

US Benefits Benchmarking Group

# Benefits Valuation Analysis Report

**ABC Company**

January 2023

A business of Marsh McLennan



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# About the Report

## What is the BVA?

The report is a tool designed to allow you to assess the competitiveness of your benefit package, as a whole and by plan. It generates a common dollar value for benefit plans with varying plan designs and provisions. Statistical comparisons are then made to create an objective pay neutral analysis comparison of your plans to those of the peer group. This methodology employed in preparing our analysis is based on several key fundamentals:

- **Market Replacement Value of Benefit Plans**: “Value” is determined from the employee’s perspective, i.e., dollar values represent the employer-provided value of the benefits being provided to the employees.
- **Plan Design Emphasis**: The focus of the BVA is on valuing plan design. We remove other factors such as geographic differentials, claims experience, and negotiating power that can affect the cost of benefit plans. This results in an objective comparison of one employer versus the peer group.
- **National Composite Workforce**: The report compares your benefit plans with those of your peer group based on a hypothetical national composite workforce / sample census. The composite workforce is a set of generic employee profiles that represents a typical employee population. The workforce composite profiles are derived and calculated from a national cross-section of representative organizations that vary by industry, size, and geography. The same workforce is used for all organizations in the study, so the effect of different employee demographics is removed from the value comparison.

## Points of Comparison

To compare your competitive position relative to the peer group, the charts show where your organization aligns, leads, and lags according to the following criteria:

**Values:** Shows the range of dollar values for all organizations in the peer group

**Rank:** Identifies your organization’s plan value position relative to the peer group values

**Quartile:** Shows the distribution of the peer group’s plan values by showing the 1st and 3rd quartiles and median dollar values

**Index:** Illustrates the relationship of your benefit values to the median values of the peer group (the median value equals an index of 100)

**Organization A:** Organization A represents ABC Company.

## About the Index

The charts reflect the average of the **national composite workforce**. Your position is described in terms of the **index**:

**Above Median:** Index of 106 and above

**Aligned with Median:** Index between 95 and 105

**Below Median:** Index of 94 and below

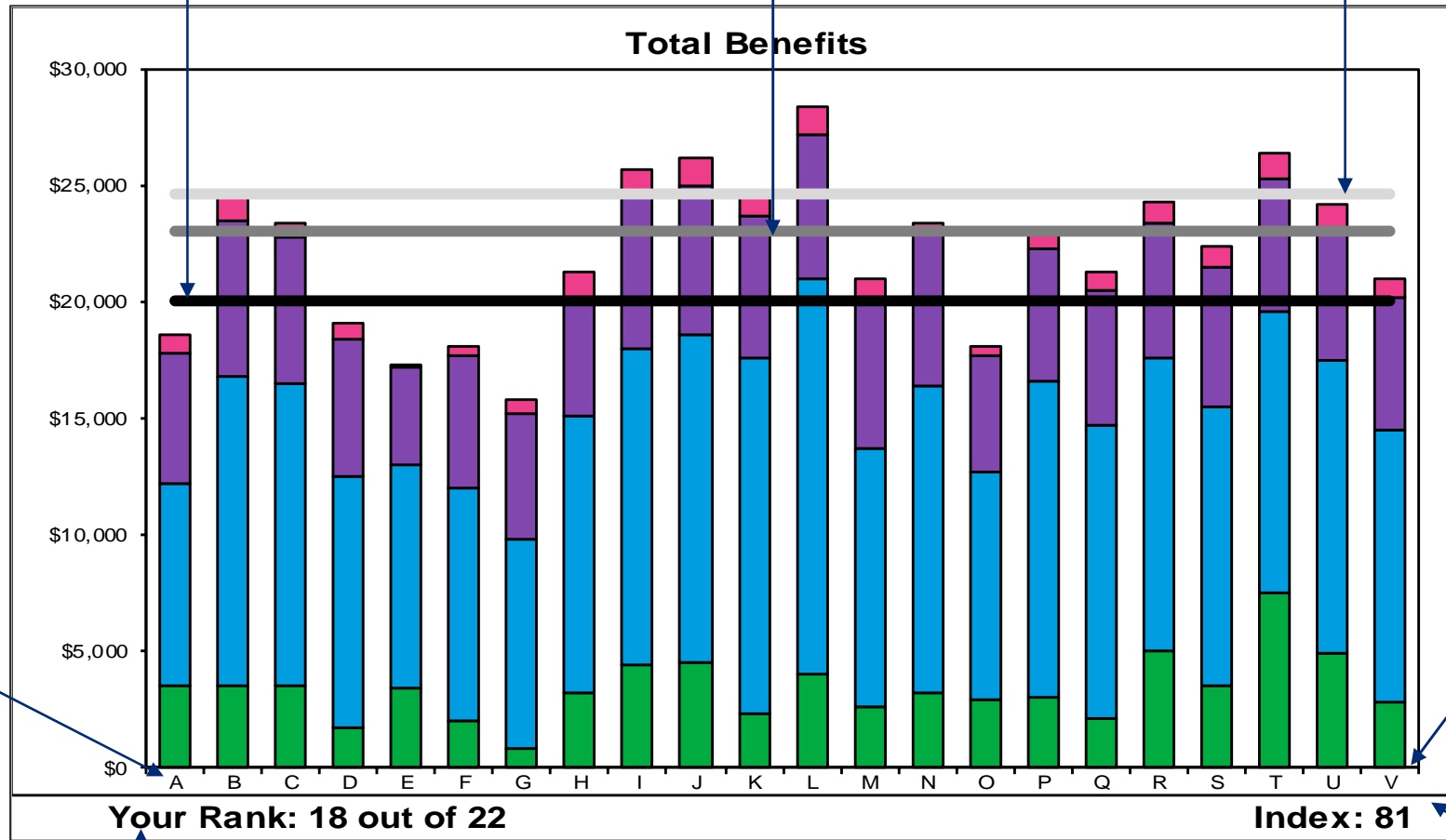
The lines within the chart indicate the values at the 25th, 50th, and 75th percentiles.

