

# *Rethinking Benefits Strategy*

Using Defined Budgets to Personalize the Employee Experience  
Increase Retention, and Contain Costs.

Presented by

**Adriana Cisneros Basulto MBA**

# *Test Your Knowledge*



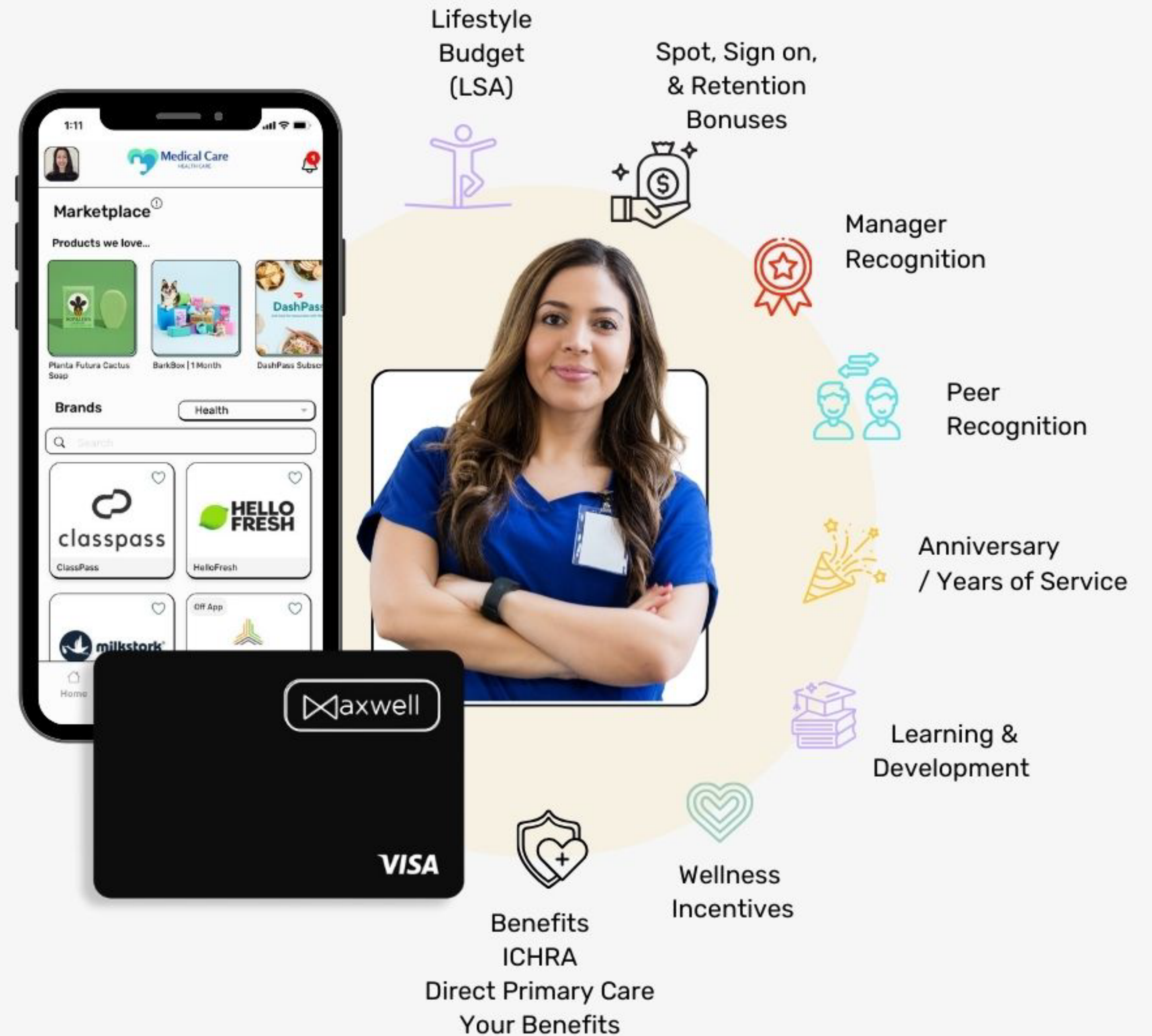
(Provide your name and email and we will send you the slides after the session)

# Maxwell



SHRMLabs BETTER WORKPLACES CHALLENGE CUP

With Maxwell's award winning technology employers meet their employees' expectations, maximize the impact of their total rewards, simplify their operations and reduce their costs.



