



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

QEX:

Quality Employe(er) Experience

The modern approach to employee-centric benefits



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The employee benefits landscape has experienced a seismic shift.

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Key Benefits Trends in 2023

Employee Needs & Expectations



Employees expect innovation to address their evolving, varied, and changing needs



Commitment to DEIB initiatives through offering a more varied set of benefits, programs, and policies that target diverse employee populations



Increased pay transparency and a closing gender gap are guiding compensation trends

Medical Costs



Projected to increase 7.4% in 2023
Cost increases mostly driven by price inflation in the healthcare market



Cost pressures are accelerating a shift to self-funded and captive-based health plans

ICHRAS and individual coverage are key following changes to ACA subsidies and the "fixed family glitch"



Cost management strategies continue to evolve:

- Promotion and use of transparency tools
- Virtual care grows, including behavioral health counseling and primary care consults
- Chronic condition and large case management continues to be key

Outpatient Drug Trends



Costs increasing at a rate of up to 10%

Cost drivers in Rx trend:

- Price inflation
- New therapies (especially new diabetes drugs with weight loss side effects)
- Increased utilization in specialty



Specialty drugs may now account for more than 50% of Rx spending

Strategies to actively manage include:

- PBM contract refresh/update
- Plan design improvements
- Get educated on specialty copay assistance funds
- Clinical management programs

Gene therapy treatments, their costs and ways to share associated financial risks will be a new area of focus

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Compensation Requirements

What am I paying my employees and how?

Workforce Age & Demographics

Who are my new versus seasoned employees?

Recruitment & Retention


How do we bring people in and keep them?

Social & Cultural Expectations

How are we making a difference for our employees?

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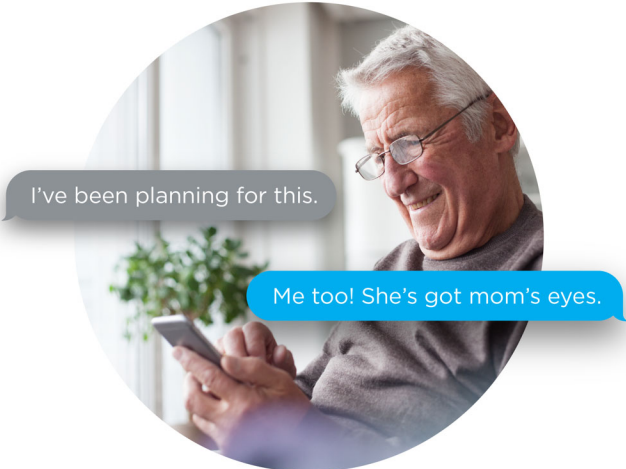
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Employee Benefits
leads with *employee*

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QEX | The modern benefits experience

Create an experience your employees will value, in the workplace and beyond

QEX is a powerful new approach to designing and delivering employee benefits. It uses comprehensive understanding of your employees' real priorities to develop a truly customized benefits plan that enhances the quality of the employee-employer experience and helps you stay ahead in the competition for talent.

QEX | The modern benefits experience

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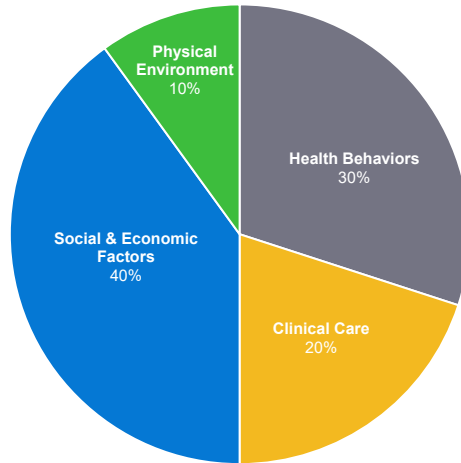
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Business Case for Total Health & Wellness Evaluation

Social Determinants of Health Undermine Wellbeing



SDoH: Economic, environmental and social inequalities can determine people's risk of getting ill or injured and their access to effective treatments.



