



Is your employee benefits strategy aligned with your organization's long-term goals? **WHAT DO BEST PRACTICES LOOK LIKE AND WHAT ARE YOU WORKING TOWARDS?**

Each organization is unique, so your benefits strategies should reflect your goals. Taking a cookie-cutter approach, product driven approach or investing in every trend that comes along can be problematic. While new and exciting ideas can be tempting, it would be counterproductive and impractical to implement employee benefit strategies that don't align with your workforce or goals.

Instead, let's take a step back and consider the process of strategic planning, in addition to the strategies themselves.

Your strategic benefits plan should be a cornerstone of your organization

The purpose of the strategic planning process is to identify which tactics, trends or solutions match up best to your organization's particular goals and requirements. The strategies for a manufacturer often won't work the same for a school district. There are certainly some common elements to strategic planning but copying another employer's work could easily result in a failing grade. Employers need to carefully consider the following when developing a strategic plan:

- **Employee benefit costs** — employer premiums for health insurance continue to outpace inflation as costs for employees continue to increase beyond wages, according to the latest Kaiser Family Foundation benefits survey.
- **Benefit communications** — for all the perks, employees won't utilize the



benefits offered to them if they don't know about or understand them.

- **Employee engagement and consumerism** — using a health plan and other benefits properly is more critical now than ever before. As benefits become more complex and sophisticated, proper utilization becomes more impactful.
- **Compliance.** The laws impacting employee benefits are constantly changing, and employers need the right expertise to keep up, not only as laws change, but also when a change in strategy leads to new issues the employer has not had to face before.

The strategic planning process

Like the strategies themselves, the strategic planning process can differ from one employer to the next. Some employers can complete the process in one meeting, while others may prefer or need additional sessions. Whether it takes one meeting or several, employers

should follow these three phases to stay on track:

1. Pre-planning

Complete this phase 30 or more days ahead of the strategic planning meeting and identify:

- The meeting date/time
- Process participants
- Desired deliverables
- Benefits to be discussed
- Length of the plan (three years is typical, but your plan should also build in an annual review process to stay on top of trends, compliance considerations, and other changes in the marketplace)

2. Discovery

During this phase, it's important that all participants, regardless of job title, feel comfortable asking questions and expressing their ideas. It's often the employees and not the top executives who take the pulse of the workforce and can offer valuable insights. This openness is crucial because the strategic plan should reflect both the needs and interests of the employer as well as its employees. During this phase, take time to cover the following:

- Complete a SWOT analysis (identify strengths, weaknesses, opportunities, and threats) of the current benefit package and carriers
- Based on the SWOT analysis, determine the top three or four challenges to solve for over the course of the strategic plan timeline
- Develop a vision statement if desired
- Identify any specific benefit trends that the participants want to learn about during the next phase
- Discuss current methods of communicating benefit offerings to employees and dependents

3. Education

Employers often benefit from examining plan design summaries, current rates, carriers, and renewal dates, benchmark comparison reports

(showing how your benefits compare to similar organizations), wellness data, and other factors.

Conclude this phase by exploring emerging trends in employee benefits that are most relevant to your organization. Since trends in employee benefits can change rapidly, it's critical for employers to partner with a benefits consultant who's committed to staying on top of current trends. An effective strategic planning process will help filter out the noise and present your organization with options that best match your goals and requirements.

Key outcomes

In the end, an effective strategic planning process will:

- Identify short- and long-term goals and provide an actionable roadmap to realize your future vision
- Reveal strengths, weaknesses, and opportunities of existing employee benefits
- Consider the potential impact of industry trends and external factors
- Align your benefit program with your organization's objectives
- Form a consensus among all stakeholders on the planned future vision for the organization

Strategic planning can help manage costs while increasing efficiency and productivity in a complex business climate. A reliable strategic planning process ensures that each tactic — and the people carrying them out — are working to fulfill your goals.

What does best practice look like?

- Engagement: Involve all constituents in the process
 - Leadership (Admin / Board) / Staff / Providers/ TP
 - Communicate/Educate continuously
- Primary Care
 - Some do through near site clinic if access issues.



- Focus on Population Health
- Evolution during COVID (Virtual)
- Incentivized utilization of high value providers (Value Based Purchasing)
 - Musculoskeletal
 - Imaging
 - Pills
- Transparency/Consumerism Tools

- Strong Pharmacy Benefits Manager Partner

Register for our [upcoming webinar](#) to ensure your strategic benefits plan aligns with your organization's long-term goals.

For more information about strategic planning, please [contact us](#).

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