



Trends to Know: Your Employees' Changing Relationship with Health Care

Last year, over 45,000 of our clients' employees told us what matters when it comes to choosing and using benefits. The biggest takeaway was how outside changes and uncertainty shifted their preparedness for health care expenses and control in spending, which you can see below.

ADP TotalSource has options to mitigate costs or give them more control, as well as other benefits to ensure your employees feel valued and cared for.

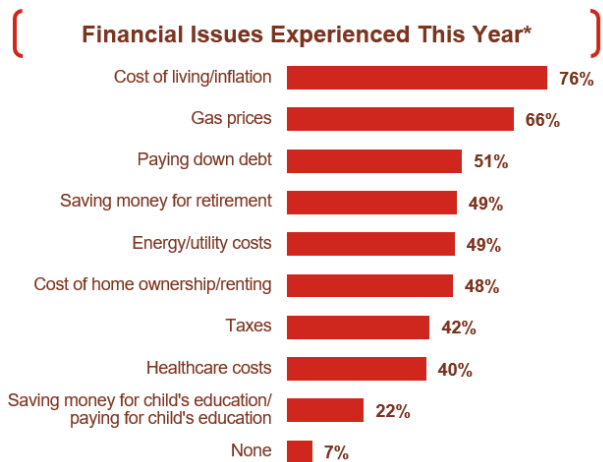
How valuable is the ADP® Mobile App as a benefits resource for employees? 44% said it's a top go-to for seeking information, and 17% said it's the first place they look!

1. Sadly, financial issues make it difficult to plan and seek care.

- 93% experienced financial issues in 2022.
- 40% struggled with health care costs, and nearly half had difficulty saving money for retirement.

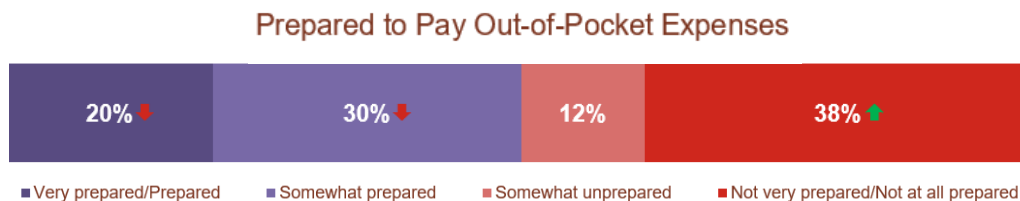
2. Not surprising, some put off care or treatment to save money.

- 22% didn't receive care for themselves or a family member because they couldn't come up with the out-of-pocket payment.
- 20% stopped taking or took less of their prescribed medication to save money.



3. Because they're feeling less prepared for medical costs, employees prefer more control over health care spending.

- While 50% described themselves as prepared this year (-10% YOY), over a quarter have less than \$500 to cover unexpected medical costs (+12% YOY).



- 53% would prefer to have less money taken out of their paychecks and spend more at the doctor's office at time of care (up +10% from 2021).

4. Despite these challenges, medical insurance is a must-have benefit.

- Medical insurance is the most important benefit available to 91% of employees.
- Nearly 80% feel valued by their employer because of the medical benefits they provide.

5. ADP TotalSource has ways you can help reduce their cost of care.

- Consider high-deductible health plans as a way to support their desire for keeping more money in their paychecks.
- Redirect some of their contribution strategy into a Health Savings Account (HSA) or share the benefits of a Flexible Spending Accounts (FSA) to promote preparedness.
- HSAs, FSAs and 401(k) retirement plans can reduce the cost of care and increase retirement preparedness.