# About the Report

**25<sup>th</sup> Percentile/1<sup>st</sup> Quartile**  
- 25% of the peer's value is less than this value

**50<sup>th</sup> Percentile/Median** –  
the "middle" value among the peer group

**75<sup>th</sup> Percentile/3<sup>rd</sup> Quartile** –  
75% of the peer's value is less than this value



**Organization A –**  
Represents Your Company

**Organizations B-V –**  
Represents the remaining peers. This matches with the same corresponding letter in the SPF report

**Rank** - Identifies your organization's plan value position relative to the peer group values

**Index** - Illustrates the relationship of your benefit values to the median values of the peer group (the median value equals an index of 100)

# About the Report

## Participant Listing








ABC Company selected the following organizations as peers for the benefits comparison:

- Peer A
- Peer B
- Peer C
- Peer D
- Peer E
- Peer F
- Peer G
- Peer H
- Peer I
- Peer J
- Peer K
- Peer L
- Peer M
- Peer N
- Peer O
- Peer P
- Peer Q
- Peer R
- Peer S
- Peer T
- Peer U
- Peer V
- Peer W
- Peer X
- Peer Y
- Peer Z

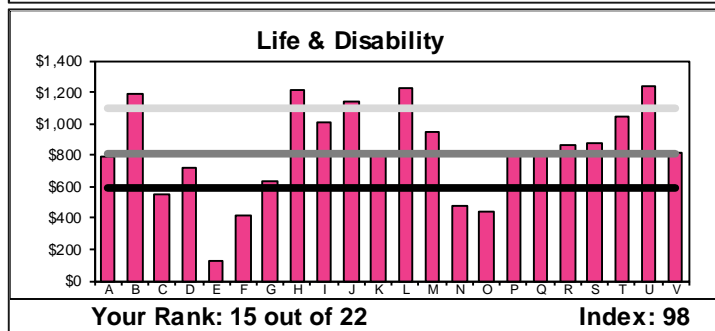
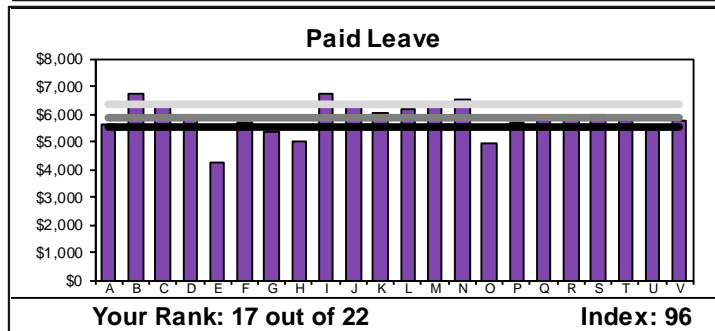
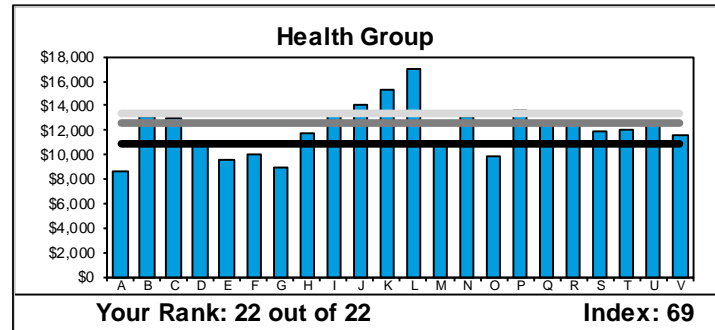
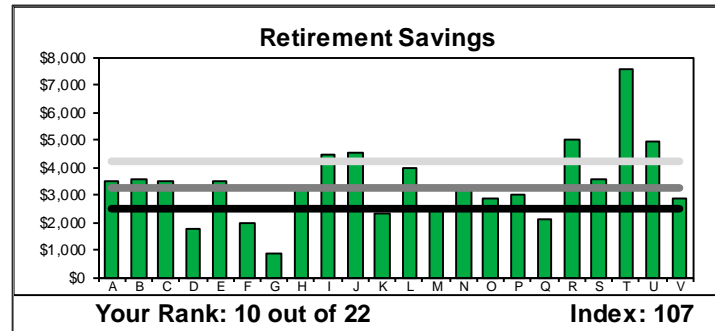
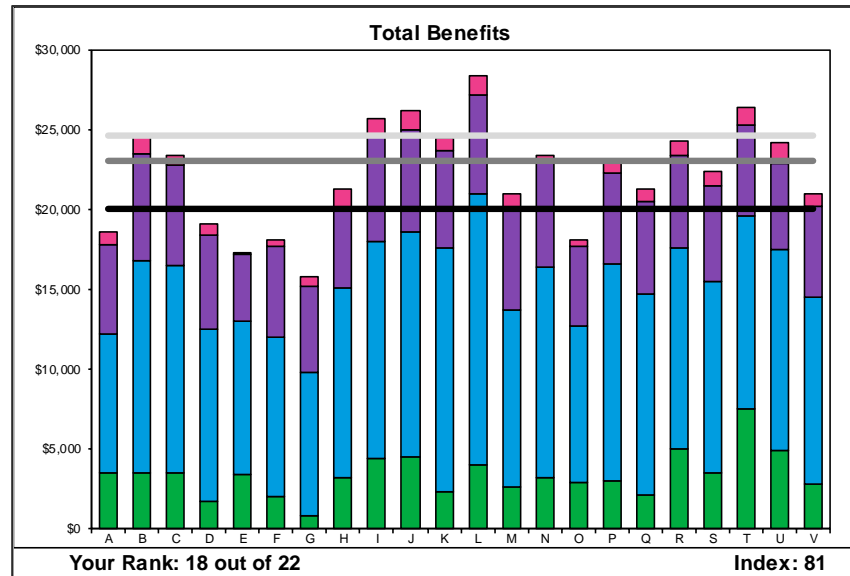
# Executive Summary