These factors are the traditional focus of Employer Benefits and Health & Performance initiatives.

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7 in 10 employees found it difficult to concentrate at work (2022). *

Employees at high risk of depression remained most strongly associated with increase (48% higher) per capita medical spending up to 3 years after. **



When asked if companies were supporting the physical and emotional health of employees, 80% of executives agreed or strongly agreed.

Yet when the same question was posed to employees, the figure was a glaringly low 46%. ***

*Mental Health America _ 2022 Mind the Workplace Study
**NIH_ National Library of Medicine_ Ten modifiable health risk factors are linked to more than 1/5 employer health care spending
*** 2020 IBM Study

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An Integrated Approach






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THE GOAL: Deliver quality employee experiences by coauthoring quality employer experiences

- We recognize that every dimension of an individual's performance and health is **interconnected**.
- Your employees **will have a benefits experience** which you can uniquely influence.
- The QEX approach is to identify the key **success metrics** that influence a person's ability to thrive — both at work and at home.
- We then develop a **comprehensive strategy** to solve issues and prioritize needs.
- We **eliminate the Insurance Mastery required** to run a successful program.

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QEX: Engineering the System



Your employees enter a system each time they come to work. These personnel will have a workplace experience through tangible and intangible factors.

- **Worksite factors** are quantifiable and/or tangible. Some examples of worksite factors are onsite claims, cost of insurance, payroll, retirement, the physical environment, clients, staffing, etc.
- **Cultural factors** are intangible and will often include social environment, communication, educational opportunities, mental wellness, etc.


Employers can examine their workplace to identify where and how they can impact each of these factors.


 Built Environment	 Career Paths & Mentorship	 Condition Management	 Total Compensation Strategy
 Family Support & Care Giving	 Financial Wellbeing	 Continuing Education & Training	 Mental Health
 Physical Wellbeing	 Comprehensive Wellness Programs	 Social / Culture / Purpose / Volunteering	 Workplace Culture

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Personnel & Benefits Analytics





Workforce Demographics Analysis

Employee data analysis helps you gain insight to deliver personalized benefits that matter for your unique population




Peer Organization Benchmarking

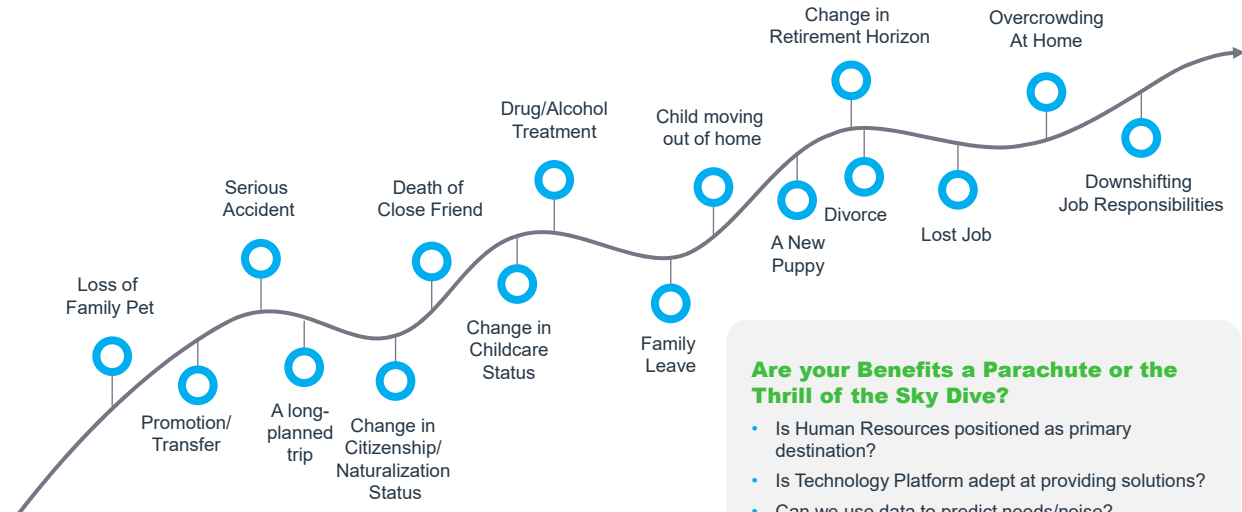
Benchmarking insights from diverse sources to help you understand how your program competes

