How to Coax Disengaged Employees to Sign Up for Health Coverage

One of the most difficult aspects of annual open enrollment is reaching workers who are disengaged from the process and never bother signing up for your group health plan and other benefits they could take advantage of.

While employers shoot for maximum employee enrollment, there are always those employees who for a multitude of reasons never take the first step of signing up for benefits. These workers are likely going uncovered for their health insurance and risk serious outlays if they have to see a doctor or go to the emergency room.

They also miss out on preventative services that insurers are required to provide without cost-sharing and that can help them maintain their health.

This disengagement is more typical with younger workers, who may feel that the extra expense for their share of their health plan premium isn't worth it since they are young and healthy. A recent study, the fifth annual "HSA Bank Health & Wealth Index," noted that targeted communications to millennials and Gen Zers are key to sparking their interest.

One way to do that is by focusing on pending life events that younger-generation workers may be encountering:

Marriage and children — Employers can focus their messaging to these generations of employees by highlighting these major life milestones and the importance of having health insurance in place.

Both of these events should be a wake-up call that it's time to get serious and purchase health insurance to either cover their spouse or impending children. Childbirth is expensive and newborns require numerous doctor's visits and vaccinations in their first year and beyond.

Turning 26 — This is the age that individuals are no longer allowed to be covered by their parents' health insurance. Young workers will often forgo their employer's health plan as they are still covered by their parents' plans.

They may not be aware that this is the cut-off age. If you have Gen Z workers, you should consider sending out e-mail blasts to them about this law and that if they are turning 26 in the coming year, they'll need to find new coverage other than their parents'.

Health savings accounts

There is one group of employees that is more engaged in their health insurance than any other, according to the Health and Wellness Index: Those who have health savings accounts that are linked to an HSA-eligible high-deductible health plan.

Also consider that one in three employees are uncertain about their ability to cover future health care expenses. HSAs, if used properly, can provide the peace of mind and the funds to cover those costs.

HSAs are savings accounts that allow your employees to put a portion of every paycheck into the account to bank for future medical expenses. These accounts can be kept for life and transferred to new employers. They are funded with salary that has not yet been taxed and the funds in the account can be invested, much like a 401(k) plan.

The study recommends targeting your communications to the disengaged by appealing to the traits that most HSA users have:

Spenders — This group of HSA owners will use most of the funds in their accounts to pay for qualified medical expenses.

They want information that helps them get the most bang for their buck. You can do this by sending them lists of eligible expenses and directing them to online technology that helps them get reimbursed.

Savers — This group doesn't touch their HSA balances, even for current medical expenses. Instead, they prefer to use their account to save for future expenses, even in retirement.

They are interested in tools to track expenses not paid from their HSAs and direct deposits for self-reimbursement.

Investors — This group of employees are also savers. They seek to maximize growth of their HSAs by investing the funds to grow them even more.

They are interested in information that can help them make good investment decisions and changes. Providing them with timely advice can help them start an HSA and continue investing in it in the future.

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