also reimbursing tuition and related fees for classes they deem relevant to the employee's job. Tuition reimbursements are a great way to encourage employees to continue their education and help them build skills to benefit the company.

Tuition reimbursement plans are customized to fit company goals. For example, plans can be tailored to reimburse a set amount of continuing education credits or college courses. Employers can also define GPA requirements or only reimburse courses that meet specific criteria. Reimbursements from the program are tax free up to \$5,250 per employee.

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STUDENT LOAN REPAYMENT = MONTHLY RELIEF

45 million Americans carry student loan debt with an average balance of over \$40,000, a financial burden which can influence performance at work and future planning decisions. Student loans can be a huge burden for employees resulting in delayed home purchases and a pause in family growth. Employer-sponsored student loan repayment programs can help employees chip away at that debt and greatly reduce financial stress. While there has been a pause in federal student loan debt repayment, the fact remains that the bulk of student loans will eventually need to be repaid. Employers who can help workers deal with this debt can garner much good will.

A recent survey shows a third of all companies surveyed are considering student loan repayment plans in 2023, a dramatic rise considering only 1 in 10 currently offer student loan repayment plans ([International Foundation of Employee Benefit Plans survey results](#)). The high demand for talented employees, along with recent favorable tax law changes, combine to make 2023 ripe for an explosion in employer-sponsored Student Loan Repayment Programs. Remember, through 2025, companies can pay up to \$5,250 yearly per employee on a pre-tax basis.

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WHITE PAPER



The business case for adding a student loan repayment plan

This white paper breaks out the business case for why Student Loan Repayment Programs are a good investment for employers and a new strategic tool for talent acquisition.

[Read the full white paper here.](#)



EMPLOYERS KNOW LACK OF DAY CARE MEANS LACK OF WORKERS

Day care assistance grows in popularity because affordable day care remains a top priority for many employees. Working parents struggle to find, secure, and afford child care—and when employees can't get the care they need, their job performance suffers. Child care is an issue impacting employers' bottom lines.

Navia partner Kinside, an organization that helps families find and secure affordable day care.

Kinside's data shows that child care benefits are crucial for working parents: 81% of families rely on some type of child care outside the home. Families are making permanent career decisions due to a lack of child care, with working parents reporting the following:

- 61% change work schedules**
- 41% find a new job**
- 30% turn down a job or promotion**
- 20% leave the workforce**
- 17% relocate their families**
- all because of child care issues.**

There are many benefits-based solutions to help address the child care crisis among employees. Benefit providers can offer employers the following solutions:

- Dependent Care FSA (DCFSA)
- Contributing funds into employees' DCFSA
- Child care stipend
- Tuition discounts through comprehensive child care benefits solutions such as Kinside
- Services for back-up child care and emergency care
- Addressing employees' other caregiving responsibilities by offering services for elder care or pet care, for example.



[Click for Day Care Datasheet](#)



MENTAL HEALTH SOLUTIONS A MUST FOR LONG-TERM RETENTION



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Two years of social isolation and illness have made today's worker extremely vulnerable to a range of problems like depression, anxiety, feelings of hopelessness and post-traumatic stress syndrome. Inflation and overwork add more stress on workers and their families. Current layoffs by many technology companies have created more tensions for workers.

Nearly half of employees (48%) say their well-being declined in 2022, and 28% say they are miserable at work, according to a survey of 9,000 employees globally from Gympass, an employee well-being platform.

In addition, in the U.S., nearly half (48%) of Americans aren't satisfied with their wellbeing at work and over 25% are "completely unhappy" in their jobs.

Employers are reacting to that striking data. Per a survey from Willis Towers Watson, two out of three US employers indicate they plan to make employee mental health and emotional well-being programs one of their top three health priorities over the next three years.

Employers have encouraged their health insurance companies to include and expand items that deal with mental health care, such as covering more counseling visits and sessions for massage and chiropractic.