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From QLEs to QEX: The Game of Life™





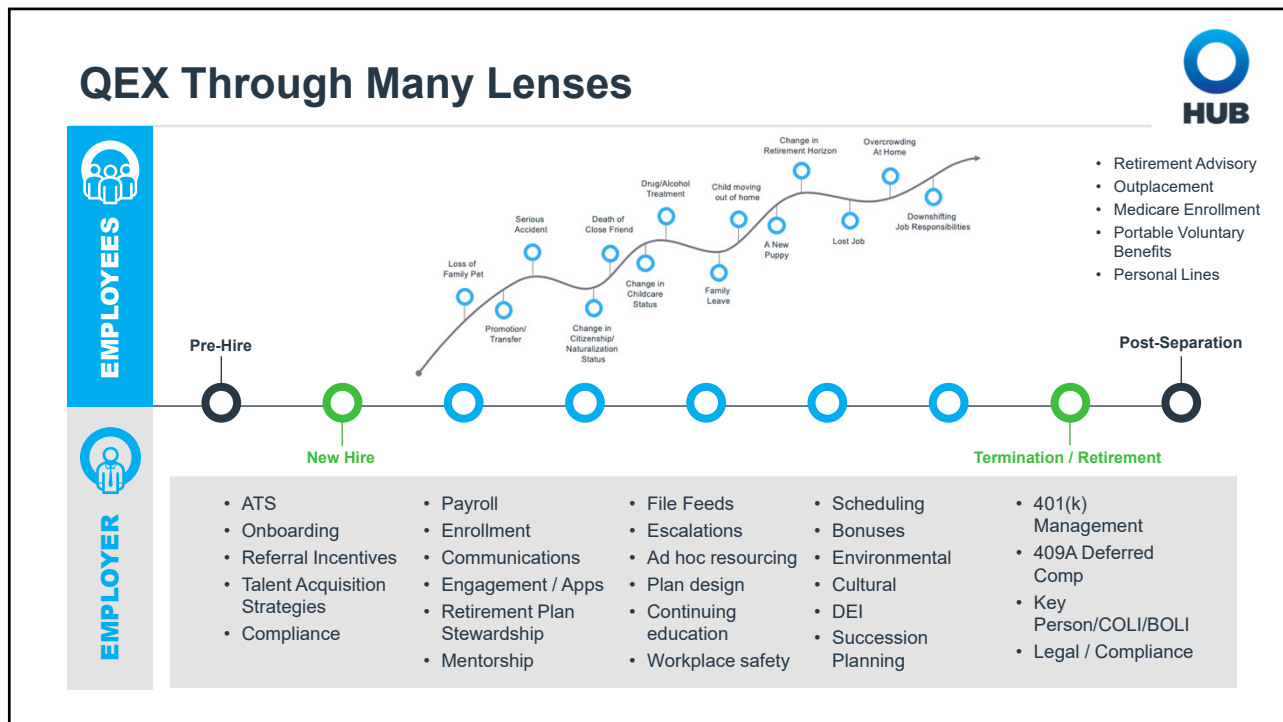
Loss of Family Pet, Promotion/Transfer, A long-planned trip, Change in Citizenship/Naturalization Status, Serious Accident, Change in Childcare Status, Death of Close Friend, Drug/Alcohol Treatment, Family Leave, Child moving out of home, A New Puppy, Divorce, Lost Job, Change in Retirement Horizon, Overcrowding At Home, Downshifting Job Responsibilities

Are your Benefits a Parachute or the Thrill of the Sky Dive?

- Is Human Resources positioned as primary destination?
- Is Technology Platform adept at providing solutions?
- Can we use data to predict needs/noise?

