



NJ Car Annual Benefits Roundtable

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Agenda

1. NJ Car Survey Highlights
2. Mitigating Renewal Increases
3. Using Benefits to Attract and Retain
4. Easing Administrative Burdens
5. Compliance

A large blue circle containing the text "NJ CAR Annual Survey". To the left of the circle is a dashed green arc, and at the bottom right edge of the circle is a small purple circle.

NJ CAR Annual Survey



NJ CAR Benefits Survey 2024 – Executive Summary

- In 2023, we saw another increase in dealerships offering three or more plans, reaching 58%.
- Offering diverse plans to meet the needs of diverse populations is a sound strategy to aid in the attraction and retention of employees.
- We did see a modest shift in carrier selection where Cigna gained market share, at the expense of the other prominent insurers.
- We continue to see dealerships embrace self-insurance with slightly less than 40% choosing that financial model





NJ CAR Benefits Survey 2024 – Executive Summary

- High Deductible Health Plans (HDHP) continue to see growth in popularity, with close to two thirds of all stores reporting that they offer a HDHP, and 30% saying it is their most popular plan.
- We also see a slight reduction in dealerships funding a part of the deductible in 2023, but there is still a long-term trend toward funding a high percentage of the deductible.
- One trend that may be concerning is that employee maximum out-of-pocket costs continue to rise.
- While ancillary benefit offerings were relatively stable in 2023, it is still worth noting that close to 100% of all dealerships report offering life insurance





NJ CAR Benefits Survey 2024 – Executive Summary

- According to our survey, health insurance premiums increased an average of 6.6% in 2023.
- We saw a decrease in dealerships settling for double digit renewal increases at 22% of respondents in 2023 vs. 28% in 2022.
- Dealerships contributed slightly less in 2023 than in 2022, signaling a post-pandemic shift.
- Unlike 2022, employee costs in 2023 rose faster than employer costs. It is difficult to forecast future renewal levels, but early indications suggest that average renewal rates will be at or above 2023 levels.





NJ CAR Benefits Survey 2024 – Executive Summary

- Putting some perspective on this survey, we looked at the results of premiums for employer-sponsored health coverage nationwide.
- According to a survey by the Kaiser Family Foundation (KFF), they rose about 7% in 2023.
- The annual change in premiums is slightly higher on a year-to-year rise than workers' earnings and inflation.
- Since 2016, average family premiums have increased 32% (almost twice as fast as inflation), while wages have increased 26%.