Digital applications have emerged to help combat some aspects of mental illness. Apps can help with mindfulness, meditation, and promote positive thinking.

To help tackle the issue, employers can implement benefits like a Healthcare FSA or Health Reimbursement Arrangement. These benefits allow workers to use available funds on out-of-pocket remedies like counseling, doctor visits and medicine. Companies can also implement Lifestyle Spending Accounts which can let an employee spend company money for non-medical mental health focused things like meditation apps, financial counseling, and vacation expenses which can promote mental well-being.

MORE FUNDING FOR 401(K) PLANS

The IRS announced a record increase in allowable 401(k) limits for 2023. That increase may encourage employers to renew discussions with employees about retirement planning.

Starting in 2023 employees can contribute up to \$22,500 into their 401(k) plan, that's a \$2,000 hike from 2022. The catchup limit for employees 55 and older increased to \$7,500. Inflation's effect on the family budget may make these discussions imperative as retirement savings may fall victim to fewer disposable dollars.



Navia now offers 401K and retirement benefits!

[Learn more here](#) 

WEARABLES GIVE TIMELY FEEDBACK

Another trend is the use of wearable technology. This lifestyle management tool gives constant feedback and tracking for things like exercise, eating, and sleeping. Wearable technology can also provide immediate updates to medical providers by monitoring body temperature, blood pressure, blood oxygen level, and other readings related to the heart, brain, and skin allowing for early detection of potential issues.

Additionally, certain studies show that some individuals will alter their behavior if they know they're being observed, thus encouraging them to develop better health habits.

Employers may embrace adding wearable technology as eligible items in Lifestyle Spending Accounts.



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EMPLOYEE BENEFIT STATEMENTS: OLD SCHOOL SOLUTION WITH MODERN RESULTS

Want to increase employee satisfaction?

Some companies are turning to Employee Benefit Statements, also called total compensation statements, to help employees understand the value of their pay and benefits. Employees aren't always aware of the many added items the employer is covering.

Short-term disability, unemployment insurance, and life insurance are just some of the benefits that can be included in a customized total compensation statement. The statements can match the employer's branding, and can be customized per employee with various print and delivery options.

This solution is becoming more critical to a company's benefit package now that so many workers are remote and benefit fairs are turning more and more virtual.

Samples



Samples of employee benefit statements

Employers provide a host of pay and benefits to their employees. What better way to explain the total compensation than to summarize it in a statement that is customized to the employee? Learn more about this affordable tool that helps with worker satisfaction and retention. [Read more by clicking here.](#)



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INVEST IN DATA SECURITY

Information Security and IT-associated diligence is not trending, it is here to stay. From teenagers in basements to large, sophisticated organizations funded by ill-intentioned governments and criminal organizations, security is a real need.

Healthcare organizations are particularly prone to targeting due to the nature of their business. These organizations are at the intersection of three very sought-after data sets - 1) Personal Identifiable Information (PII), 2) Personal Health Information (PHI), and 3) Personal payment information (PCI).