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Financial Literacy & Fragility

According to a study by the American Psychological Association, 7 in 10 employees admit to financial stress at work, translating to **higher absenteeism, increased presenteeism, turnover, and poor overall health.**

Financial stress can come different forms—a car accident, a natural disaster, a medical emergency, or even a global pandemic. No employee should ever have to live paycheck to paycheck or feel like support is unattainable.

What kind of financial tools have employers provided to assist with financial security?

Employees continue to seek improved well-being

There is an urgency to improve financial health

Employees remain more focused on financial independence

Key Financial Literacy Takeaways

Now is the time to evaluate your total benefit offering

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M&A: Acquired Employees



The long shadow of integration...

One of the greatest risks for a healthcare organization is the attrition of talent after an acquisition. Remember that throughout the process, everyone within all levels of the organization will ask the same questions regarding their pay, service time, benefits, location, job title, etc. High-quality communication, education, and onboarding will be key at this time.

- Online portal
- Townhall meetings
- ERGs
- Email campaigns

What would you want to know if you were affected? How would you, your youngest, and oldest staff member want to find out?

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Making Quality Employee Experiences A Priority

Employee benefits leads with the employee

The key to personalization starts with a data-driven strategy

Long term planning creates long term value

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Case Study: Stewart Memorial Hospital

Executive Summary

Stewart Memorial Community Hospital faced an intensifying need to gain a recruitment and retention edge over larger, better-paying hospitals in the area. With HUB International as its partner, a multi-year people strategy was developed, revitalizing its culture with cutting edge benefits that mattered most to employees — and establishing the hospital as a healthcare employer of choice in the region.

CHALLENGE

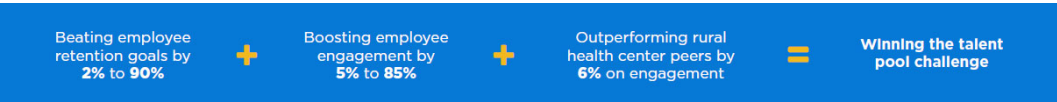
The hospital was paying the price for today's shortage of healthcare professionals and an aging workforce. It needed a new strategy to attract high performing new employees in all functions and all levels, and keep them around for the long haul.

SOLUTION

HUB began with a holistic, QEX approach. HUB's Human Resources Consulting, Health & Workforce Productivity, and Benefits teams laid the foundation for Stewart Memorial's strategy, gathering the insights to reshape its Total Rewards Program and develop its Employee Value Proposition, as well as the basis for meaningful benefits changes. Among other moves, the hospital's PTO program was restructured to allow directors and above flexible time off, while others can apply accrued PTO hours to their health insurance premiums.

RESULTS

Everyone wins when employers take employee feedback seriously in order to transform a culture, and Stewart Memorial can speak to the impact: Employee retention reached 90% and workforce engagement reached 85%, outperforming the hospitals peers by 6%.



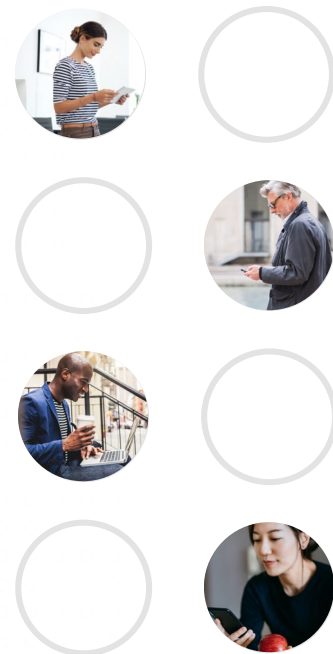
"We realized that it was no longer okay to just be okay. With HUB's help, we've created a revitalized culture and an organization that appeals to everyone for the way we care about and take care of our people." - Holly Espenhover, Chief People Officer, Stewart Memorial Hospital

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Thank you.

Jennifer Ortmeyer & Lauren Fortin



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