



# A Special Trends Report

Perspectives on Employee Benefits Carriers  
from a Survey of Large Employers and Brokers  
(Q2, 2022)

National Employee Benefits Advisory Forum (NEBAF)

## Background & Methodology

The National Employee Benefits Advisory Forum (NEBAF) conducted a special online information exchange conducted in Q1 2022 to understand its large employer members' opinions of and experiences with the employee benefits industry, including their interactions with employee benefits carriers.

The information in this report is based on an online survey taken by roughly 1000+ HR decision makers at organizations with 5,000+ employees (a small subset of organizations with 1000+ employees from the Healthcare sector were included as well).

For this study, we asked employers to identify those carriers that provide non-medical benefits to their organization, and then asked a series of questions about one or more carriers that were randomly selected among the list each employer provided. We've aggregated these results and have reported average scores for the purposes of this briefing.

This exchange contains similar topics and questions to a special online exchange conducted in Q1 of 2022 among about 1,000 group employee benefits brokers and consultants, and another conducted among employers in Q1 of 2021, and where possible, results of the three studies are compared. *Please note that employers' responses represent the views of those working in large organizations, while brokers' responses represent views of consultants and brokers serving a wide range of client sizes.*

## Executive Summary

This report shares findings about large employers' interactions with non-medical carriers and satisfaction with various aspects of the employer-carrier relationship. Where possible, we also provide comparisons to responses of brokers to similar questions from a recent study, as well as responses to similar questions asked of large employers last year.

- Employers surveyed, in both 2022 and 2021, report being most commonly involved with non-medical carriers in the following ways: renewing a benefits program, reviewing a proposal from a carrier, and dealing directly with carrier reps (of some kind).
  - Brokers report being most commonly involved with non-medical carriers by submitting an RFP, placing non-medical business with a carrier, or evaluating quotations or proposals for non-medical benefits.
- When we asked employers recently, and in 2021, about their satisfaction with specific carriers, just under half report that they are "very satisfied" in carrier problem resolution and carrier enrollment support. No employers (in either year) are dissatisfied; the remainder are more moderate in their satisfaction.
  - In a recent study, brokers were also asked about satisfaction in these same areas, and their ratings parallel employer results.
- When it comes to overall satisfaction with their relationship with specific carriers, just under half of participants report they are "very satisfied."
  - Employers in 2021, and brokers in 2022, reported similar trends.
- We asked employers how satisfied they are with carriers in various specific aspects of the employer-carrier relationship.
  - Overall, satisfaction with carrier reputation rated the highest; this also rated the highest among brokers in 2022 and employers in 2021.
  - Accuracy and efficiency of the payroll deduction process scored second-highest; this was not ranked in the top five by employers in 2021.
  - Large employers report the lowest satisfaction with value from bundling, as well as development of custom solutions for employers. Neither of these were reported in the bottom five by employers in 2021.
  - While brokers' areas of lowest satisfaction were somewhat different, their lowest satisfaction was with ability to combine medical and non-medical benefits, which, like employers' low satisfaction with bundling, relates to maximizing plan value.



## Executive Summary, cont.

- When participants were asked to what degree their relationship with their carrier(s) has improved or declined in the past year, most offer moderate responses, though none report that their relationships have “significantly declined.”
- Most participants indicate their non-medical plans and service/administration needs are relatively straightforward, as opposed to relatively complex, when asked to choose between these two options.
  - Equivalent percentages of employers said the same in 2021.
- Finally, most employers agree the priority is obtaining ‘best in class’ for each individual benefit, even if that means dealing with different carriers, as opposed to gaining efficiencies by sourcing as many benefits as possible from the same carrier.
  - Employers asked the same question in 2021 also favored the ‘best in class’ approach.

# Employers and Employee Benefits Carriers

We asked participants about their interactions with non-medical employee benefits carriers, as well as their level of satisfaction with certain non-medical carriers (as mentioned in the Background & Methodology) in various areas.