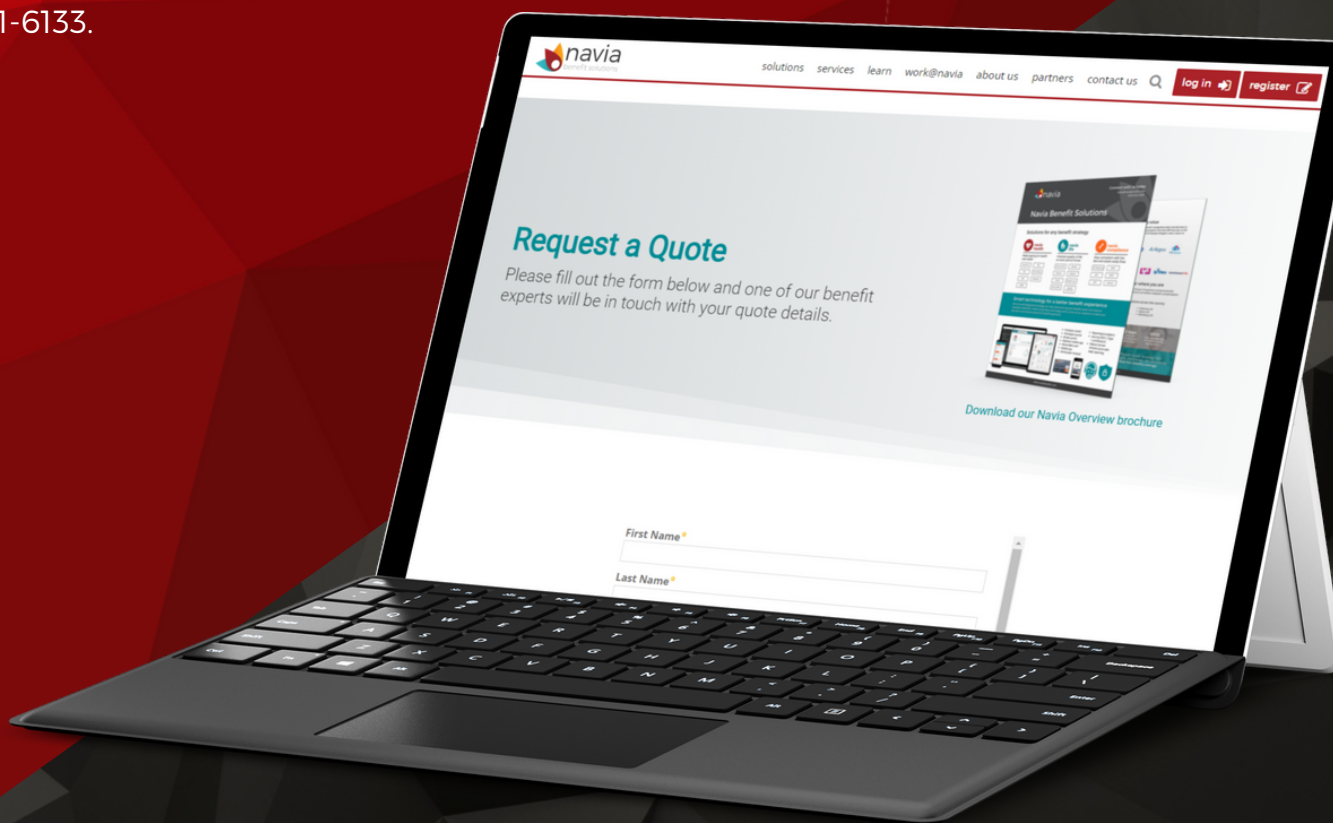
Be aware of companies you work with to ensure they have the right security safeguards in place. Certifications like HITRUST and SOC are a great benchmarks to look for and good places to start, but they don't paint the whole picture of a company's security posture. One of the greatest tools you can employ is ensuring that any company you purchase services and software from is conducting annual exercises to review and improve their physical and virtual walls.

It is also now common practice to ask for and receive Security Risk Assessments from your vendors. This assessment is a comprehensive tool that details the security posture and processes a vendor will take in order to keep their information security up to date to battle hackers and other bad actors. These assessments have over 800 data points detailing patching, intrusion testing, software release processes, secure software development policies, data access rights, onboarding/offboarding employees, and so much more.

Ready to boost your benefits experience?

Request a quote from Navia anytime and we will respond promptly with the help you need! **Request a Quote here.**

You can also contact us at sales@naviabenefits.com or 1-866-831-6133.



Resources

1. [Employee retention, HR Executive](#)
2. [Medical Plan Costs to Rise, SHRM](#)
3. [New Well-being data, HR Executive](#)
4. [Employers plan to invest in mental health, HR Executive](#)