# *Agenda*



Business Priorities

New Employee Expectations

Innovative Products

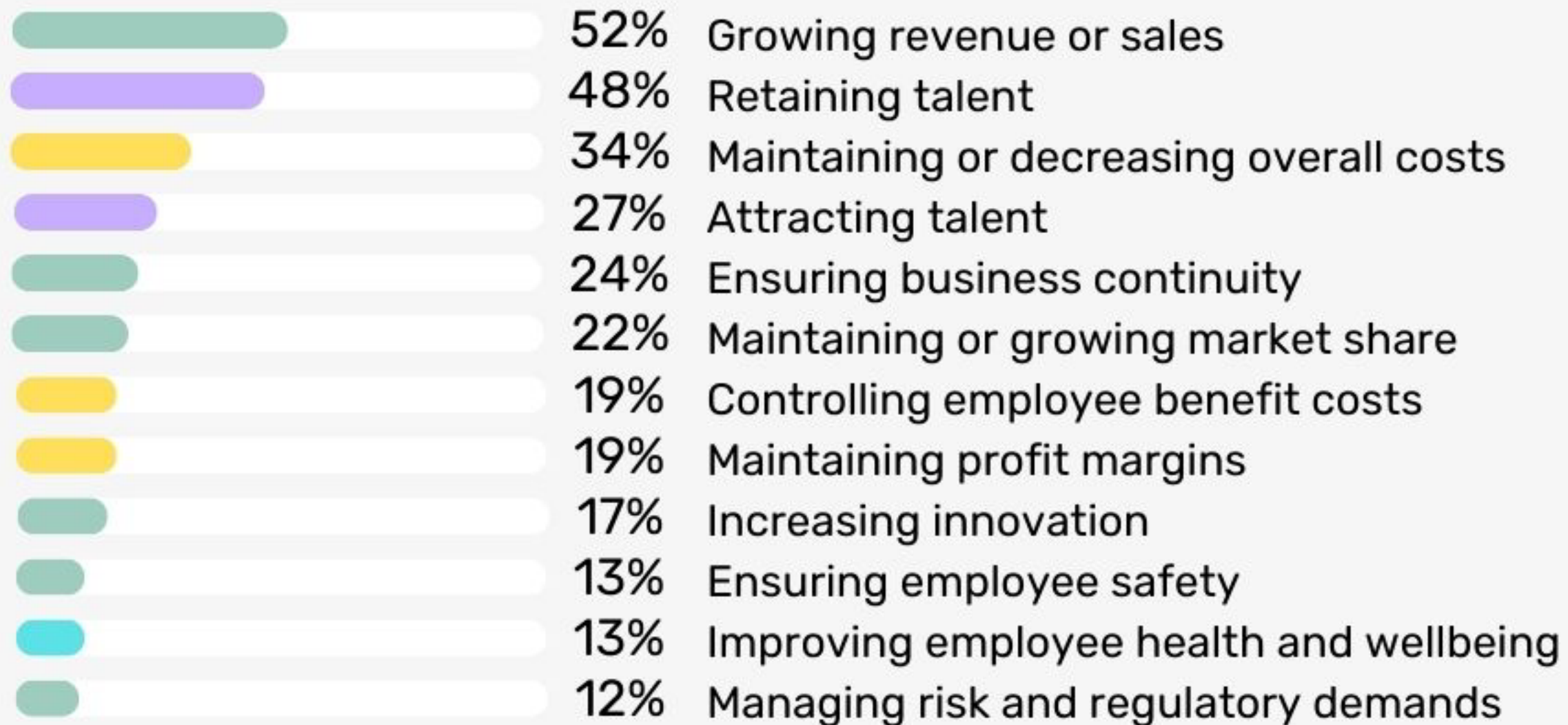
Real-World Success Stories

Questions

***Business*** —————→  
***Priorities***

# Business Priorities

## Top Operational Priorities

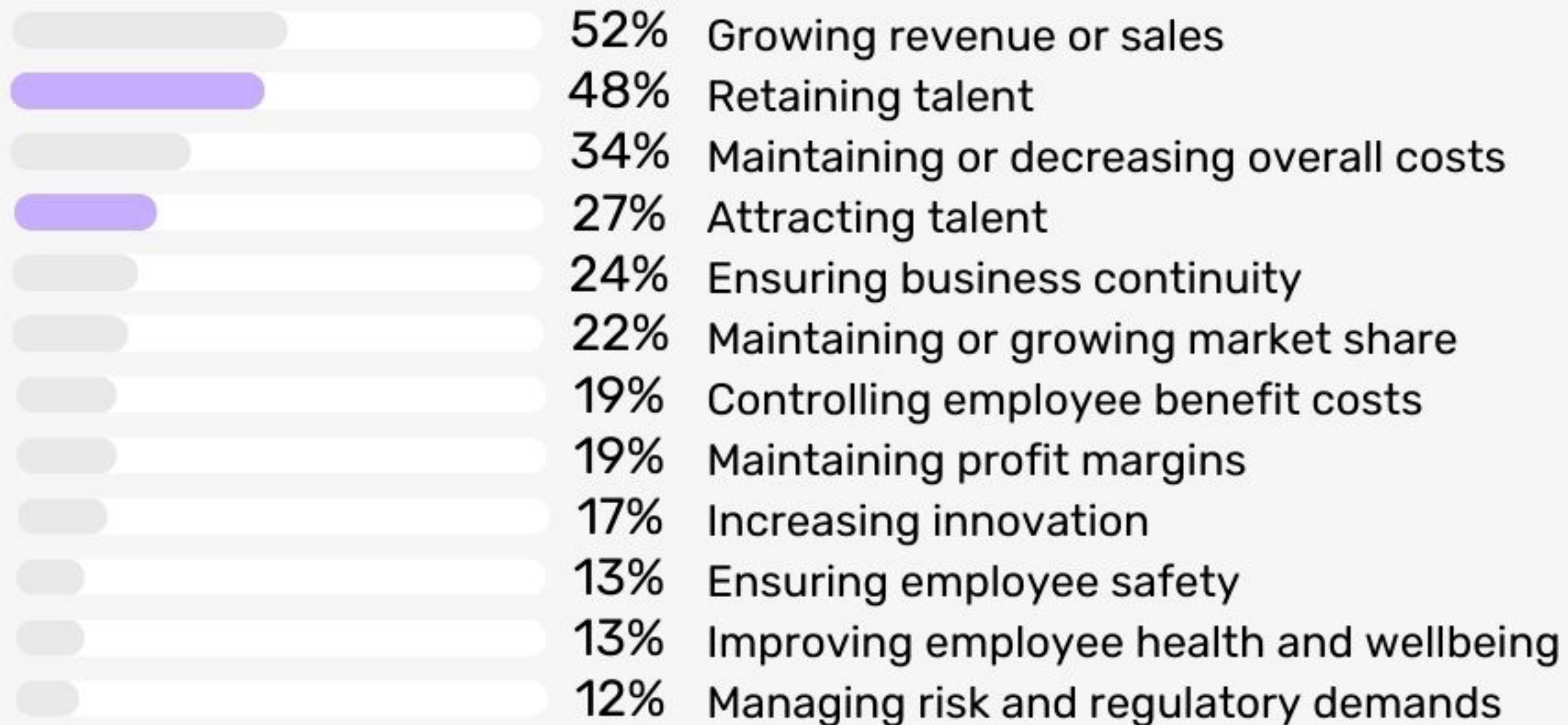


## Top HR Priorities



# Talent

## Top Operational Priorities

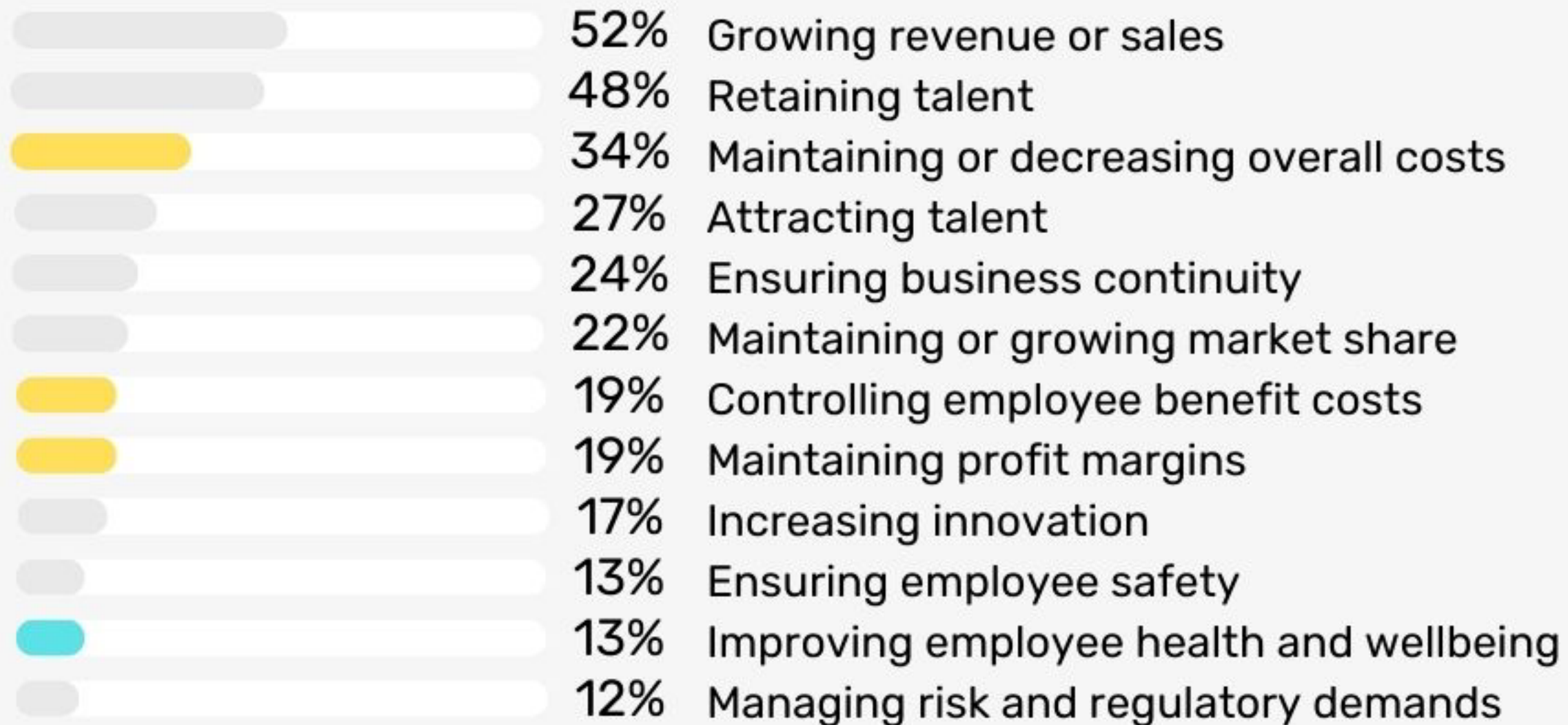


## Top HR Priorities



# Costs

## Top Operational Priorities



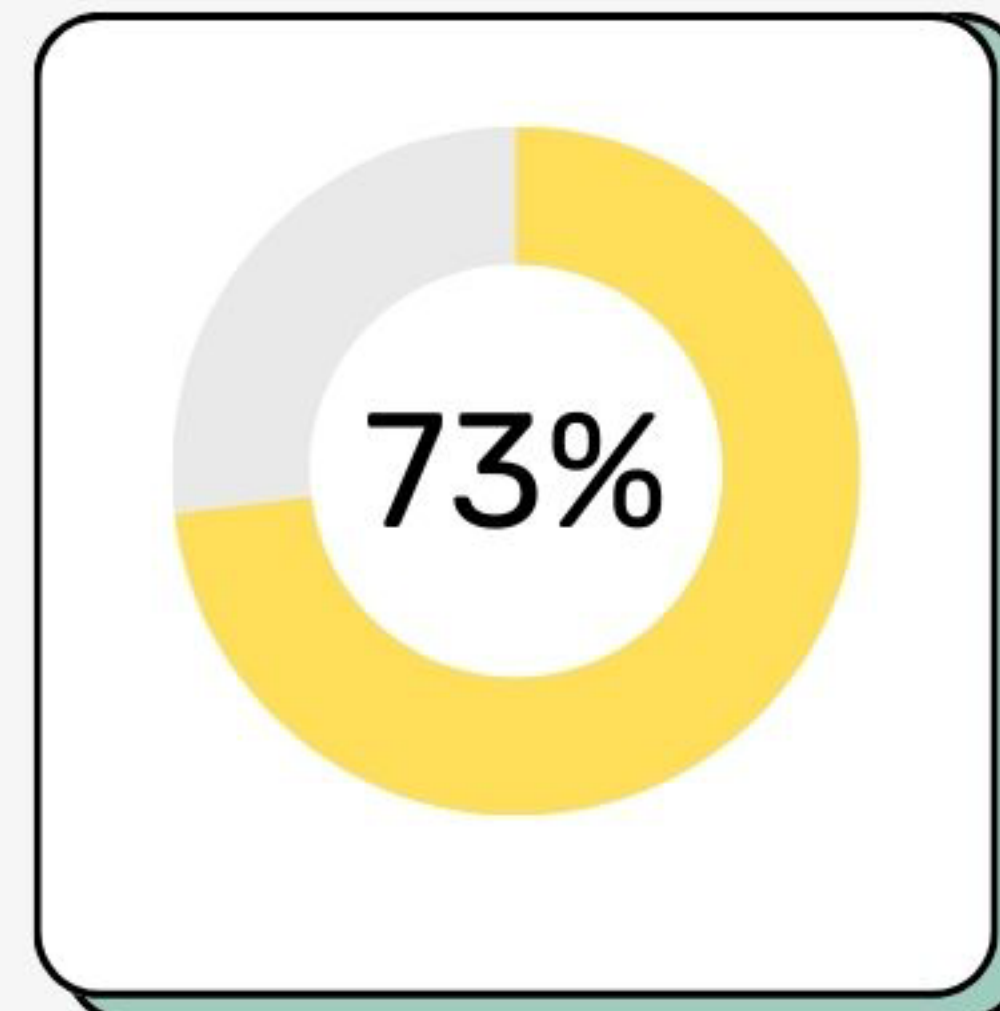
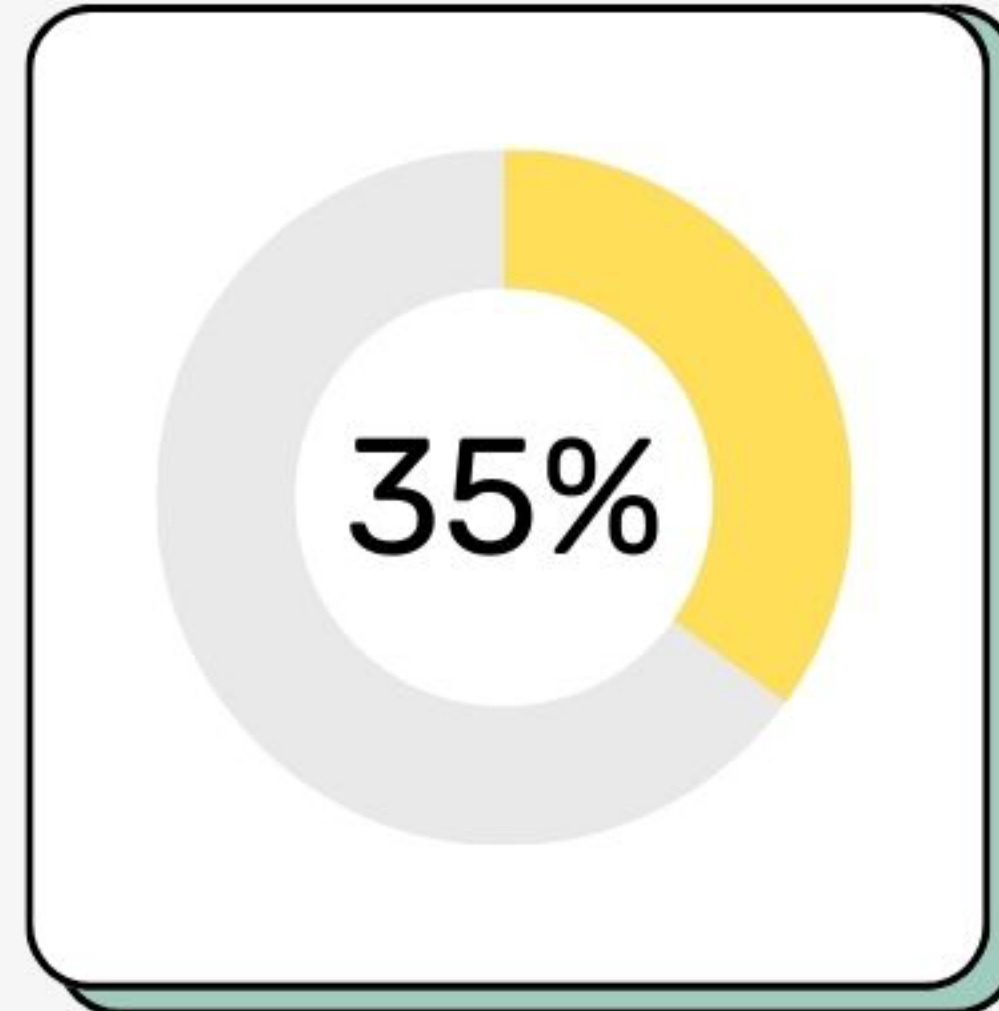
## Top HR Priorities





