

## Benefitfocus Annual State of Employee Benefits Finds Health Savings Accounts (HSAs) Gaining Traction

### Tax-advantaged health saving in vogue as employees assume more responsibility for health care costs; health and personal finance no longer mutually exclusive

CHARLESTON, S.C., Jan. 31, 2017 /PRNewswire/ --[Benefitfocus, Inc.](#) (NASDAQ: BNFT), a leading provider of cloud-based benefits management software, today published its second annual "[State of Employee Benefits](#)" research report, a snapshot of real, but anonymous benefit election data from employees across more than 500 large employers on the [BENEFITFOCUS® Platform](#). New for 2017, the report includes average salary data, which provides greater context around employee behavior including saving habits. For example, health savings account (HSA) popularity is on the rise among most generations in the workforce—millennials in particular—who contributed up to 20 percent more on the Benefitfocus Platform than in 2016.



"This year's report documents the continued shift by employers to consumer-driven health care plan designs," said Benefitfocus Co-founder and CEO Shawn Jenkins. "Employers and employees on the Benefitfocus Platform continue to see greater choice, personalization and benefit from the intersection of health care with personal finance."

Data show that PPO deductibles increased and are approaching the IRS threshold to be considered a high-deductible health plan (HDHP). Similar to last year's report, millennials continued to adopt HDHPs at a higher rate than their peers, especially those under the age of 26, whose election rate rose from 41 percent in 2016 to 45 percent in 2017.

The report identified five themes for the 2017 plan year:

- 1. Employees have more choice in health care benefits.**  
High-deductible health plans (HDHPs) now appear in three out of every five large employer benefit offerings, but PPO plans remain the most popular choice for employees.
- 2. Health plan participation fluctuates with age and wage.**  
Employees over the age of 36 who select an HDHP have up to 17 percent higher salaries on average compared to those selecting a PPO.
- 3. Employee costs are up significantly, regardless of health plan.**  
Average out-of-pocket maximums for PPOs increased by double-digits from 2016 to 2017, while for HDHPs they increased approximately 5 percent.
- 4. Employees, especially young ones, are saving more.**  
Employee contributions to health savings accounts (HSAs) and flexible spending accounts (FSAs) are up, with millennials dramatically increasing their contributions.
- 5. Employers are increasingly embracing voluntary benefits.**  
Nearly half of large employers on the Benefitfocus Platform now offer at least one voluntary income protection benefit (accident, critical illness or hospital indemnity insurance), and the number of employers offering all three products nearly doubled compared to 2016.

"Employers continue to offer more choice in benefits - both with HDHPs and voluntary benefits - to help employees personalize their benefits to best suit their unique health and financial needs," said Jenkins. "Based on the data, it's clear that individuals on the Benefitfocus Platform are becoming savvier benefit consumers, carefully considering their financial and health situation with each plan. As employers continue to shift additional financial responsibility for health care to their workforce, they must invest in leading technology, resources and tools that guide employees to better informed decisions."

For more findings, download the full [Benefitfocus State of Employee Benefits 2017](#) report.

## **About Benefitfocus**

Benefitfocus (NASDAQ: BNFT) provides a leading cloud-based benefits management platform that simplifies how organizations and individuals shop for, enroll in, manage and exchange benefits. Every day leading employers, insurance companies and the consumers they serve rely on our platform to manage, scale and exchange benefits data seamlessly. In an increasingly complex benefits landscape, we bring order to chaos so our clients and their employees have access to better information, make better decisions and lead better lives. Learn more at [www.benefitfocus.com](http://www.benefitfocus.com), [LinkedIn](#) and [Twitter](#).

*Except for historical information, all of the statements, expectations, and assumptions contained in this press release are forward-looking statements. Actual results might differ materially from those explicit or implicit in the forward-looking statements. Important factors that could cause actual results to differ materially include: the need to innovate and provide useful products and services; changes in government regulations; the immature and volatile nature of the market for our products and services and other factors that could impact our anticipated growth; management of growth; fluctuations in our financial results; general economic risks; reliance on key personnel; our ability to compete effectively; our ability to maintain our culture and recruit and retain qualified personnel; privacy, security and other risks associated with our business; and the other risk factors set forth from time to time in our SEC filings, copies of which are available free of charge within the Investor Relations section of the Benefitfocus website at <http://investor.benefitfocus.com/sec.cfm> or upon request from our investor relations department. Benefitfocus assumes no obligation and does not intend to update these forward-looking statements, except as required by law.*

To view the original version on PR Newswire, visit:<http://www.prnewswire.com/news-releases/benefitfocus-annual-state-of-employee-benefits-finds-health-savings-accounts-hsas-gaining-traction-300399368.html>

SOURCE Benefitfocus, Inc.

News Provided by Acquire Media