## Your benefits are:



Benefit	Market Position	Commentary
Retirement	Rank = 10 <sup>th</sup> Index = 107 	<ul style="list-style-type: none"> <li>ABC Company's overall Retirement Savings position is above the median peer group values as a result of providing a total employer contribution of 6% using total pay compared to the median design that has a total employer contribution of 6.5% using base pay only</li> <li><b>ABC Company is above the peer group median thus no changes are recommended.</b></li> </ul>
Medical	Rank = 22 <sup>nd</sup> Index = 76 	<ul style="list-style-type: none"> <li>ABC Company's higher employee cost-share combined with higher coinsurance generate a below-median comparison.</li> <li><b>Consider lowering the employee cost-share as well as the coinsurance amount in order to be aligned with peer group median.</b></li> </ul>
Dental	Rank = 18 <sup>th</sup> Index = 33 	<ul style="list-style-type: none"> <li>ABC Company's below peer group median position is a result of higher employee cost-share offset by competitive plan provisions.</li> <li><b>Consider lowering the employee cost-share in order to be aligned with peer group median.</b></li> </ul>
Paid Leave	Rank = 17 <sup>th</sup> Index = 96 	<ul style="list-style-type: none"> <li>Total number of paid leave days is competitive among the peer group median.</li> <li><b>ABC Company is aligned with the peer group median thus no changes are recommended.</b></li> </ul>
Life Insurance	Rank = 8 <sup>th</sup> Index = 100 	<ul style="list-style-type: none"> <li>ABC Company provides a 1 times base pay coverage which is aligned with the median plan design.</li> <li><b>ABC Company is aligned with the peer group median thus no changes are recommended.</b></li> </ul>
Short-Term Disability	Rank = 14 <sup>th</sup> Index = 75 	<ul style="list-style-type: none"> <li>ABC Company's below-median position is a result of providing a 67% pay replacement for 26 weeks compared to the median plan design that provides up to 9 weeks of 100% pay replacement based on service.</li> <li><b>Consider providing some weeks at 100% pay replacement in order to be more aligned with the peer group median plan.</b></li> </ul>
Long-Term Disability	Rank = 6 <sup>th</sup> Index = 100 	<ul style="list-style-type: none"> <li>ABC Company provides 60% pay replacement which is aligned with the median plan design.</li> <li><b>ABC Company is aligned with the peer group median thus no changes are recommended.</b></li> </ul>