# Costs

Comp & Benefits  
represent as a % of  
total operating  
revenue



Of HR leaders expect  
healthcare costs to  
rise in 2024

# Agenda



Business Priorities

New Employee Expectations

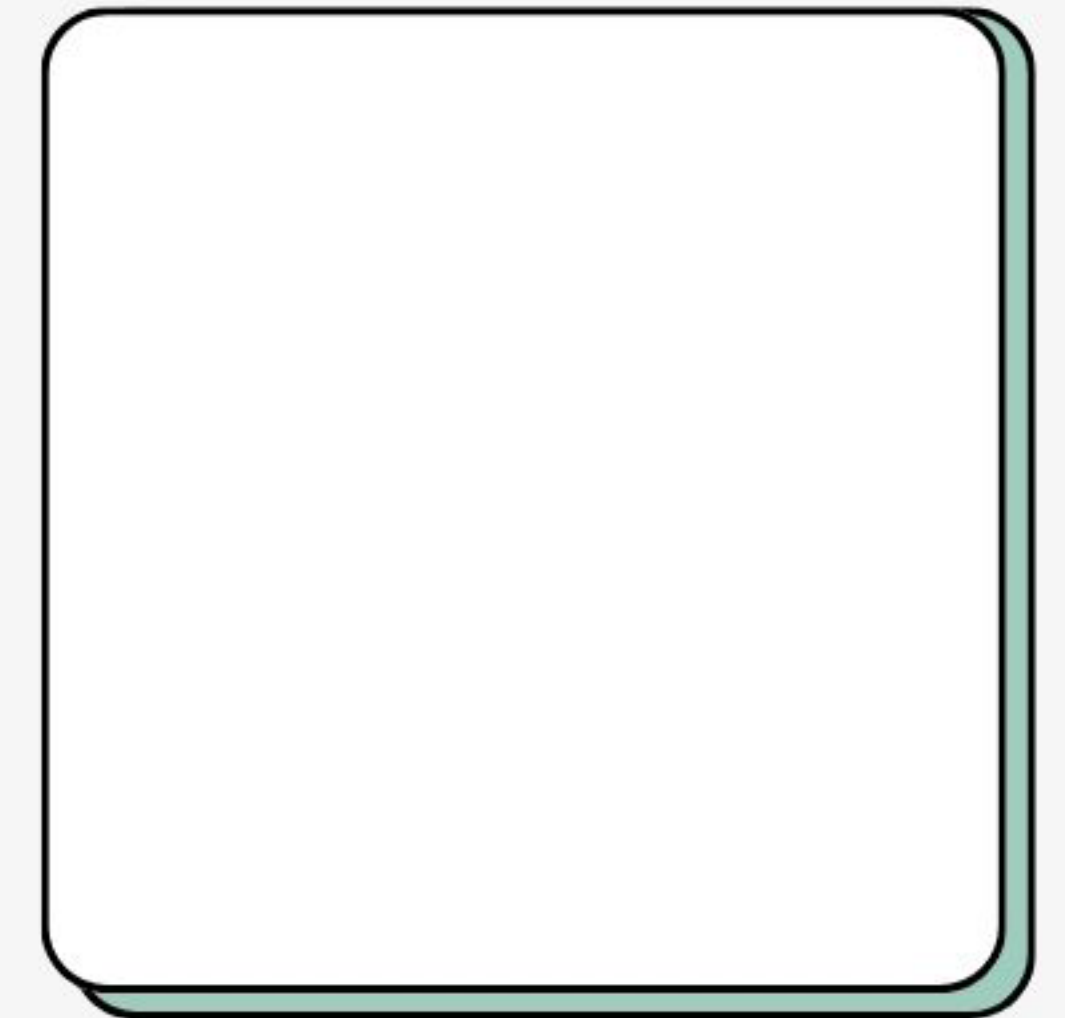
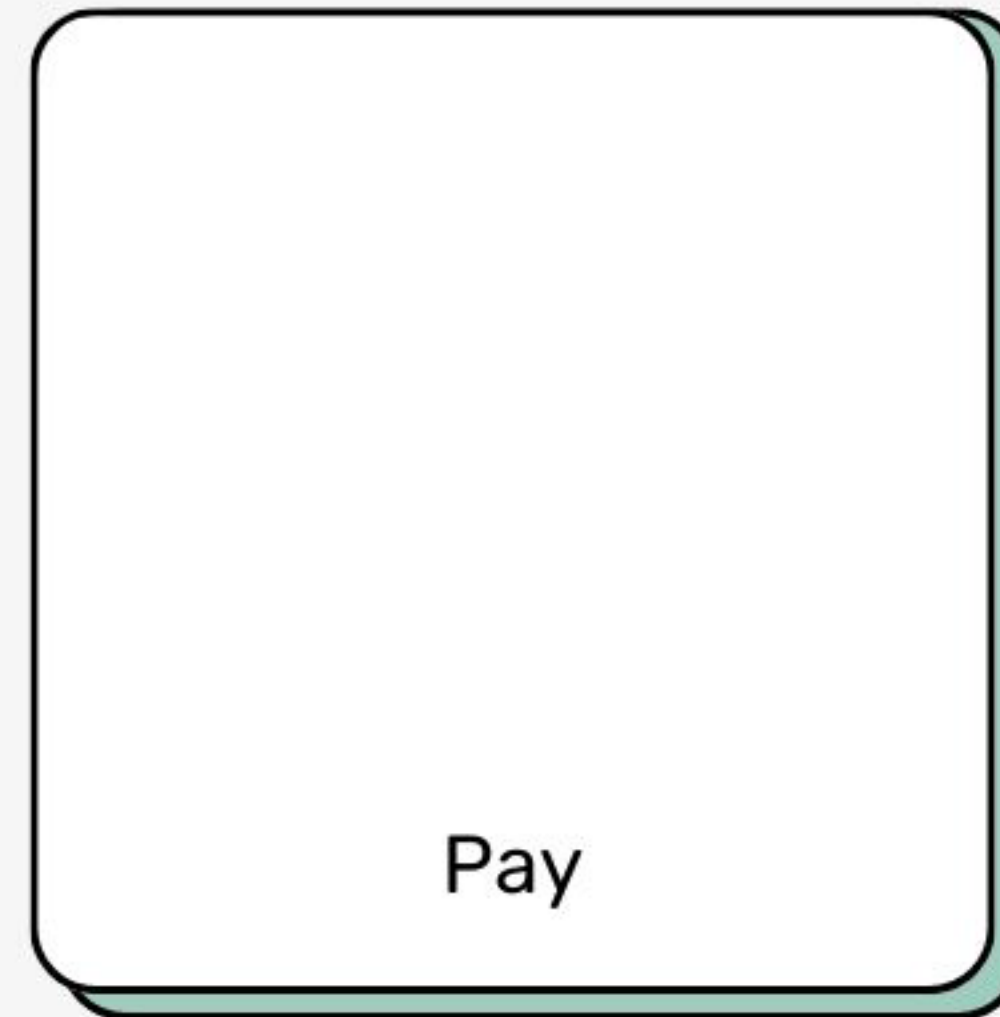
Innovative Products