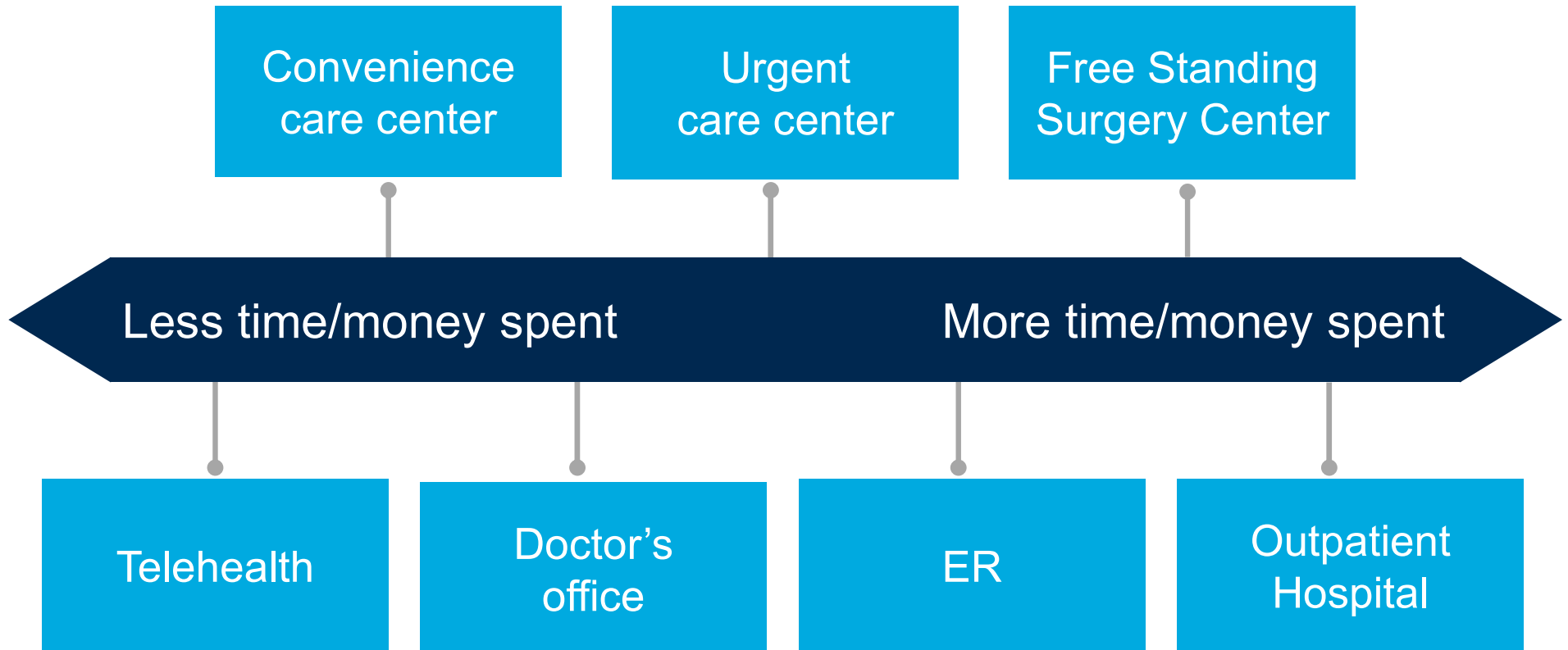
Mitigating Renewal Increases

Benefits Cost Drivers

- Place of Care
- Pharmacy
 - Formulary
 - Rebates
 - Specialty Drugs
- High Cost Claimants
- Plan Funding



Know Where to Go!





Pharmacy Strategy



An objective analysis using recent data is crucial to develop and measure a successful PBM strategy.



Updated and Competitive
contract terms
and conditions



Clinical / UM
program
**inventory /
review**



Optimized
benefit design
that drives desired
behaviors

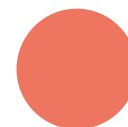


Specialty
solutions for
high-cost claims

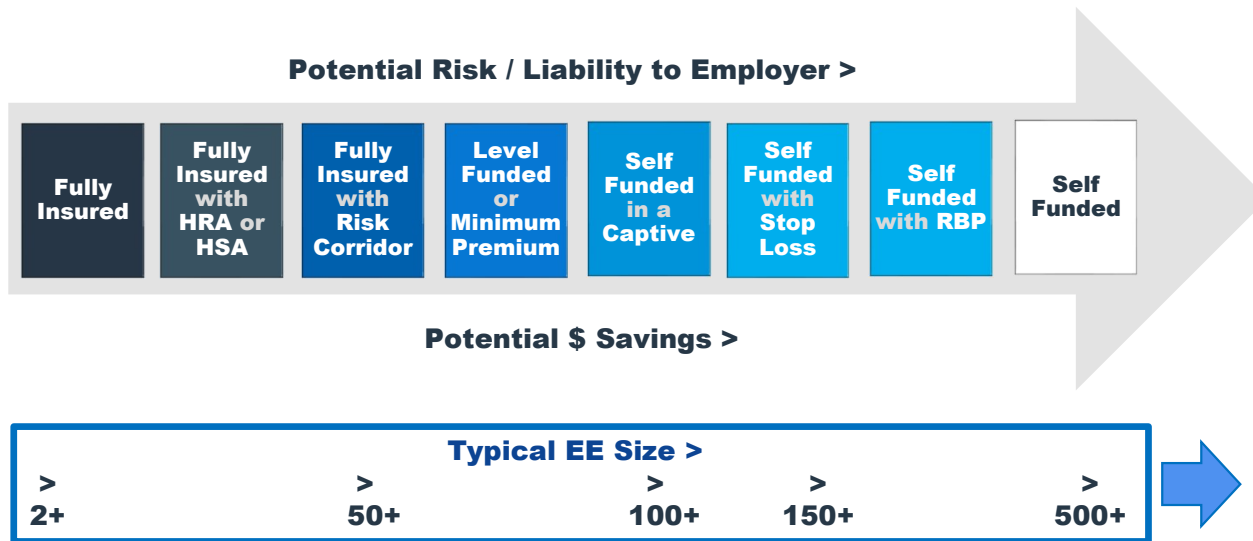


High-Cost Claimants

- Medical vs. Rx?
- Stop Loss Contract Terms
- Medical Management “Add-ons”
- Data Analytics (Predictive Modeling)
- Wellness Programs