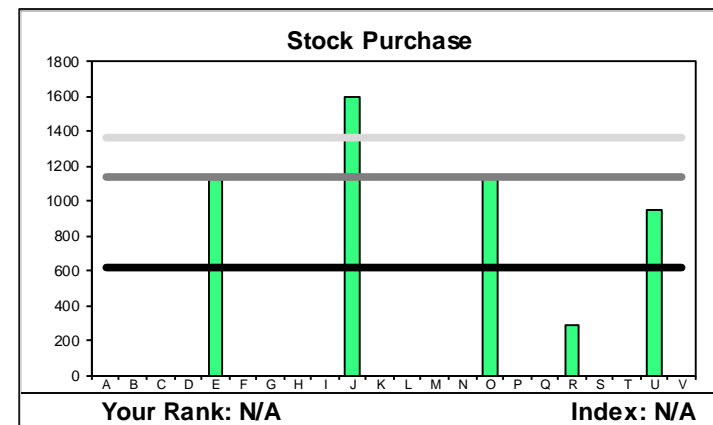
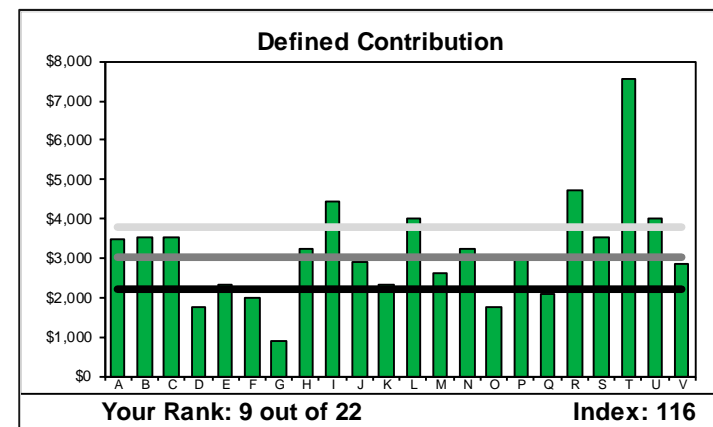
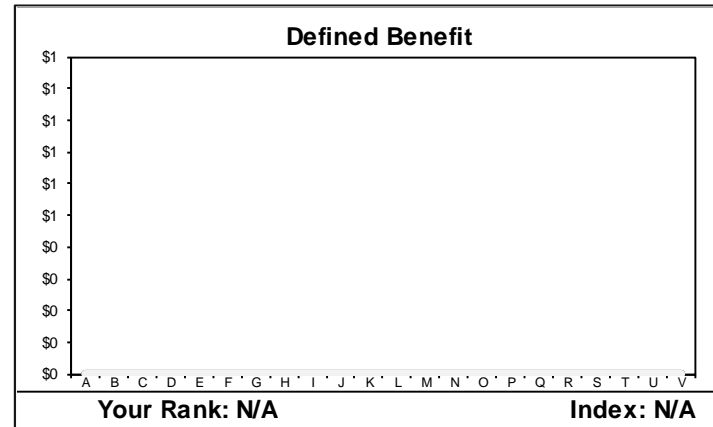
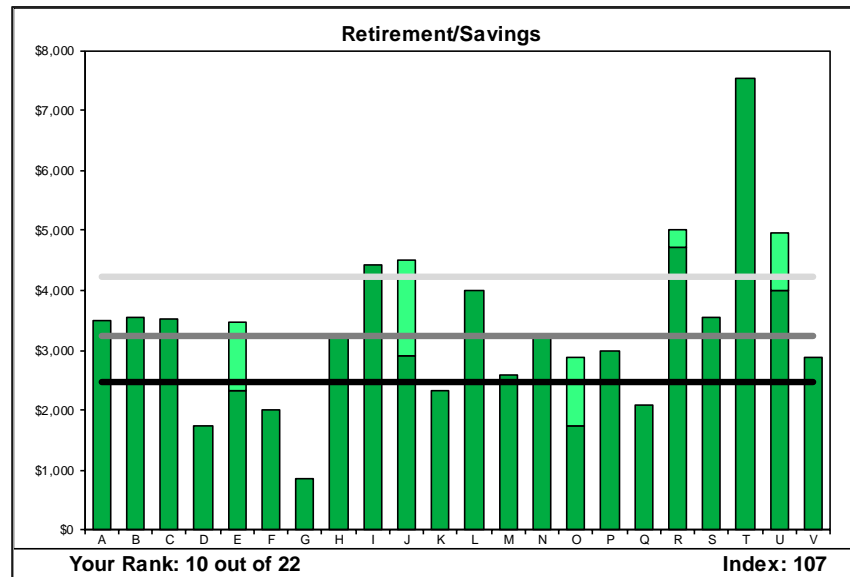
# Total Benefits



## Market Position

- ABC Company's overall Total Benefits position is generated by:
  - Above-median comparison for Retirement Savings as a result of a total employer contribution that is slightly higher than the median plan as well as including bonus with in the salary definition.
  - Competitive comparisons in the Paid Leave by offering a similar number of days off to the median plan and in the Life & Disability areas by offering competitive plan provisions in the Life Insurance and LTD areas.
  - Below-median comparison for Health/Group due to requiring employees to pay a higher share of benefit cost for both Medical and Dental plans.