Real-World Success Stories

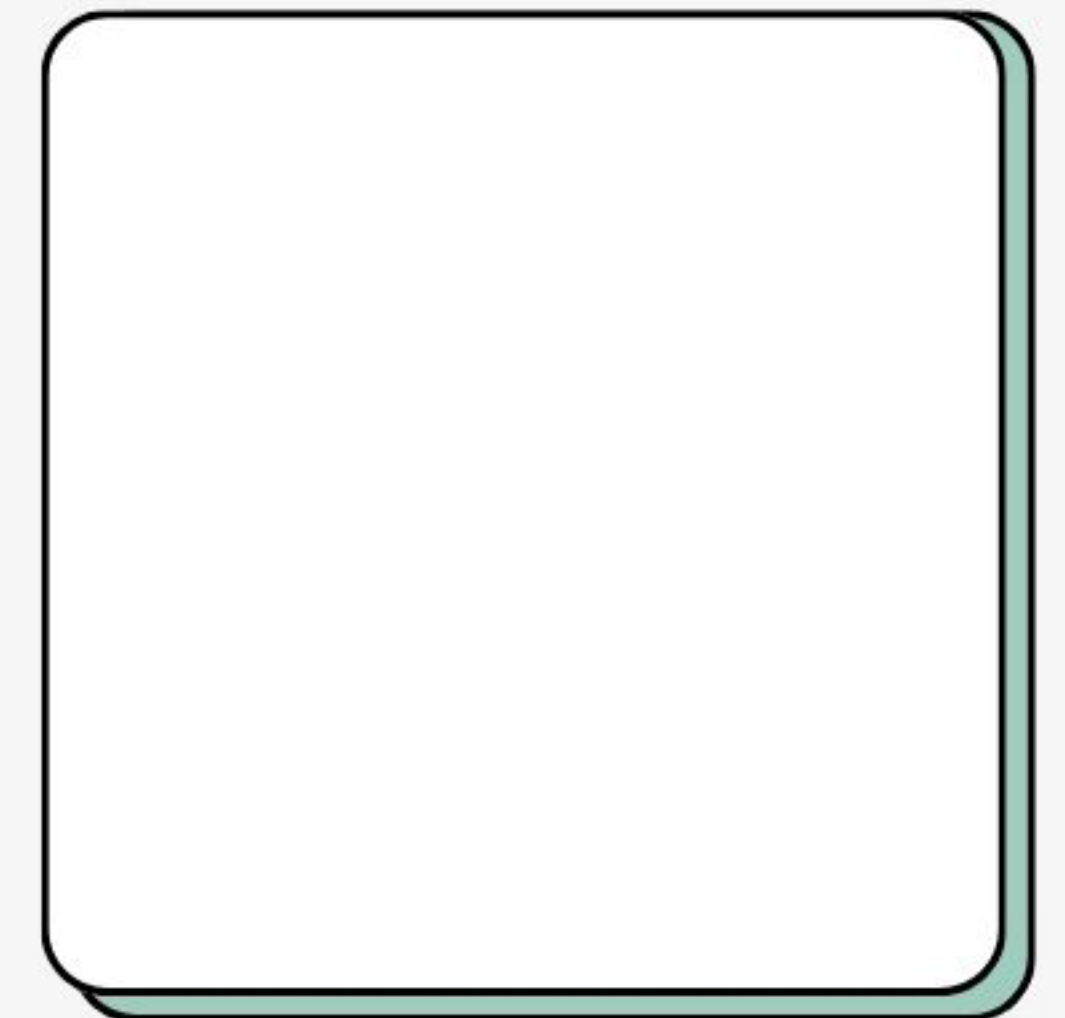
Questions

***New***   
***Employee***  
***Expectations***

Percentage of employees  
that rank as important for  
current and future jobs

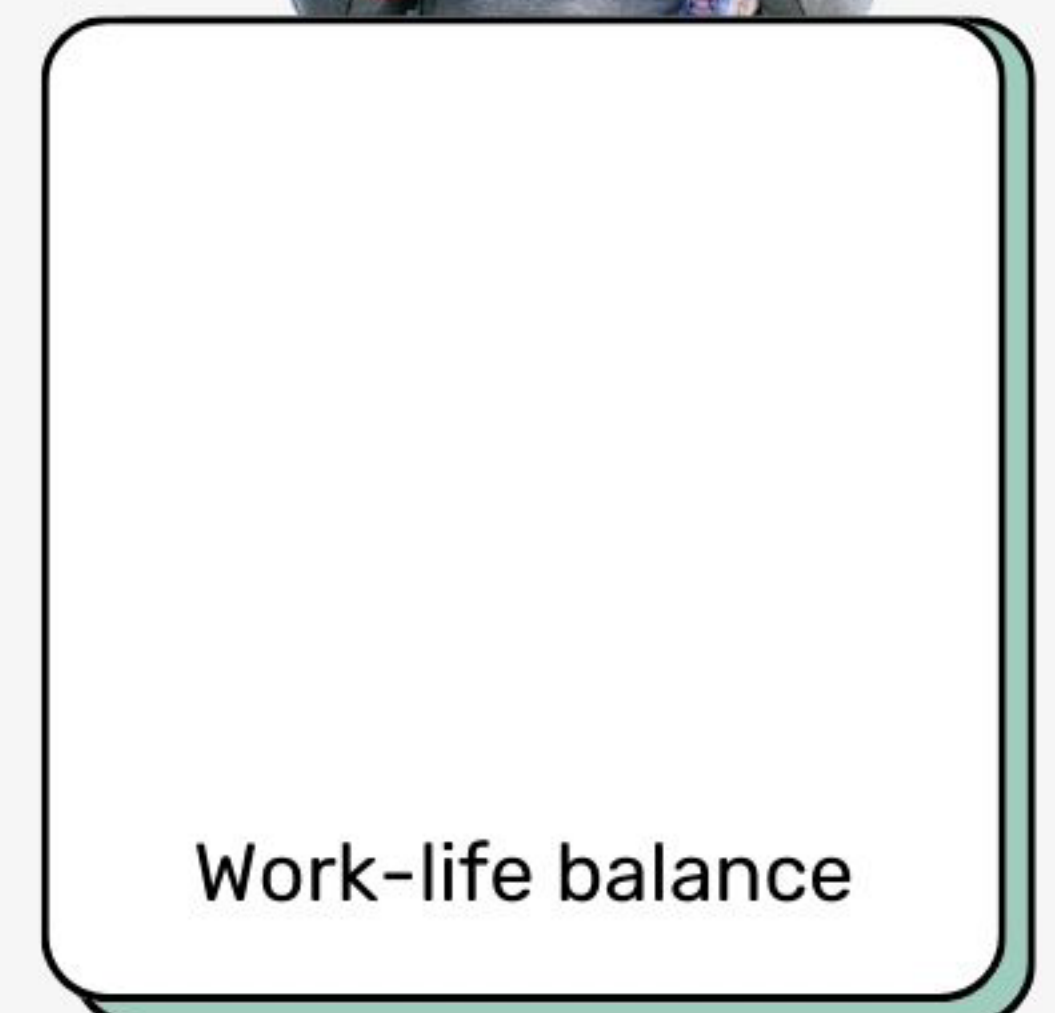


Percentage of employees that rank as important for current and future jobs



# *Life-Work Balance*

Percentage of employees that rank as important for current and future jobs



# *Life-Work Balance*



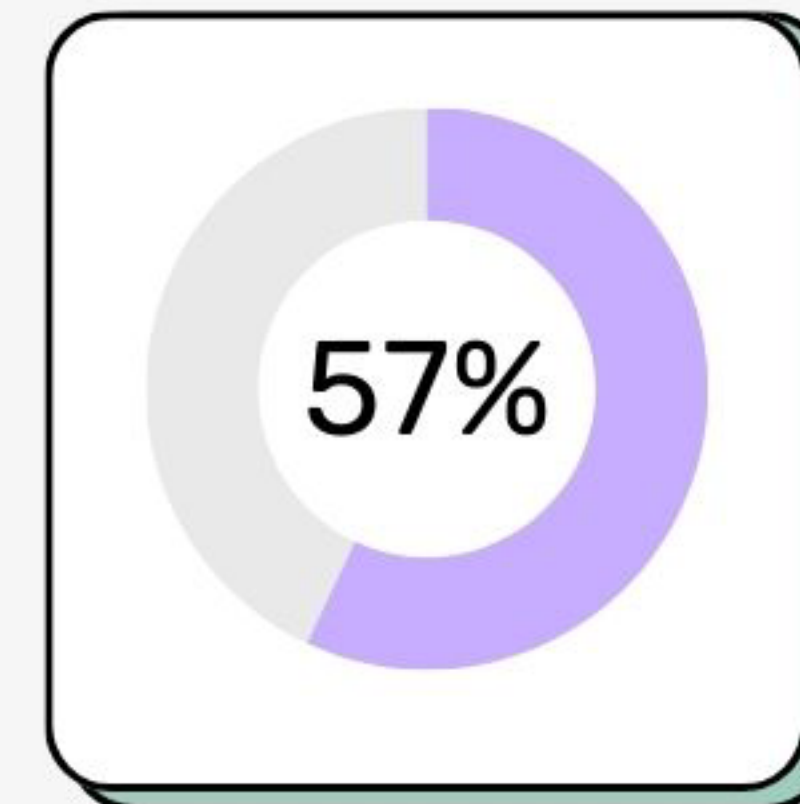
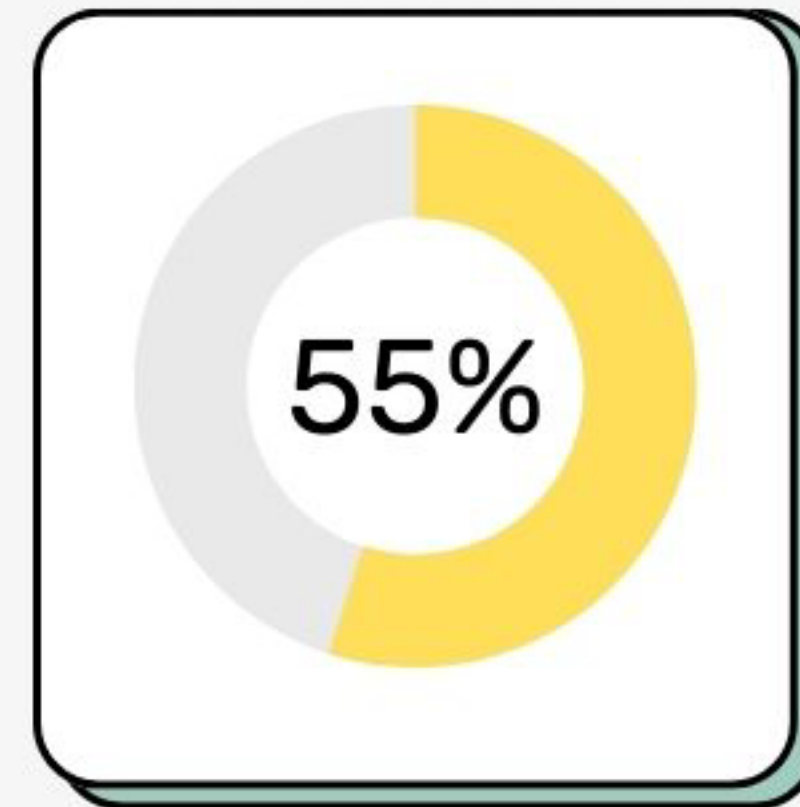
Percentage of employees that rank as important for current and future jobs



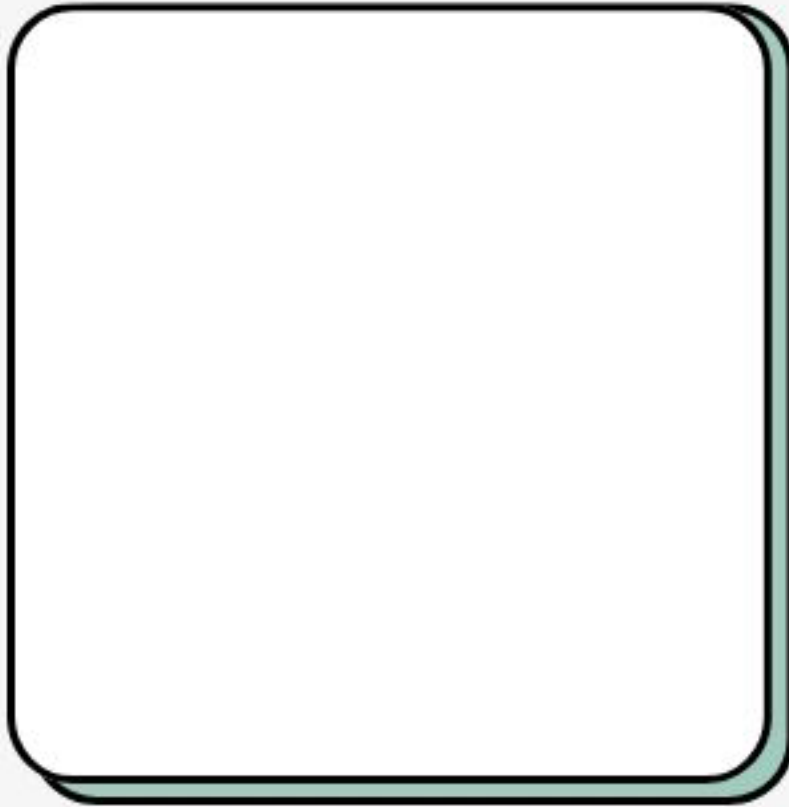
Percentage of employees that would not accept a job if ...

It didn't offer a significantly higher pay

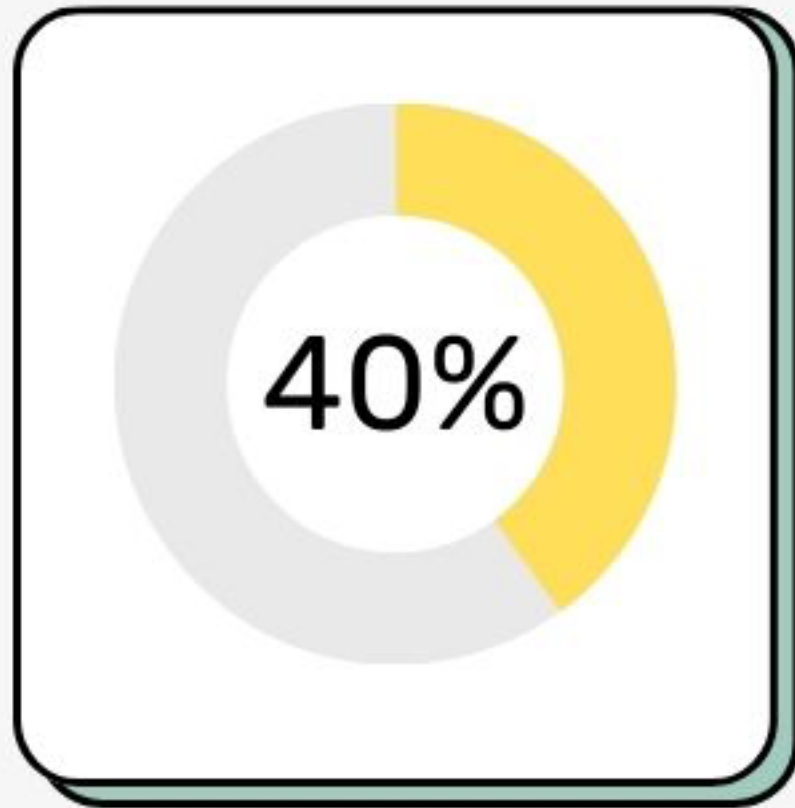
It would negatively affect work-life balance



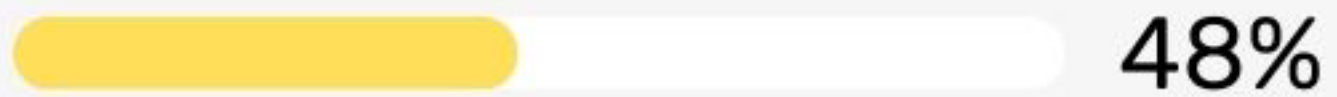




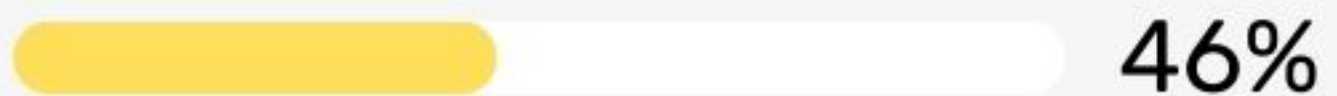
of employees say  
they have trouble  
paying their bills