Claim Funding Continuum





Using Benefits to Attract and Retain



Benefits Considerations

- Benefits Portfolio (Including Wellness)
- Generational Workers
- Voluntary “Wants”
- Benchmarking
- Quality Employee Experience





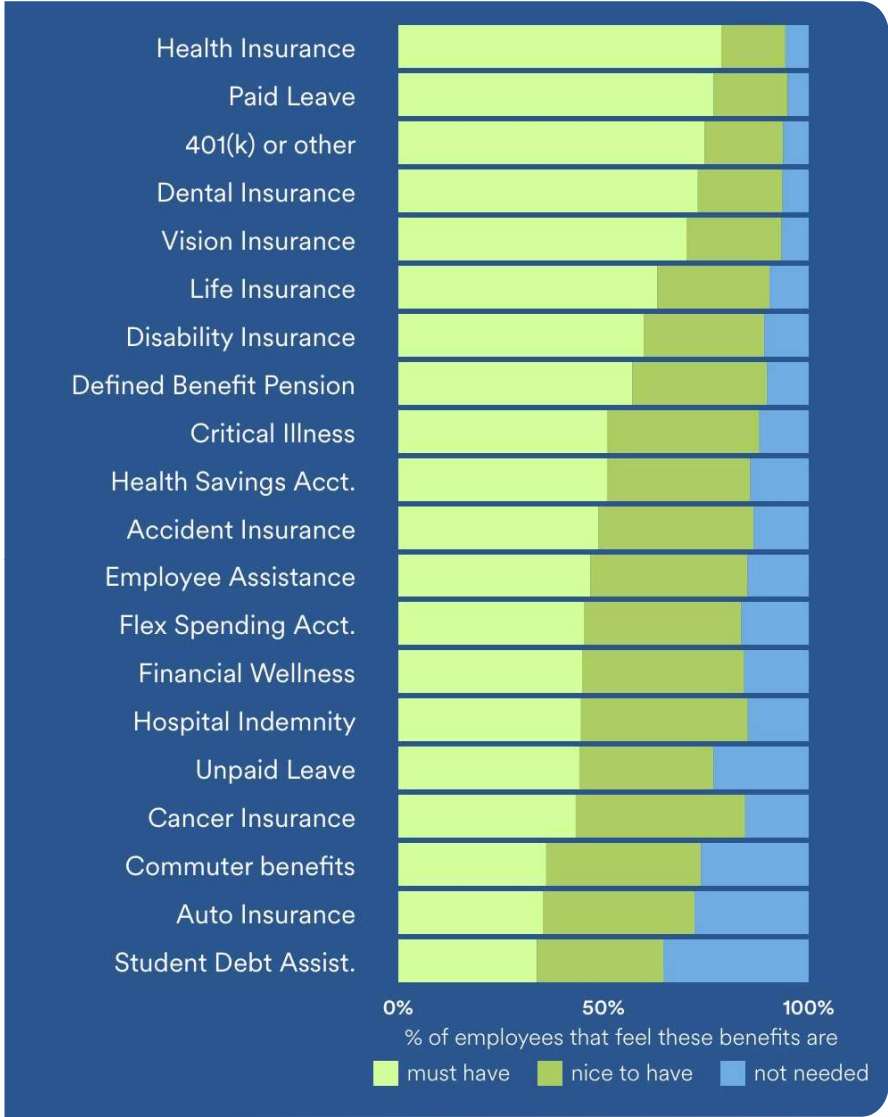
Building Blocks of a Balanced Benefits Portfolio



Effectively Engage the Five Generations of Workers



Generation:	Silent Generation	Baby Boomers	Gen X	Millennials	Gen Z
Age	75 +	56 - 74	40 - 55	24 - 39	< 24
Communication Strategy	Meet with Me	Meet/Mail me	Call Me	Email me	Text me
Concerns & Well-being	Remain healthy and productive at work until ready to retire	Providing for family and retirement	Buying a home, supporting families, financial future	Concerned with finances and their future	Beginning their career
Medical Benefits	Likes choice (PPO) but can afford (HDHP)		Likes choice (PPO), Understands In-Network only (EPO)	HDHP or low cost option (EPO)	Likely still on Parents Plan
	Likes HSA retirement savings option				
Voluntary / Disability	ID theft, permanent life, LTD	Term life, CI, ID theft and LTC; Disability - Values coverage	Cancer, accident, 529 plan, home/auto; Needs Disability but must be educated	Home/auto, financial wellness, student loan repayment, accident, ID theft	Pet Insurance