# Retirement Savings



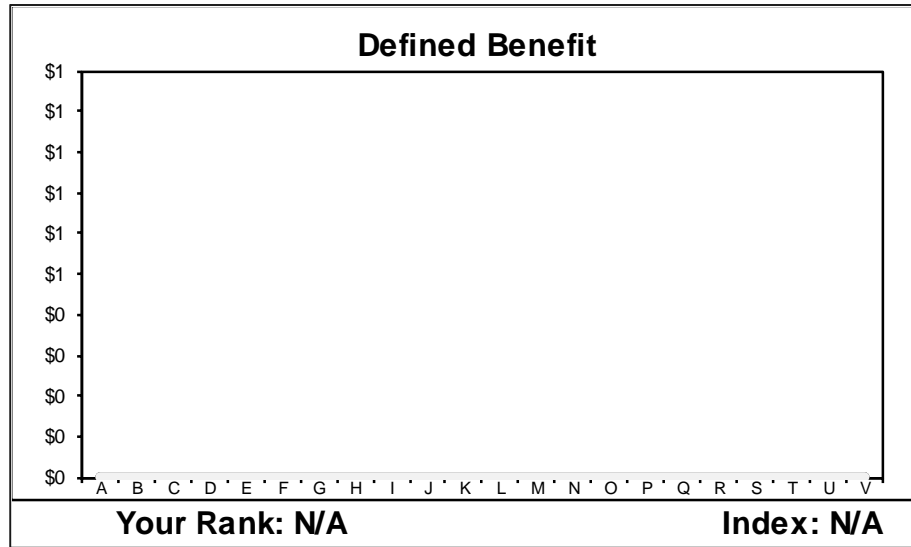
## Market Position

- ABC Company's competitive comparison is driven by a rich employer contribution into the 401(k) plan.
- None of the peers provide a Defined Benefit plan to newly hired employees.
- Only five peers offer a Stock Purchase plan that gives a discount on the purchase of company stock. These plans only slightly enhance the overall value.



# Retirement Savings

## Defined Benefit



**0%**

Offer a Defined Benefit plan

**0%**

Have a frozen or grandfathered Defined Benefit plan

**0%**

Include bonus in the definition of pay

### Market Position

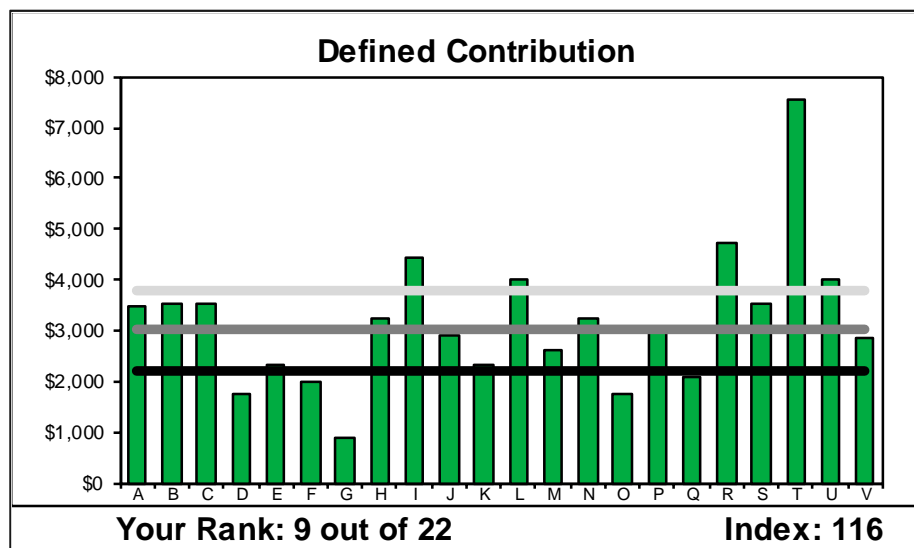
- None of the peers provide a Defined Benefit plan to newly hired employees.
- One of the peers reported a Defined Benefit plan for which the benefit was grandfathered. Per the valuation methodology, grandfathered and frozen plans are not included in the analysis.

### General Industry Commentary

- Offered by **17%** of organizations, where the most common plan types are Final Average Pay plans and Cash Balance plans.
- **52%** have a five-year vesting schedule.
- **42%** include bonus in the definition of pay.
- **21%** have an excess feature which removes legislated limit.

# Retirement Savings

## Defined Contribution



Offer employer match



Offer employer non-match



Include bonus in the definition of pay

Median Plan Design	
401(k)	Plan type
4% (100% of 4% of pay)	Matching contribution
Base + Bonus	Salary definition