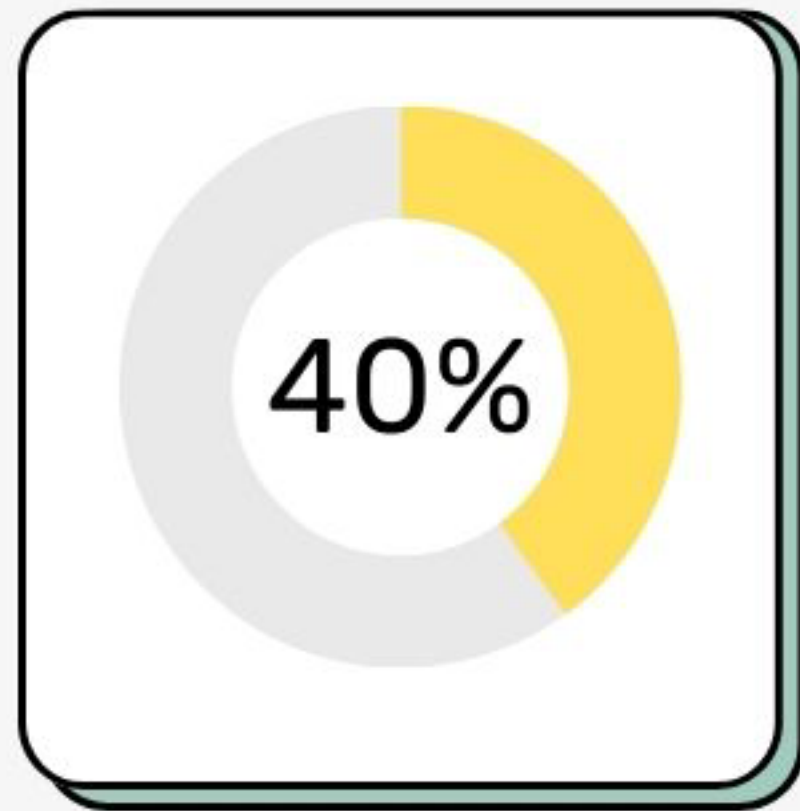
of employees say they have trouble paying their bills



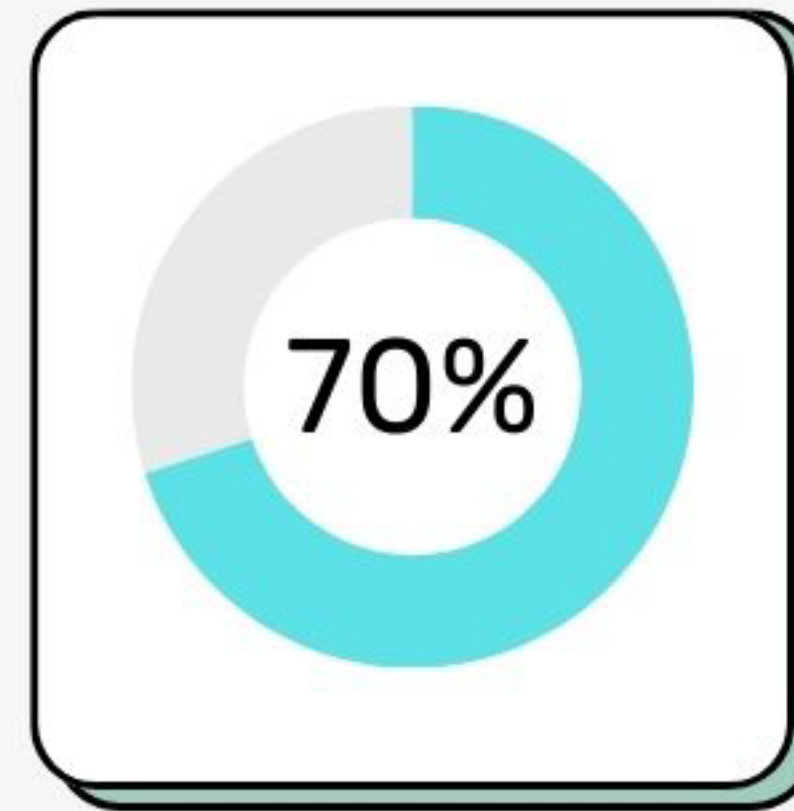
hispanic employees



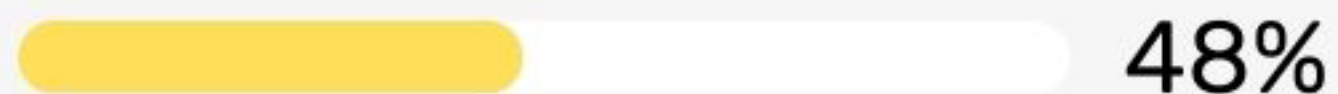
black employees



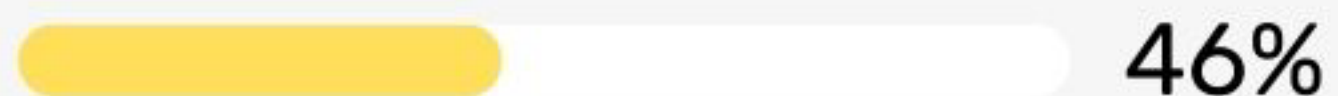
of employees say they have trouble paying their bills



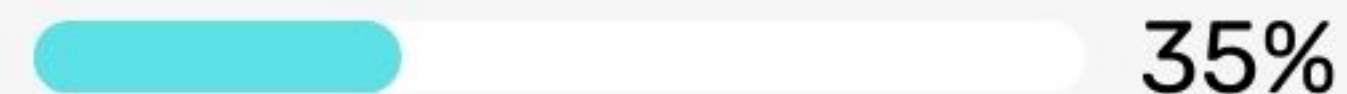
consider career advancement opportunities important



hispanic employees



black employees



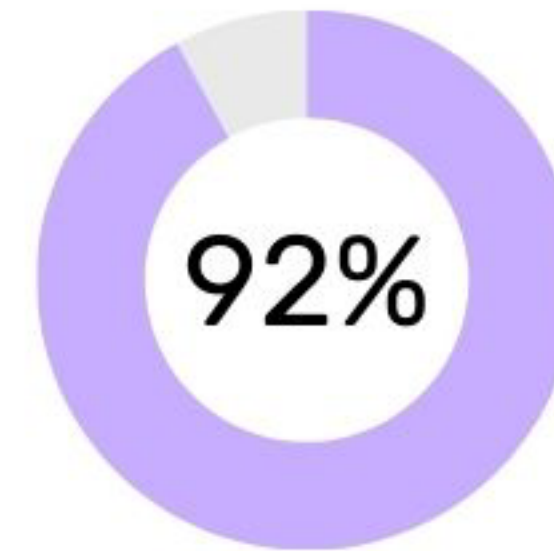
would quit a job if didn't offer career progression



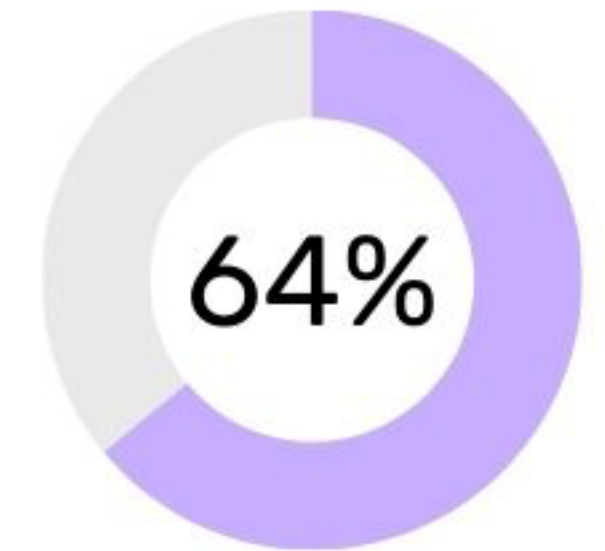
would quit a job if it prevented them from enjoying life

# *Feel Cared by Employer*

83% of employees say their employers have a responsibility for the health and wellbeing of their employees.