## Interactions with Non-Medical Carriers in Past 12 Months

We first asked large employers to indicate with which of several interaction types they have been personally involved in the past 12 months with regard to non-medical insurance carriers. *In order to participate in this study, participants were required to have been personally involved in at least one of the activities asked about.*

In the past twelve months, **approximately two-thirds of participants say they have interacted with carriers in the following ways:** renewed a benefits program, reviewed a proposal from a carrier, and dealt directly with carrier reps (of some kind). Fewer, less than half, have been involved in on-boarding activities with non-medical carriers in the past year.

We asked large employers the same question in a special online exchange last year. In 2021, similar percentages of participants interacted with carriers in all the ways described above. Slightly more large employers in 2022 reviewed and/or renewed a proposal from a carrier or benefits program than in 2021, while slightly fewer large employers in 2022 dealt directly with carrier reps. Results are detailed in the chart below.

### Interactions with Non-Medical Carriers in Past 12 Months, % Saying Yes

*Base: Employers were required to have been personally involved in at least one of the following activities in order to participate in this study*

|  | Large Employers<br>2022 | Large Employers<br>2021 |
|--|-------------------------|-------------------------|
| Renewed a benefits program   | 68%                     | 65%                     |
| Reviewed a proposal from an insurance carrier  | 64%                     | 60%                     |
| Dealt directly with a non-medical insurance benefits carrier's benefits service, operations or sales representative(s) | 63%                     | 66%                     |
| On-boarded / Implemented a new benefits program  | 48%                     | 47%                     |
| Helped/on-boarded a new carrier or solved an issue with an insurance carrier   | 46%                     | 44%                     |

## Spotlight on Trends: MetLife's Annual U.S. Employee Benefits Trends Study

MetLife recently released the results of its 20<sup>th</sup> annual employee benefits trends study, which was conducted in November 2021, among 2,700 HR decision-makers and 3,000 full-time employees.

As part of their findings, MetLife identified top areas where employers can influence the satisfaction of their workforce, via an emphasis on employees' "holistic well-being." Some of these are new and a likely direct or indirect result from the COVID-19 pandemic. Others predate the pandemic, but the pandemic continued to contribute to the intensity of the trend.

MetLife's 2022 Findings:

1. Only 70% of employees say they intend to be in their current organization in 12 months.
2. Almost three quarters of employers identify stress and/or burnout as a concern for their organization.
3. Employees whose work is purposeful are two times more likely to stay at an organization.
4. Employees whose jobs allow "flexibility and work-life balance" and "career/development training opportunities" are almost two times more likely to stay at an organization.
5. Wellness programs and benefits, and workplaces with "social and supportive cultures" contribute to satisfaction; employees are about 1.5 times more likely to stay when these are present.

To view the full details of the report, visit: [metlife.com/ebts2022](https://metlife.com/ebts2022)

## Interactions with Non-Medical Carriers in Past 12 Months, cont.

We also asked brokers similar questions in a recent special online exchange. **As would be expected, brokers report higher incidences of interacting with non-medical carriers. More than nine in ten brokers say they have had the following interactions in the past year:** evaluated quotations or proposals for non-medical benefits, submitted an RFP, and placed any non-medical business with a carrier.

## Satisfaction with Carrier Problem Resolution

We asked large employers to rate their satisfaction with specific carriers' abilities to follow up and ensure problems or issues are resolved.

**Just under half of participants, on average, indicate they are "very satisfied" with carriers' ability to follow up and ensure problems or issues are resolved to the client's satisfaction.** More than half offer moderate responses, and none say they are not satisfied.

Similar to this year's data, when large employers were asked the same question in 2021, half of participants also said they were "very satisfied" with carriers' ability to follow up and ensure problems or issues are resolved to the client's satisfaction. As with this year, none said they were not satisfied.

We also asked brokers the same question in a recent special online exchange. As with large employers this year, just under half of brokers say they are "very satisfied" with carriers' ability to follow up and ensure problems or issues are resolved to the client's satisfaction. Only 2% say they are not satisfied, while the remainder provide moderate responses.

Given the pace of change and increased dependence on technology that has come with the pandemic, these results are positive for insurance carriers.

## Satisfaction with Carrier Enrollment Support

We also asked participants how satisfied they are with the same carrier's ability to support employee enrollment through communication and engagement activities.