### Market Position

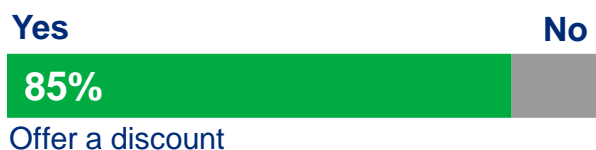
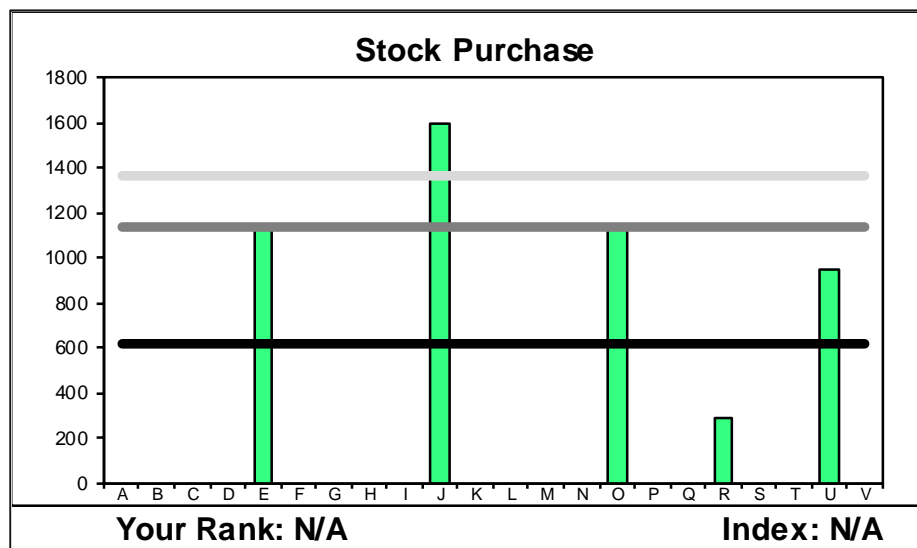
- ABC Company is above median as a result of including bonus within the salary definition combined with providing a total employer contribution that is richer than the peer group median.
- ABC Company's total employer contribution is derived from a matching contribution of 50% of the first 6% of employee contributions combined with a 3% non-matching contribution.
- Ten peers provide both matching and non-matching contributions; ten peers provide a matching contribution only and the remaining peer provides a match only contribution.

### General Industry Commentary

- 84% offer employer match.
- 47% offer employer non-match.
- 57% include bonus in the definition of pay.
- The median total employer contribution is 6%.

# Retirement Savings

## Stock Purchase Plan (Wealth Accumulation)



Median Plan Design	
Market value determination	Price at end of purchase period
Salary definition	Base Only
Discount on stock	15%
Maximum allowable purchase amount as percent of pay	100%

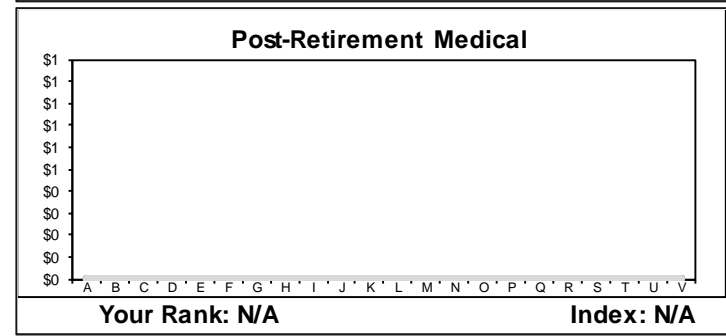
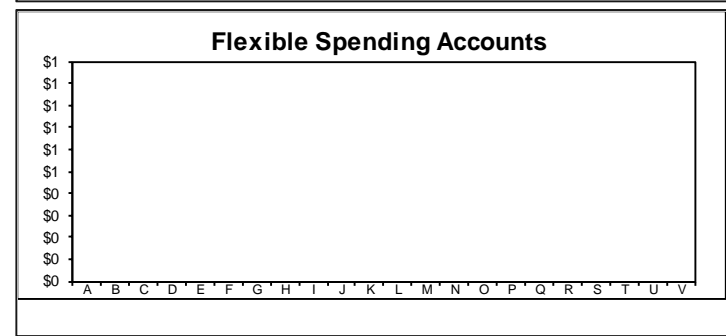
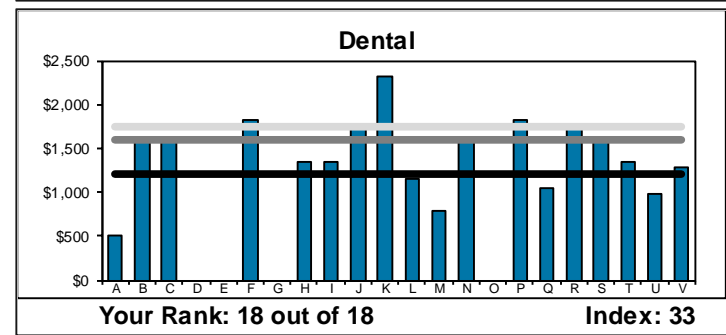
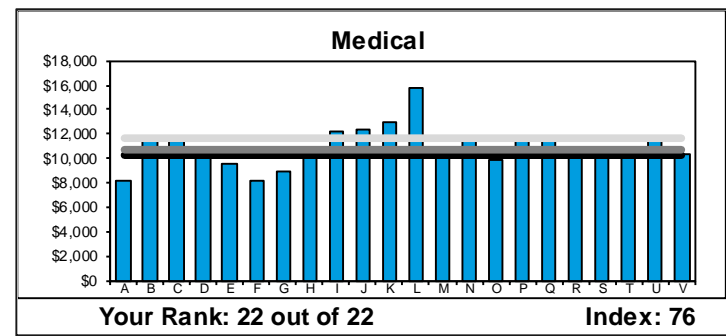
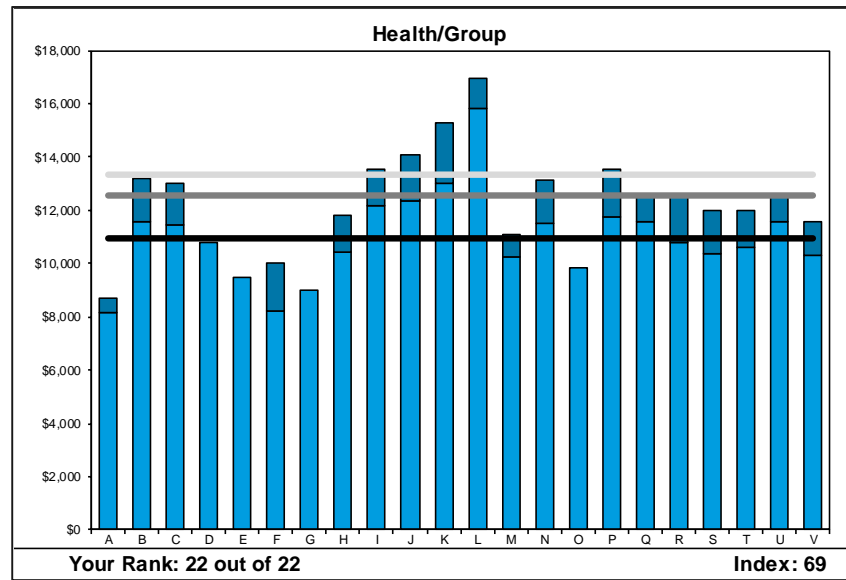
### Market Position

