

Tips For Communicating High-Deductible Plans to Employees

High-deductible health plans have gained traction among workers over the last several years. However, employees often struggle to understand the nuts and bolts of these plans. Click through for communication tips.

A 2021 [survey](#) found that Preferred Provider Organization (PPO) plans are the most common among workers, followed closely by high-deductible health plans (HDHPs). According to the survey, 28% of workers have an HDHP with a savings option—such as a tax-advantaged Health Savings Account (HSA) or Health Reimbursement Arrangement (HRA).

Studies [show](#) that employees often struggle to comprehend their healthcare costs. This is especially true for HDHPs, as these plans are not only consumer driven but also typically paired with a savings option. Therefore, if you offer an HDHP, it's important to educate employees about the plan, as this is essential to participation and engagement.

Here are tips for accomplishing this.

Explain in simple terms how HDHPs work

The key to effectively communicating HDHPs is to keep it simple yet sufficiently informative. Provide vital information about how the plan works, but avoid overwhelming employees.

For example, explain the following attributes of the plan:

- Deductibles are higher annually.
- Premiums are lower each month.
- There are higher out-of-pocket limits.
- Various coverage options and services are available.
- There are specific enrollment periods.

Consider placing the information in an easy-to-read chart or a similar type of graphic. Be sure to include minimum and maximum cost limits.

Address specific scenarios that employees may encounter

For example, explain how the HDHP works with doctor visits, trips to the emergency room, specialty providers and prescription drugs.

Describe how the savings option works

If you offer an HDHP, you likely pair it with an HRA or HSA. It's critical that employees understand the tax benefits of the savings option plus any other advantages. For

instance, the HSA belongs to the employee, meaning they can take it with them if they leave the company. Additionally, it can serve as a retirement savings tool.

Be clear about how the HDHP functions with the HRA or HSA

Provide hypothetical examples of how the HDHP works with the HRA or HSA, so employees can see the hard dollar savings they stand to gain. Also show them how the money in the HRA or HSA can help them pay for their healthcare bills.

Develop side-by-side comparisons of the HDHP and other plans

Create a chart that shows employees how the HDHP stacks up cost-wise against any other health insurance plans that you offer. Stick to the basics by comparing only the upfront costs, such as deductibles, out-of-pocket limits and premiums.

Use various communication methods

Make the information easily accessible by utilizing different communication methods, such as websites, digital booklets, printed materials, and emails. You can also use these channels to keep employees updated on changes to their HDHP and savings option.

Lastly, provide a reliable point of contact for employees. It's almost guaranteed that employees will have questions regarding their HDHP on a continuous basis. Make sure they know whom to contact for more information.