**In this area, just as with problem resolution, just under half of employers surveyed are "very satisfied" with the carrier(s) they rated, on average.** No employers report being not satisfied with carrier enrollment support.

These results are consistent with 2021, where half also said they were "very satisfied" with the carrier's ability to support enrollment, and none reporting being not satisfied.



## Satisfaction with Carrier Enrollment Support, cont.

We also asked brokers, in a separate recent online exchange, how satisfied they were the carrier's ability to support enrollment through communication and engagement activities. Brokers report very similar levels of satisfaction as compared to employers.

In other research we've conducted, we often hear about the importance of enrollment support, especially since the Covid-19 pandemic has limited in-person enrollment opportunities for employers. Carriers don't want to take their 'foot of the gas' in this area and will want to continue providing effective communication, education, and technology to support enrollment.

## Satisfaction with Overall Relationship with Carrier

We then asked participants to rate their satisfaction with their overall relationship with the carrier(s).

**Results closely follow ratings of carriers in other areas. Overall, just under half of large employers indicate they are "very satisfied" with their overall relationship with the carrier(s) asked about.**

In 2021, large employers were asked the same question, and responses were slightly more favorable, with just over half of employers reporting they were "very satisfied" with overall carrier relationships.

We also asked this question of brokers in a recent special online exchange. **Interestingly, just over half of brokers, like large employers in 2021, are "very satisfied" with the carrier(s) asked about.**

While this is generally positive for some carriers (i.e. that just under half of employers, and just over half of brokers, are "very satisfied"), large employer satisfaction is trending slightly lower than last year. That trend, coupled with the more than half of large employers who are only moderately satisfied with their current relationship, suggest there may be room for improvement.

## Satisfaction with Aspects of Carrier Relationships

We then asked large employers how satisfied they are with certain carriers in various aspects of the employer-carrier relationship.

The top five and the bottom five areas of satisfaction, in aggregate, along with comparisons to broker responses of the same question asked of them in a recent exchange, are listed below. Employers and brokers were asked about different aspects of their carrier relationships, as applicable.

## Satisfaction with Aspects of Carrier Relationships, cont.

**This year, large employer participants report the highest satisfaction**, on average, with the following aspects of the employer-carrier relationship (top five, in order of scores [ties exist across these results]):

1. Carrier's reputation
2. Accuracy & efficiency of payroll deduction process
3. Overall value for provided benefits and services
4. Timeliness throughout the renewal process
5. Clarity of benefits and covered services to employees

**In 2021, large employer participants reported the highest satisfaction**, on average, with the following aspects of the employer-carrier relationship (top five, in order of scores [with a tie for 3<sup>rd</sup> place]):

1. Carrier's reputation
2. Information security, controls and practices
3. Accuracy & quality of implementation & enrollment
4. Value from bundling
5. Timeliness of implementation

**Comparatively, brokers' top five areas of satisfaction this year**, on average, are (top five, in order of scores):

1. Carrier's reputation
2. Consultative sales team with local market expertise
3. Ease of understanding compensation plan
4. Proposal clarity and relevance
5. Ease of getting the right person for a specific need

All groups are most satisfied with carrier reputation. Beyond that, employers name different areas with which they are most satisfied. These areas vary from this year to last, but tend to focus on accurate processes, timeliness of implementation/renewal, and value. Brokers tend to focus on aspects related to the proposal process.

**Employer participants indicate they are least satisfied with the employer-carrier relationship**, on average, in the following areas this year (bottom five, in order of scores lowest to highest [there are a number of ties across these results]):

1. Value from bundling
2. Development of custom solutions for employers
3. Provision of forward-thinking best practices, industry trends, & research/analysis
4. Quality and clarity of Marketing/Communications collateral
5. Ability to partner with enrollment firms

**In 2021, large employer participants indicated they were least satisfied with the employer-carrier relationship**, on average, in

## Employer-Provided Benefits: Perspectives from SHRM

The Society for Human Resource Management (SHRM) recently conducted a study on the topic of employer-provided benefits. Here are some details and a link to the full report below.