- The primary driver of value in a Stock Purchase plan is the level of employer funding via a match or discount on the purchase of the stock.
- Six peers provide a Stock Purchase plan to employees of which five of them provide a value as a result of providing a discount.
- One peer provides a 5% discount and the remaining peers provide a 15% discount.

### General Industry Commentary

- Offered by **14%** of organizations, where **80%** of these organizations provide a plan with a discount.
- The median discount is **15%**.
- **25%** include bonus in the definition of pay.
- The median maximum employee contribution amount is **10%**.

# Health Group



## Market Position

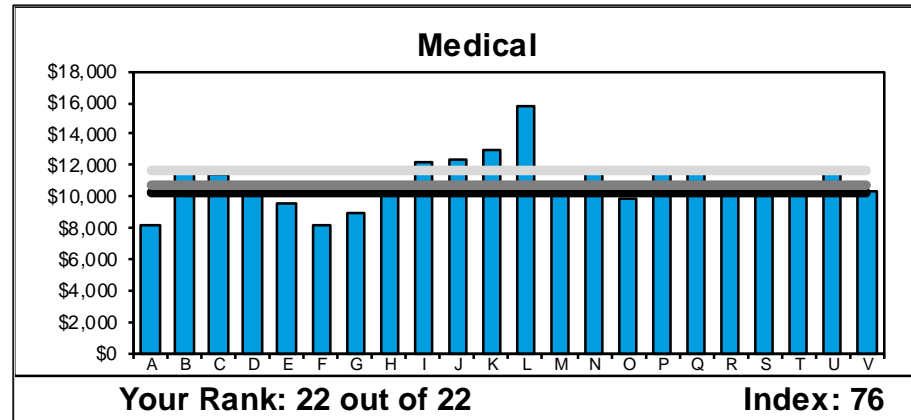
- Medical and Dental benefits are below median plan designs for each benefit.
- None of the peers provide employer-subsidized Post-Retirement Medical coverage, though four peers offer access to both pre-65 and post-65 Post-Retirement Medical coverage.
- None of the peers provide an employer-subsidized Flexible Spending Accounts.

## General Industry Commentary

- Benefits make up about **30%** of total compensation according to the Bureau of Labor Statistics, and health insurance is the most costly and the most valued by employees. Still, Mercer's *Inside Employee Minds* survey found that more than two-thirds of workers (**68%**) feel challenged to get needed healthcare for themselves and their families, with younger workers, caregivers, and LGBTQ+ employees the most likely to face challenges.
- Health care affordability is a top concern for many workers, in particular low-wage earners or those coping with a chronic medical condition. While high-deductible health plans have grown rapidly over the past decade, employers have recognized that these plans are not a good fit for some employees.