Voluntary Benefits: Trending Solutions

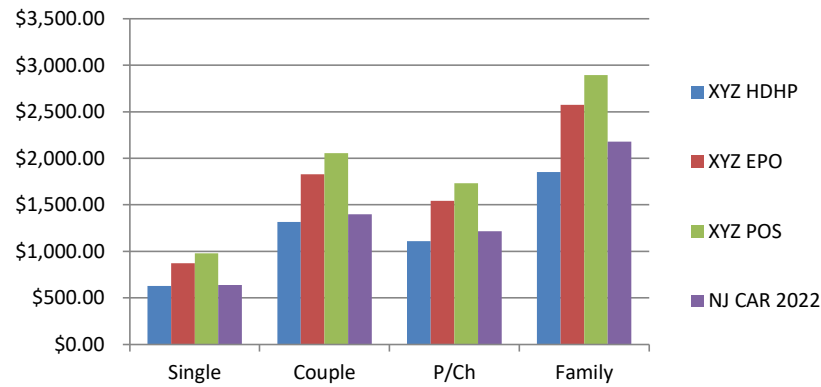
MetLife Trends Study 2023



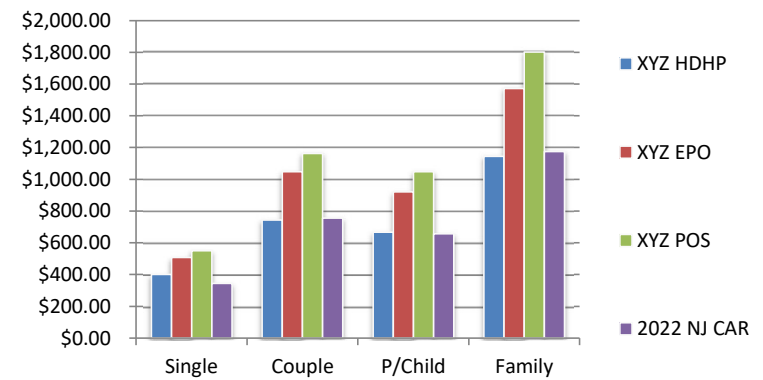


Benchmarking “XYZ Motors”