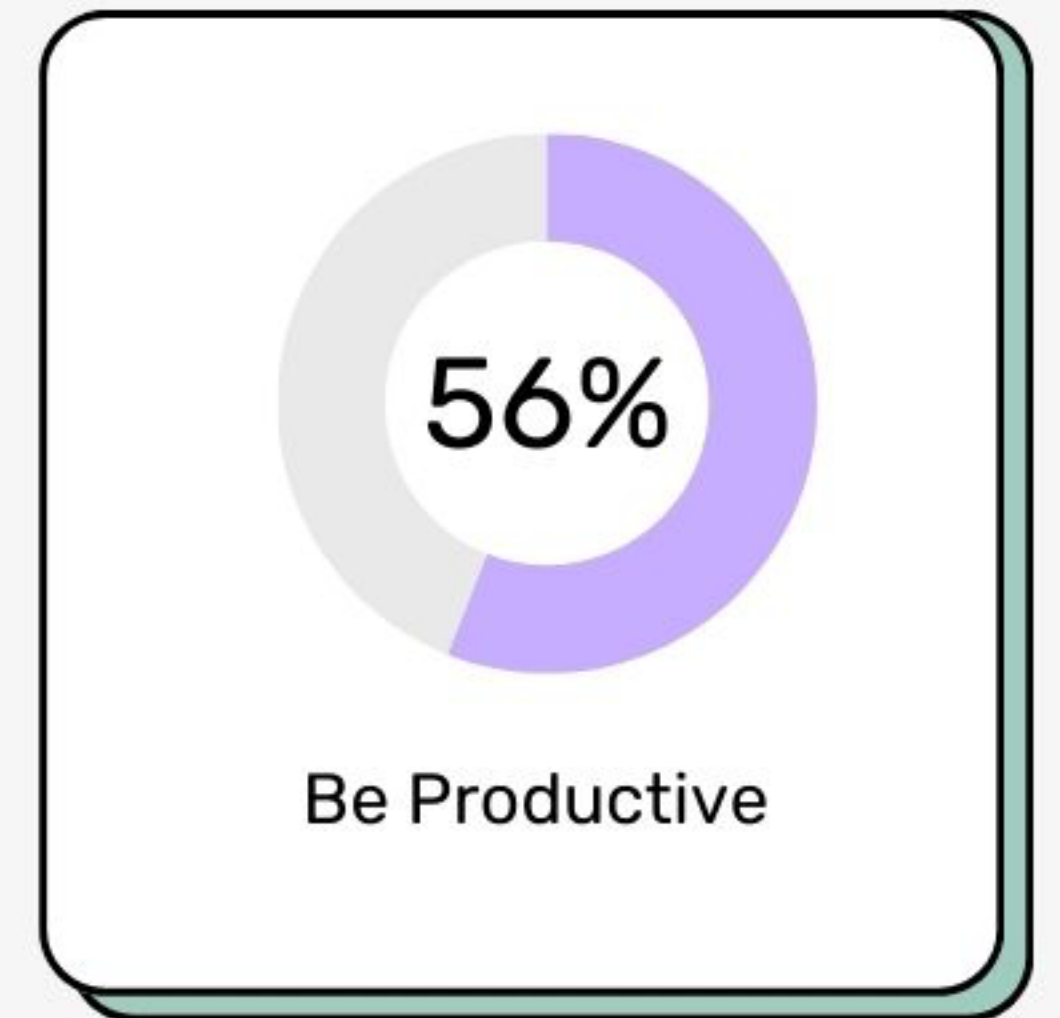
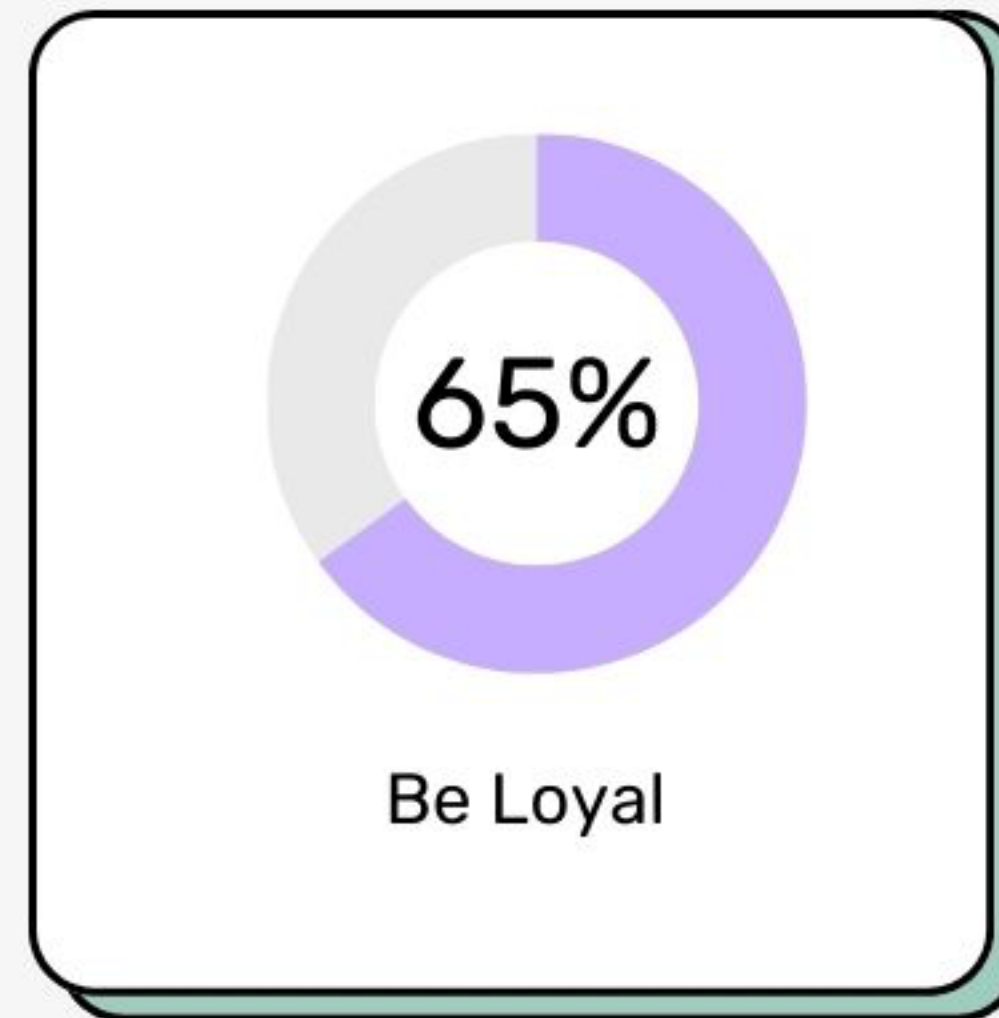
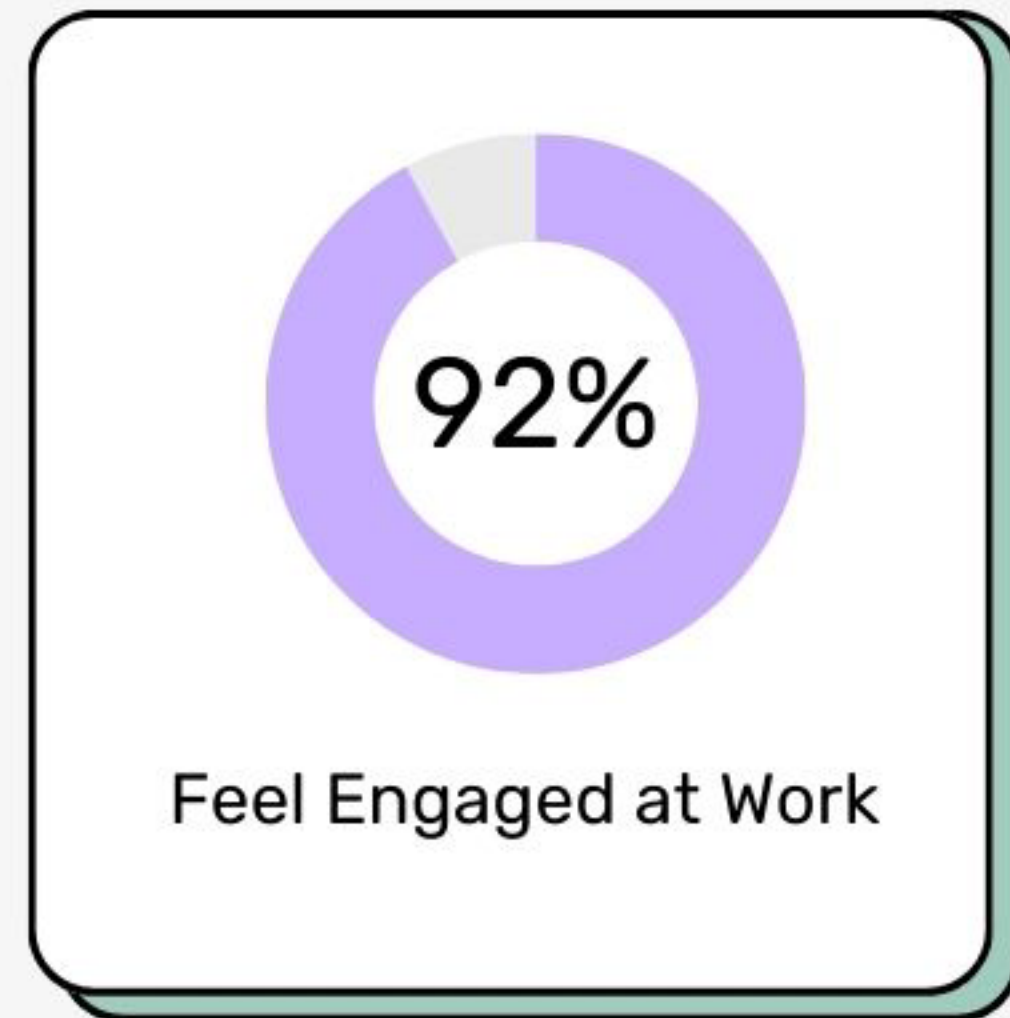
Expect to be cared within the workplace



Expect support through personal matters

# *Feel Cared by Employer*

Employees who feel cared and valued are more likely to :



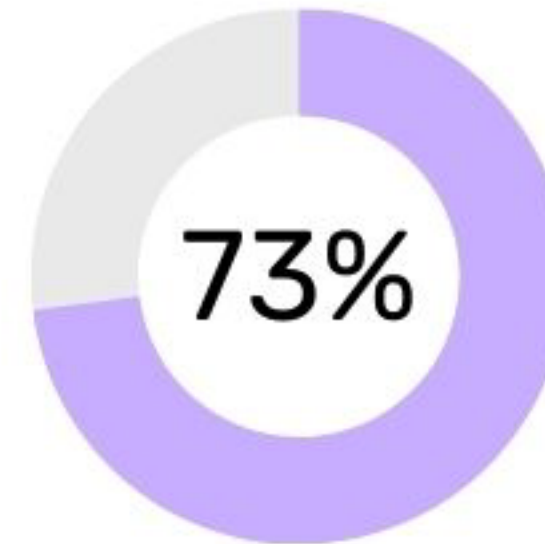
# *Personalized & Cohesive Benefits*

A cohesive and personalized experience is important.

Want benefits  
integration

# *Personalized & Cohesive Benefits*

A cohesive and personalized experience is important.



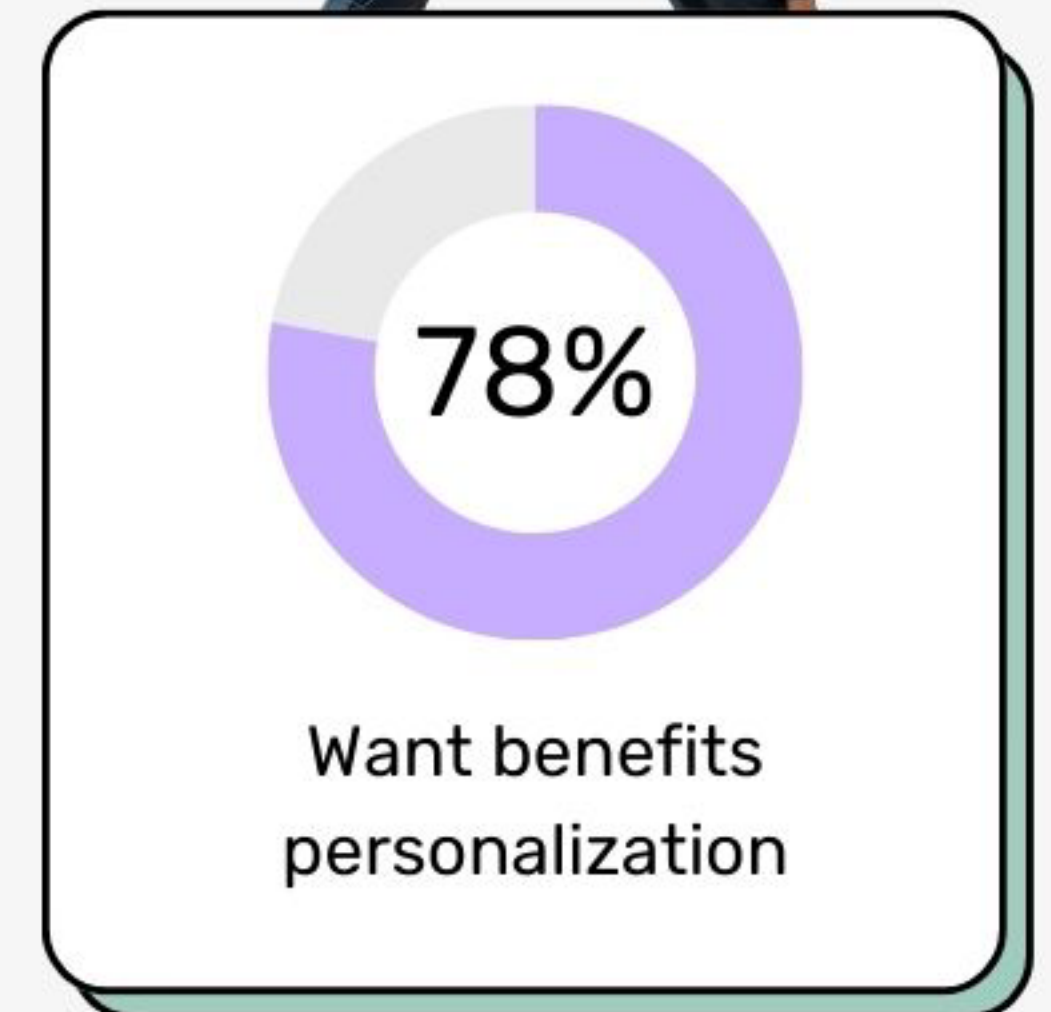
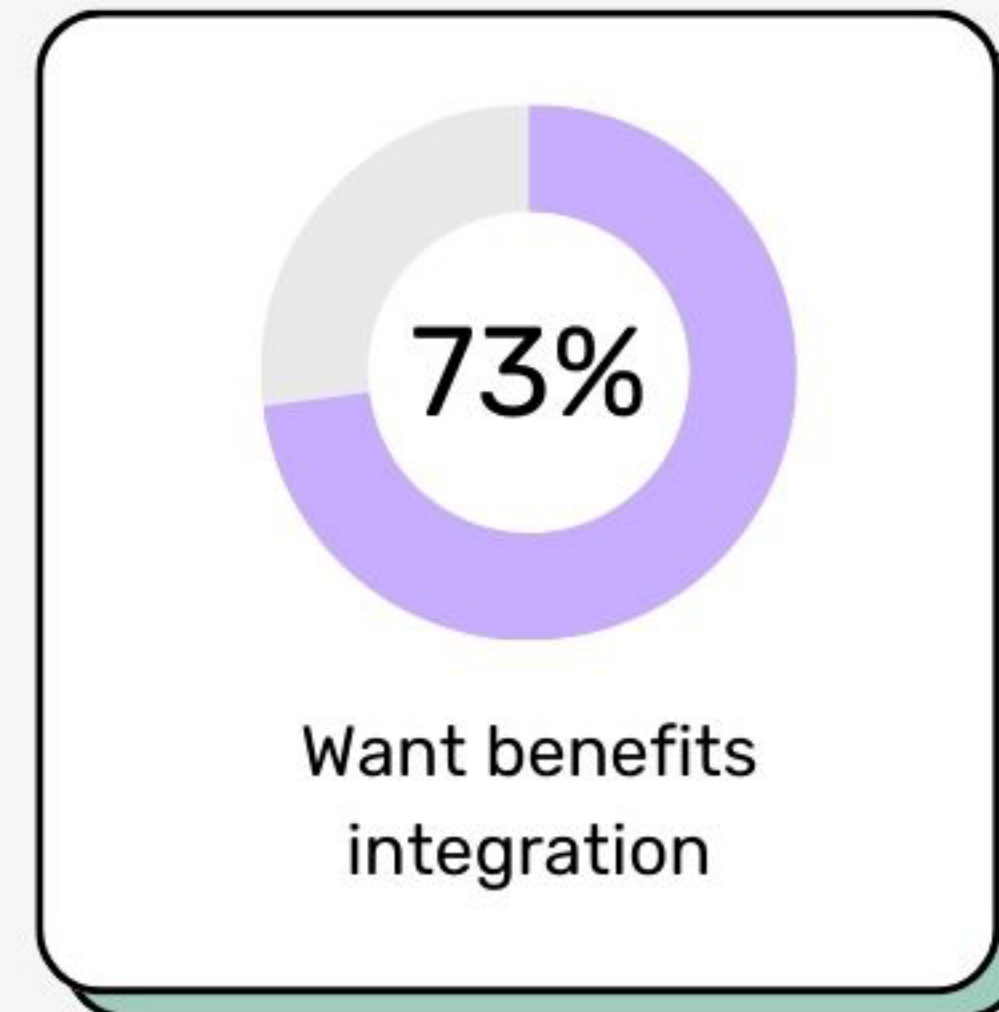
Want benefits integration