In September, October, and November 2020, and then in May and June 2021, SHRM surveyed employers regarding employers' response to the Covid-19 pandemic. Roughly 2,500 HR professionals shared their opinions.

Key findings included:

- Over three quarters of employers increased options for telework, in response to the Covid-19 pandemic.
- Employers have expanded benefits relevant to remote/hybrid employee needs, including telemedicine, mental health resources, and parental leave benefits.
- Availability of paid family has increased to its highest level in the past 5 years; just over half of employers offer paid maternity leave (over and above what is required by state law or short-term disability).
- Benefits available virtually increased in 2020, such as stress management resources, personal or life-coaching, and/or meditation or mindfulness programs.

The full report can be accessed at:

<https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/shrm-benefits-survey-finds-renewed-focus-on-employee-wellbeing.aspx>

## Satisfaction with Aspects of Carrier Relationships, cont.

the following areas (bottom five, in order of scores lowest to highest [there are a number of ties across these results]):

1. Proactivity of suggesting value-adds & design alternatives
2. Speed of request resolution
3. Flexibility, Customization of plan design
4. Ability to partner with enrollment firms
5. Use of technology to improve employee experience

**For brokers, the following are areas of lowest satisfaction, on average this year (bottom five, in order of scores lowest to highest [there are a number of ties across these results]):**

1. Ability to combine medical and non-medical benefits
2. Environmental sustainability
3. Proactive, consultative expertise in third-party and provider landscape
4. Ability to find opportunities for brokers
5. Use of technology to improve broker experience

This year large employers and brokers identify different areas of lowest satisfaction. Large employers last year, however, have some overlap with this year's large employers. Both groups named some type of flexibility/customization and ability to partner with enrollment firms. This year's lowest area of satisfaction, value from bundling, is new, and a change from 2021, when value from bundling was in the top 5 for areas of highest satisfaction for employers. This may be an opportunity for brokers to provide additional guidance to employers.

## Degree to which Carrier Relationship has Improved/Declined in the Past Year

We asked participants, when thinking about their relationship with their carrier(s), to what degree this relationship has improved or declined in the past 12 months. Participants were asked to rate specific carriers as mentioned in the Background & Methodology.

**Overall, nearly four in ten large employers surveyed think that their relationship with rated carriers have, on average, “very significantly” improved.** None of the participants report that their relationships have “very significantly” declined. Most employers react moderately in this area.

We also asked brokers the same question in the same way in a recent special online exchange. **Brokers provide lower ratings; about a quarter say their relationships have, on average, “very significantly” improved.** Though only two percent of brokers indicate their relationships have “very significantly” declined, there is definitely room for improvement here.

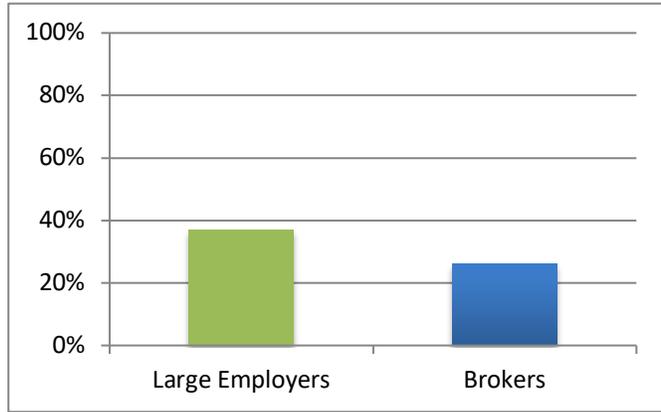
See results in the chart on the next page.



## Degree to which Carrier Relationship has Improved/Declined in the Past Year, cont.

Again, given the pandemic and the challenges faced, these scores are positive.