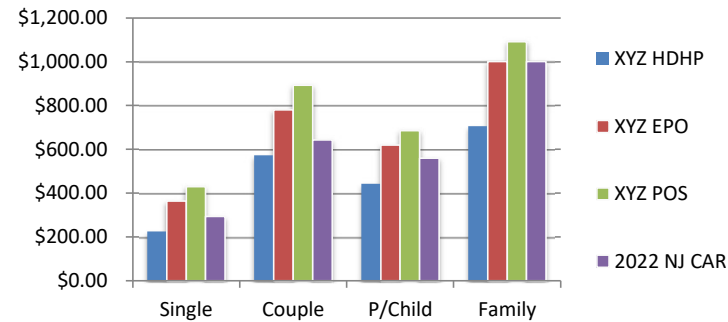
Average Monthly Plan Premium by Tier



EMPLOYER Monthly Cost Sharing

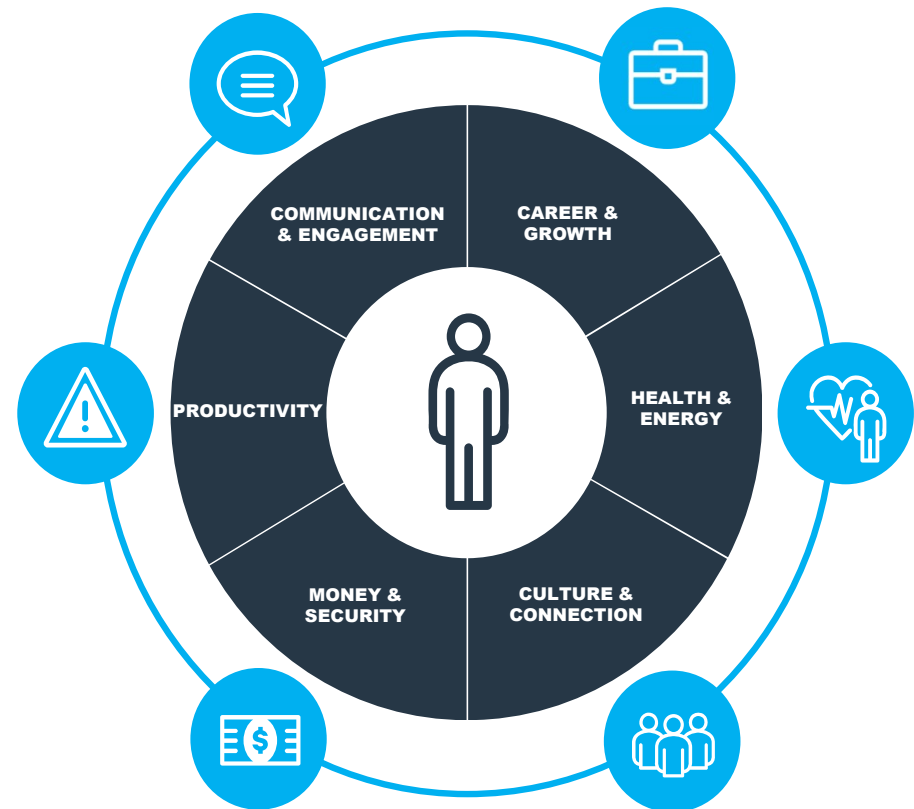


EMPLOYEE Monthly Cost Sharing



A Quality Employee Experience

- Every dimension of an individual's performance and health is **interconnected**.





Easing
Administrative
Burdens



Easing the Administrative Burden

- Employee Advocacy / Claims Resolution
- Mobile Applications
- Benefits Administration





Employee Advocacy Services

Employee Advocacy Units are NOT Call Centers...but rather a **first-party**, administrative and advocacy support team providing response and resolution for employees and their dependents.

Your Employee Advocate team member is an extension of your organization and available to employees/dependents in a variety of ways, making it a simple and seamless engagement.

Key Responsibilities

- Respond to inquiries
- Resolve claims & billing issues
- Benefit plan coaching/education
- Research care providers/facilities
- Client initiative support
- Plan utilization & trend reporting

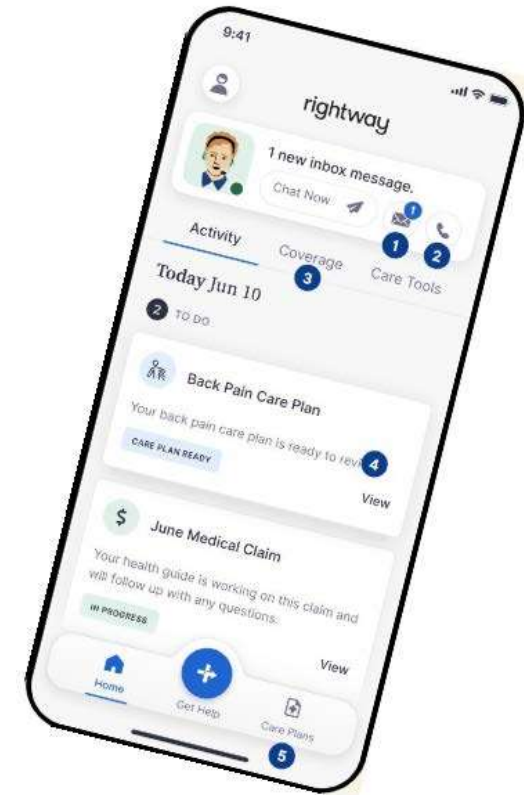
Key Operational Points

- Average 22 years industry experience – Not Entry Level
- Multi-lingual
- National time zone (M-F 8:30am-8:00pm ET)
- Recorded calls
- Counseling approach

Mobile Application

Mobile applications give plan participants direct access to their dedicated advocacy team member and the tools and resources to help them better utilize their benefits.