Want benefits personalization

# *Personalized & Cohesive Benefits*

A cohesive and personalized experience is important.





***Life-Work Balance***

***Feel Cared by Employer***

***Personalized &***

***Cohesive Benefits***

# Agenda



- ✓ Business Priorities
- ✓ New Employee Expectations
- Innovative Products
- Real-World Success Stories
- Questions

# *Innovative Products*



# *Push & Pull*

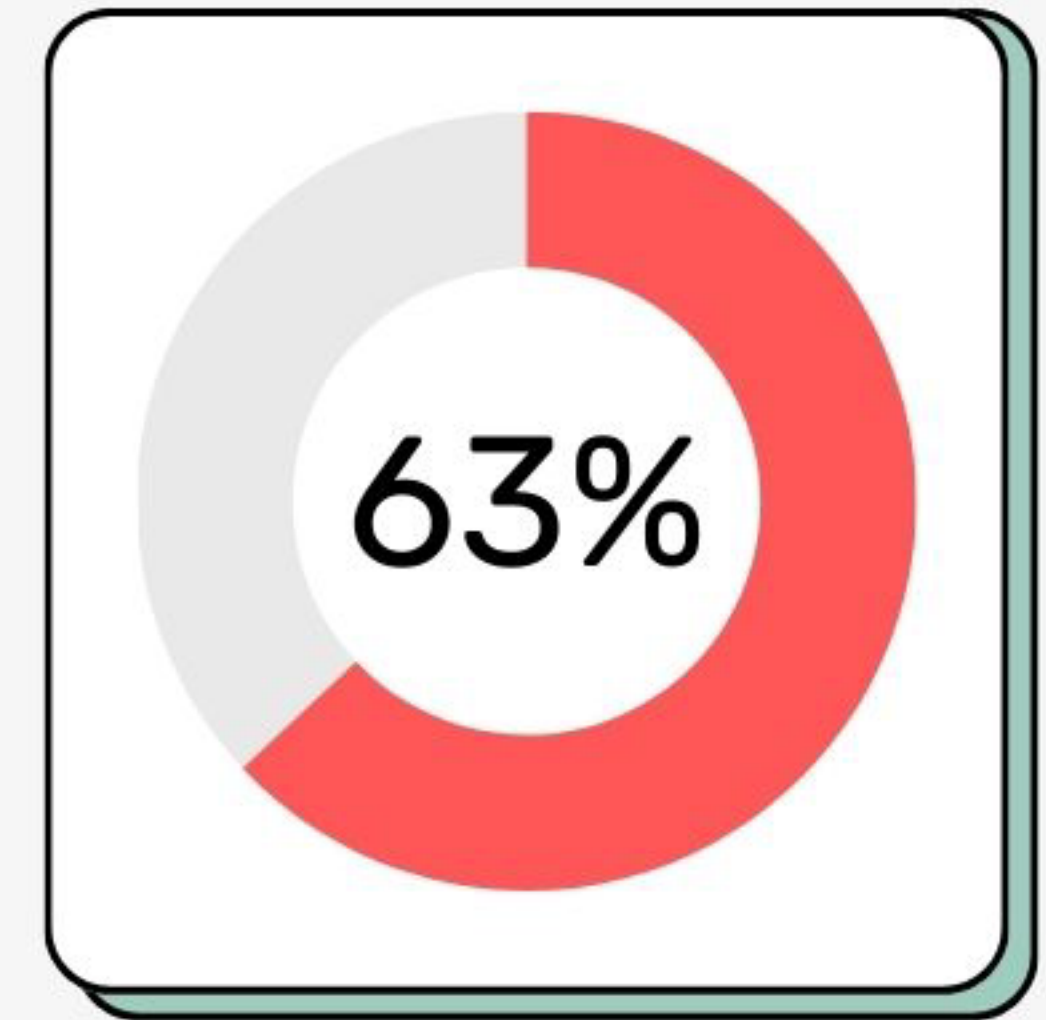
Reduce Costs  
Retain Talent  
Attract Talent

Help me balance  
Care for me  
Make it personal

# *Push & Pull*

Reduce Costs  
Retain Talent  
Attract Talent

Help me balance  
Care for me  
Make it personal



of HR teams have  
little or no untapped  
capacity

# *Defined Budgets*

Employer provided sums of money or stipends to employees that they can choose to use according to their needs.

# ***LSA (lifestyle spending account)***

An employer-sponsored benefit that provides employees with funds to use for personal expenses. These expenses can vary widely, but typically include things like childcare, transportation, wellness programs, professional development, and home office equipment.

# *LSA - How it works*



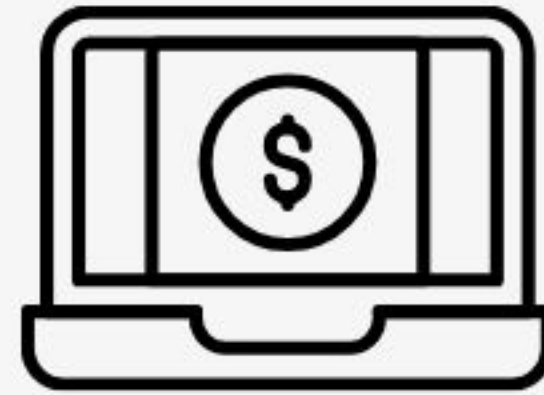
Employer defines  
how much they will offer  
and what funds are  
eligible for.



# *LSA - How it works*



Employer defines how much they will offer and what funds are eligible for.



Employee receives funds on a monthly, quarterly or annual basis.

# *LSA - How it works*



Employer defines how much they will offer and what funds are eligible for.



Employee receives funds on a monthly, quarterly or annual basis.



Employee chooses how to use funds.

# *LSA - Types*



## **Reimbursement**

Employee has to spend their own money and then get reimbursed for eligible expenses.

# LSA - Types



## Reimbursement

Employee has to spend their own money and then get reimbursed for eligible expenses.



## Marketplace

Employee has access to a marketplace of solutions they can use their funds at.

# LSA - Types



## Reimbursement

Employee has to spend their own money and then get reimbursed for eligible expenses.



## Marketplace

Employee has access to a marketplace of solutions they can use their funds at.



## Smart Card

Employee receives a card they can use at point of sale on eligible expenses.

# ***LSA - Advantages***



Reduces administrative  
cost of managing  
multiple single point  
lifestyle benefits.

# ***LSA - Advantages***



Reduces administrative cost of managing multiple single point lifestyle benefits.



Visible care and help to balance, that doesn't compound compensation costs.

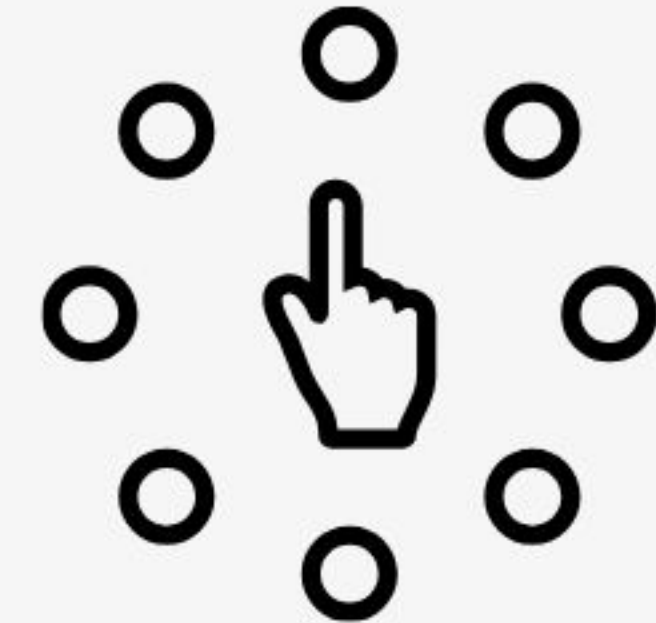
# ***LSA - Advantages***



Reduces administrative cost of managing multiple single point lifestyle benefits.



Visible care and help to balance, that doesn't compound compensation costs.



More choices to meet the needs of a diverse workforce.



# LSA



of employers are considering adding a LSA to their total rewards package

# ***ICHRA (individual contribution health reimbursement arrangement)***

Employers of any size use it to reimburse employees for some or all of the premiums they pay for individual health insurance.

# ***ICHRA - How it works***



Employer defines  
how much they will  
reimburse per employee  
class.

# ***ICHRA - How it works***



Employer defines how much they will reimburse per employee class.

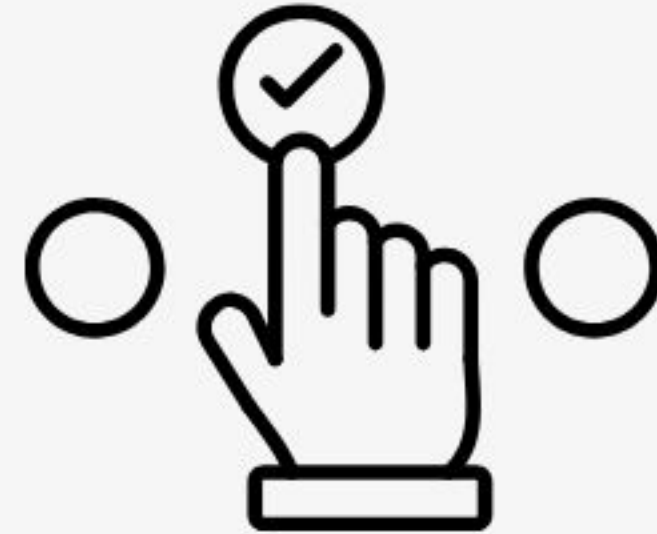


Employee purchases the plan that makes the most sense for their family needs.