### **Aggregate Degree to which Relationship with Carrier has Improved Rated, % Saying "Significant Improvement"**

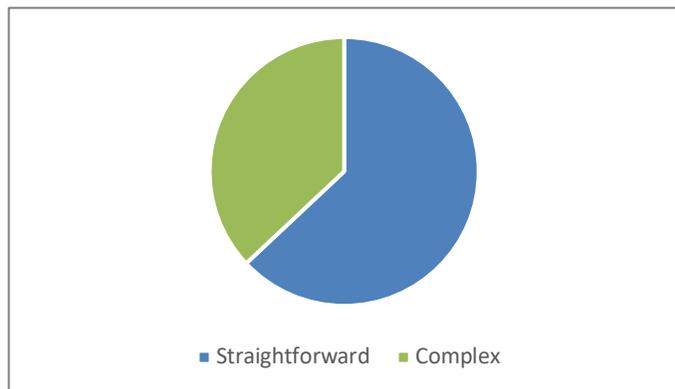


## Complexity of Benefits Plans and Service Needs

We then asked participants which of two options better describes the overall complexity of the non-medical benefits plans and service/administration needs they have with specific carriers (as described in the Background & Methodology)

**Just over six in ten participants indicate their non-medical plans and service/administration needs are relatively straightforward, e.g. 1 or 2 plans or plan designs, minimal customization, few variations by population.** The remainder, almost four in ten, indicate their plans and needs are relatively complex, e.g. multiple plans or plan designs, custom solutions, and/or variations by population. Results are shown below.

### **Overall Complexity of Non-Medical Benefits Plans and Service/Administration Needs with Specific Carrier(s), % Choosing Straightforward or Complex**





## Complexity of Benefits Plans and Service Needs, cont.

In 2021, large employers were asked the same question, and responses were very similar, with six in ten employers reporting their plans and service/administration needs are straightforward, and four in ten reporting their plans are complex.

### Extent of Factors in Deciding on Carriers

Finally, we asked large employers which of two factors:

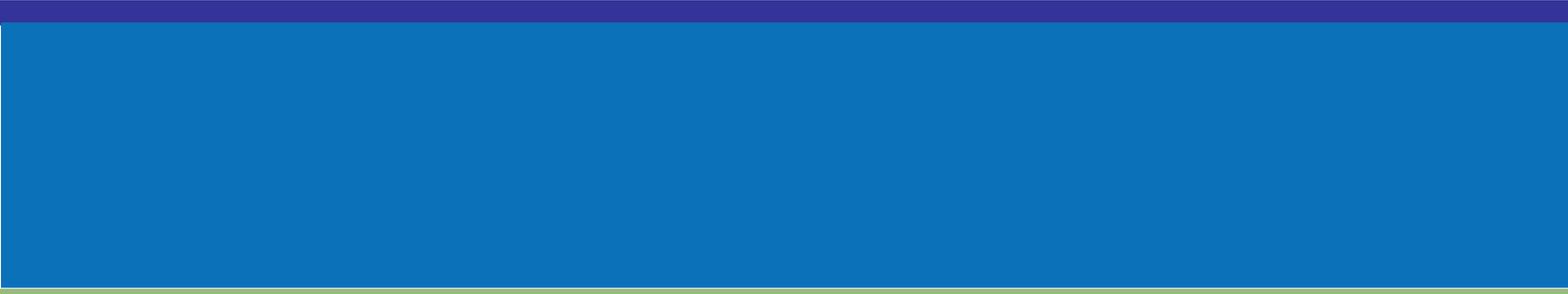
- the advantages of obtaining ‘best in class’ for each individual benefit, even if that means dealing with different carriers
- the efficiencies and other advantages of sourcing as many benefits as possible from the same carrier

... is the priority, and to what extent, when their organizations are deciding which carriers to obtain benefits from.

**Most employers agree the priority is “the advantages of obtaining ‘best in class’ for each individual benefit, even if that means dealing with different carriers.”** Almost two thirds select a response closer to this option (7 to 10), set at ten on a 10-point scale. Fewer agree “the efficiencies and other advantages of sourcing as many benefits as possible from the same carrier is the priority”; just under a quarter selected a response closer to this option (0 to 3), set at zero on a zero-point scale. Fewer than two in ten offer a neutral response (4 to 6 on a 10-point scale).

We asked large employers the same question in 2021, and the responses were very similar.

These results are not surprising to see, given the current employment climate, the great resignation, etc. Employers clearly see value in obtaining and offering employees best-in-class benefits.



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