- One-click connection with their dedicated Employee Advocacy Team
- Insurance Coverage
- Provider Search
- Appointment Scheduler
- Prescriptions
- Review or Dispute a Bill
- Price Tools
- Benefits Navigation



Benefits Administration



ENROLLMENT

Support new hires, open enrollment, life event and status changes



DOCUMENT MANAGEMENT

Process, generate and store required documents/notifications



DATA MANAGEMENT

Electronic Data Interchanges (EDI) with carriers, vendors and payroll - including discrepancy/error reporting



COBRA

Mail Initial Rights/Qualifying Event Notices within mandated timeframes, generate monthly payment coupons/invoices to COBRA participants, collect and confirm receipt of COBRA premiums, etc.



ELIGIBILITY MAINTENANCE

Qualified life event/status change processing, evidence of insurability (EOI) management and ongoing dependent eligibility verification



TRACKING

Access to dashboards for important information and (auto) notifications regarding to-do's



PREMIUM SUPPORT SERVICES

Deliver monthly premium general ledger statements



INFORMATION REPORTING

Create, schedule and auto-generate specific reports for the management and compliance of your program



Easing the Administrative Burden - Summary

- ❑ Less Administration - More Efficiency
 - Allows HR team to focus on more strategic and impactful goals

- ❑ Reduce Costs and Continuity
 - Eliminate the need for additional staff members to handle administrative HR functions
 - Ensures continuity in the event of internal turnover

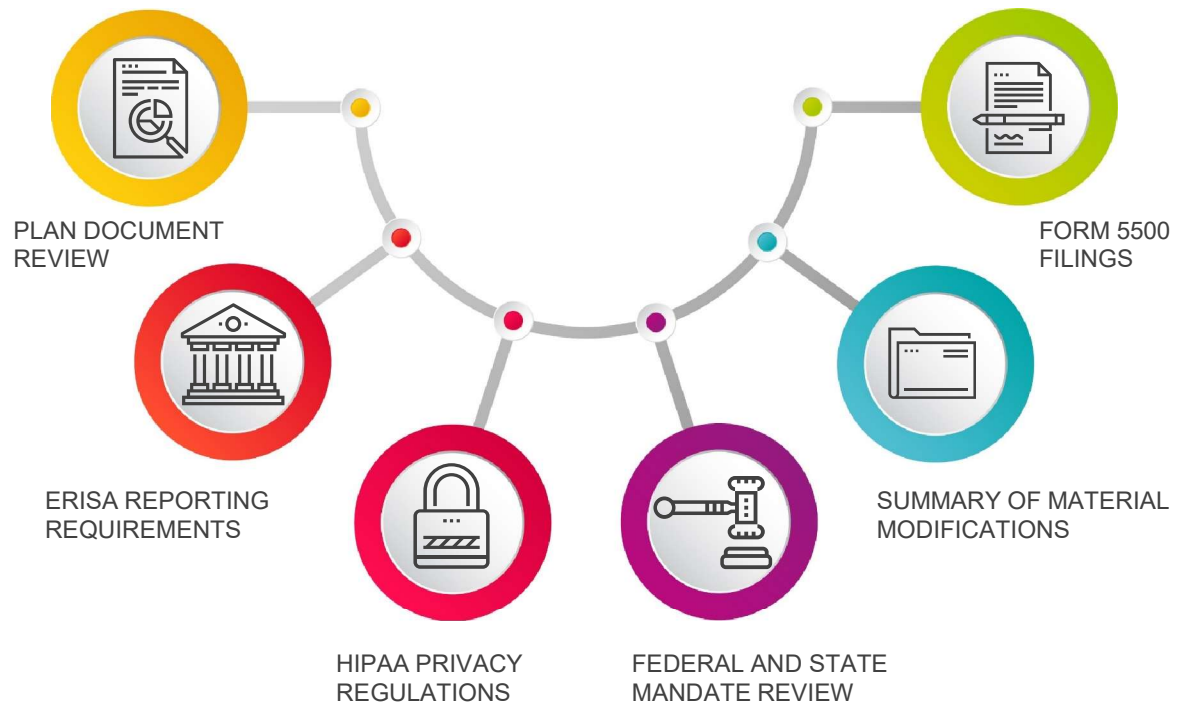
- ❑ Employee Experience
 - Outsourcing allows the HR team to be more responsive to employees' other concerns, leading to higher employee engagement and retention





Compliance

Compliance Services





Open Discussion Q&A



Thank you

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