# *ICHRA - How it works*



Employer defines how much they will reimburse per employee class.



Employee purchases the plan that makes the most sense for their family needs.



Employee provides proof of coverage and gets reimbursed.

# *ICHRA - Types*



## **Reimbursement**

Employee has find and purchase plan with their own money, and then provide proof and get reimbursed.

# ICHRA - Types



## Reimbursement

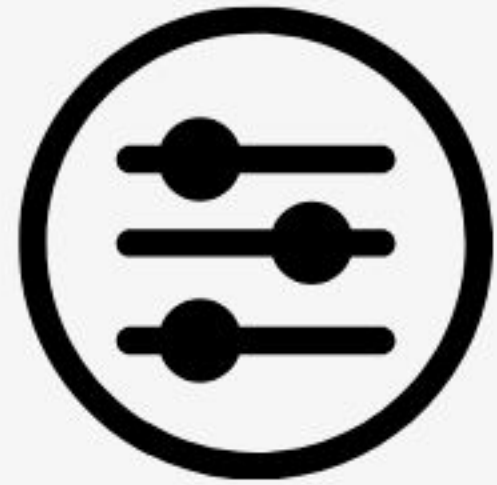
Employee has find and purchase plan with their own money, and then provide proof and get reimbursed.

ID	Name	Manager	Total Budget	Current Funds
47636	Yves Bertha	Jennifer Hays	\$0.01	\$23.03
32451	Roy Haskins	Diana Tuglit	\$0.01	\$23.03
46973	Comera Johnson	Cynthia Perry	\$0.01	\$23.03
42241	Veronica Miller	Dennis Wallace-Clegg	\$0.01	\$23.03
	Pasha P. Brown		\$0.01	\$23.03
9563	David Christensen	Benjamin Garcia	\$0.01	\$23.03
45432	Jake Kuhn	John Vignard	\$0.01	\$23.03
30264	Steve Kucian	Benjamin Garcia	\$0.01	\$23.03
39002	Tiffany Brooks	Benjamin Garcia	\$0.01	\$23.03

## Shopping Marketplace

Employee has access to a friendly shopping experience and through banking technology doesn't have to spend money upfront.

# *ICHRA - Advantages*



Allows employers to control the costs and their financial risk.



# *ICHRA - Advantages*



Allows employers to control the costs and their financial risk.



ACA compliant as long as basic affordability requirements are met.

# *ICHRA - Advantages*



Allows employers to control the costs and their financial risk.



ACA compliant as long as basic affordability requirements are met.



Tax efficient as it is not subject to payroll taxes, and a qualified business expense.

# *ICHRA - Advantages*



Flexible for employers.  
You can choose how  
much to provide without  
caps.



More choice for employees  
as they are not limited to  
only one or two group plan  
options.



# ***ICHRA - Requirements***

Plan documentation: Master Plan Document, SBC  
and Summary Plan Description

---

Subject to all ERISA non-discrimination  
requirements.

---

Timely and specific communication with  
employees.

---

# ICHRA



of employers are considering adding ICHRAs over the next 3 years

# *Recognition Wallets*

A digital platform or app designed to store and manage employee recognition rewards. It provides a centralized location for employees to access and redeem rewards, recognition and incentives.

# *Wallets - How it works*



Employer budgets total spend for the year for recognition, incentives, and milestones.

# *Wallets - How it works*



Employer budgets total spend for the year for recognition, incentives, and milestones.



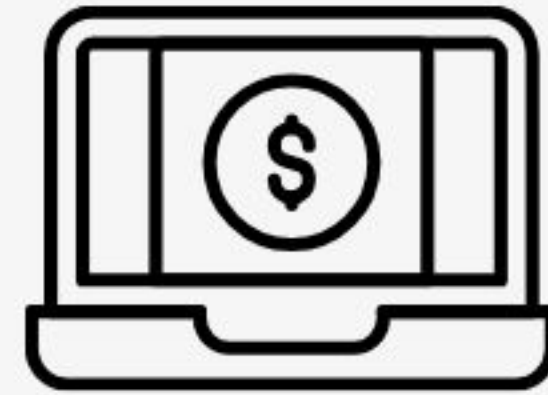
Employees receive anniversary gifts, recognition from managers, incentives for healthy choices all in the same wallet.



# *Wallets - How it works*



Employer budgets total spend for the year for recognition, incentives, and milestones.



Employees receive anniversary gifts, recognition from managers, incentives for healthy choices all in the same wallet.



Employee chooses how to use the recognition rewards they have received.

# *Wallet- Advantages*



Brings together often disjointed programs for recognition, making it visible to employees.

# *Wallet- Advantages*



Brings together often disjointed programs for recognition, making it visible to employees.



Replaces programs that put employer at compliance risk like the use of giftcards.

# *Wallet- Advantages*



Brings together often disjointed programs for recognition, making it visible to employees.



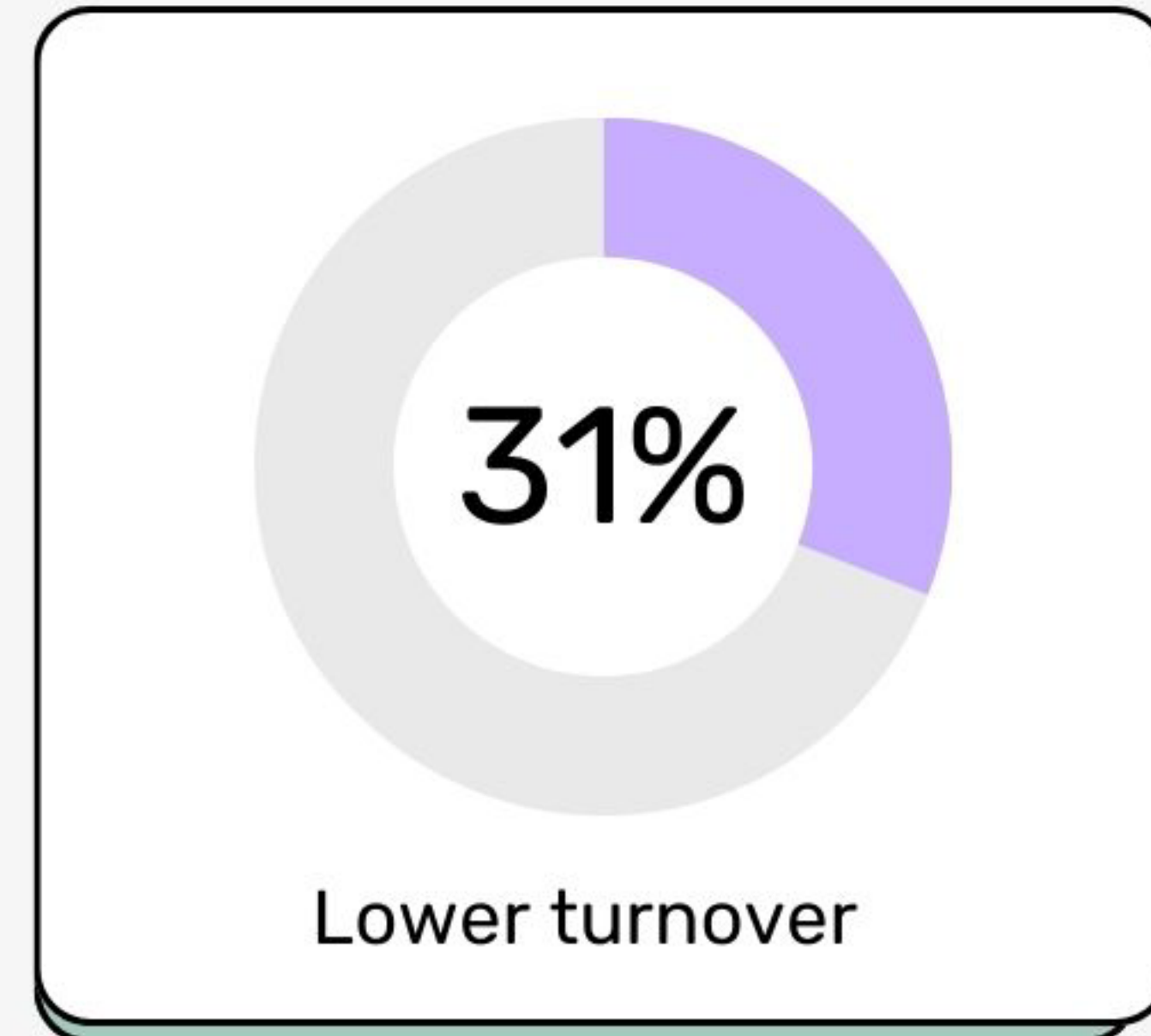
Replaces programs that put employer at compliance risk like the use of giftcards.



Empowers people managers to provide recognition, and make employees feel cared.

# *Wallet- Advantages*

Employers who have a recognition program experience:



# Wallet - Types



Employee receives points that they can then redeem for gift cards or products.



Wallet is tied to a card. Employee receives monetary rewards they can instantly use on eligible categories.

# Agenda



- ✓ Business Priorities
- ✓ New Employee Expectations
- ✓ Innovative Products
- Real-World Success Stories
- Questions

*Real-World*    
*Success Stories*



# *Lifestyle Spending Account*



Children's hospital

Socio-economically diverse workforce

Values life-work balance

Strong traditional benefits package

# *Lifestyle Spending Account*



- Provides monthly lifestyle benefits budget
- Employees can accrue their budget, but have to spend before the end of the year
- Different budgets depending on the employee status (full-time vs part-time)

# *Lifestyle Spending Account*



- Employees use their budget based on their unique needs (e.g. transportation, fitness, caregiving etc.)
- Top rated benefit
- Differentiator when hiring

# ICHRA



Medium size medical private practice

Employee population varied widely by age

Huge increase for their group premium

# ICHRA



- Provides ICHRA premium reimbursements
- Was able to keep their cost at the same level as the previous year
- Increased the contribution amount for family coverage
- Employees have more choice in their individual health plan, including selecting a plan that includes their doctor and prescriptions

# *Recognition Wallet*

*Heritage*  
Communities  
*Living better.*



Large and fast growing senior living

Across multiple states

Retention, safety, and upskilling goals

# Recognition Wallet



- Provides recognition to mentors with graduating apprentices
- Rewards employees that submit safety ideas, a program in connection to their workers comp insurance
- Rewards outstanding staff
- Celebrates employees at different milestones with a monetary reward and message

# Recognition Wallet

*Heritage*  
Communities  
*Living better.*



- Employees receive their rewards and recognition instantly in their wallet
- Employees choose from life-work solutions in app, or use it at point of sale using their card provided with their wallet
- Employees appreciate the flexibility to use it on gas, lunch, or save it for a bigger purchase



# Recognition Wallet

*Heritage*  
Communities  
*Living better.*



- Successful mentorship program is now on its second year
- Meet the requirements of workers comp program
- Making employees feel valued for retention

# Agenda



- ✓ Business Priorities
- ✓ New Employee Expectations
- ✓ Innovative Products
- ✓ Real-World Success Stories
- Questions

***Questions?*** 

# Thank you



Let's Connect!

[adriana.cisneros@maxwell.app](mailto:adriana.cisneros@maxwell.app)