# Health Group

## Medical



	Median Plan Design	Your Plan Design
<b>Plan Type</b>	HDHP PPO	PPO
<b>Employee Cost-Share</b>	15% Employee Only 12% Family * Varies by salary	34% Employee Only 34% Family
<b>Annual Deductible</b>	\$1,600/Individual \$3,200/Family	\$1,000/Individual \$3,000/Family
<b>Out-of-Pocket Limit</b>	\$4,350/Individual \$8,700/Family	\$3,500/Individual \$7,000/Family
<b>Coinsurance/Copayments</b>	20% Inpatient Hospital 20% Office Visit 20% Rx	30% Inpatient Hospital 30% Office Visit \$50 Rx
<b>Employer HSA/HRA Funding</b>	\$0/Individual \$0/Family	Not applicable

### Market Position

- The plan with the largest percentage of employee participation was valued for all organizations in this study; ABC Company's Traditional PPO plan was valued.
- ABC Company's below-median position is driven by higher employee cost-share combined with higher coinsurance compared to the median plan design.
- The average employee cost-share for valued plans is 17% for employee only coverage and 20% for family coverage. Six peers vary their cost share by salary.

### General Industry Commentary

- **74%** offer PPO plans, with an average cost share of **19%** for employee only and **24%** for family.
- **77%** offer HDHP plans, with an average cost share of **13%** for employee only and **17%** for family.
- **22%** offer HMO plans, with an average cost share of **16%** for employee only and **25%** for family.

# Health Group

## Medical



**65%**  
Offer an HDHP

**94%**  
Offer a PPO

**59%**  
Offer an HMO

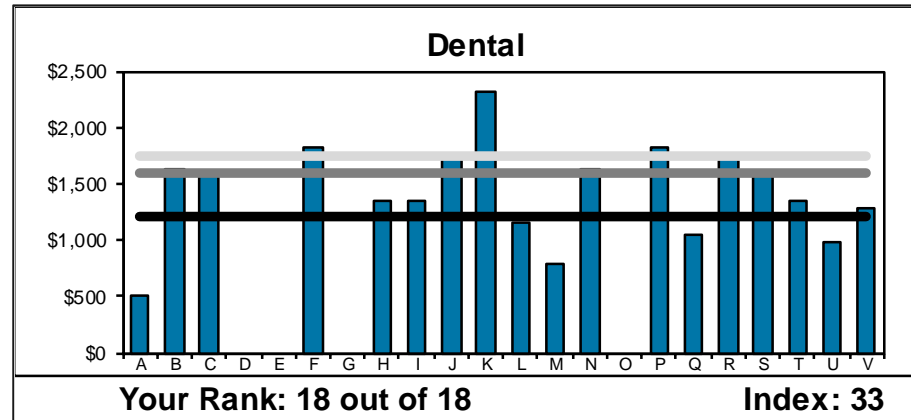
Median Medical Plan Features				
	Your Plan Design PPO	HDHP	PPO	HMO
<b>In-Network Deductible</b>	\$750/Individual \$1,500/Family	\$1,750/Individual \$3,600/Family	\$550/Individual \$1,400/Family	\$0/Individual \$0/Family
<b>In-Network Inpatient Hospital</b>	10% Coinsurance	20% Coinsurance	15% Coinsurance	20% Coinsurance or \$325 Copay
<b>In-Network Office Visits</b>	\$25 Copay	20% Coinsurance	\$20 Copay	\$15 Copay
<b>In-Network Out-of-Pocket Limits</b>	\$3,000/Individual \$6,000/Family	\$3,750/Individual \$6,925/Family	\$3,150/Individual \$9,000/Family	\$1,500/Individual \$3,000/Family
<b>Employer HSA/HRA Funding</b>	Not applicable	\$750/Individual \$1,100/Family	Not Applicable	Not Applicable
<b>Employee Cost-Share</b>	25% Employee Only 30% Family	12% Employee Only 15% Family	19% Employee Only 22% Family	17% Employee Only 25% Family

\*The details on this page do not represent the median value, rather the median plan features for each of the various plan designs offered among the peers and is inclusive of all plans offered (not just the ones with the largest percentage of employee enrollment).



# Health Group

## Dental



	Median Plan Design	Your Plan Design
<b>Plan Type</b>	Silent PPO	Silent PPO
<b>Employee Cost-Share</b>	40% Employee Only 40% Employee + Child 40% Employee + Spouse 40% Family	79% Employee Only 78% Employee + Child 81% Employee + Spouse 76% Family
<b>Annual Deductible</b>	\$25/Individual \$50/Family	\$50/Individual \$150/Family
<b>Maximums (Annual/Lifetime)</b>	\$1,000 Annual / \$1,500 Orthodontia	\$1,500 Annual / \$2,000 Orthodontia
<b>Coinsurance</b>	100% Preventative 80% Basic 80% Major 80% Orthodontia	100% Preventative 80% Basic 50% Major 50% Orthodontia

### Market Position

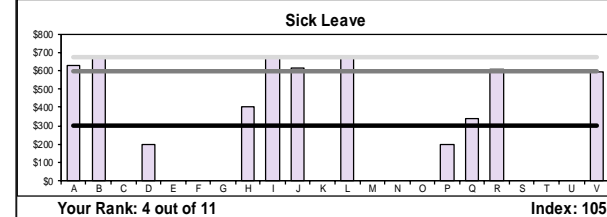
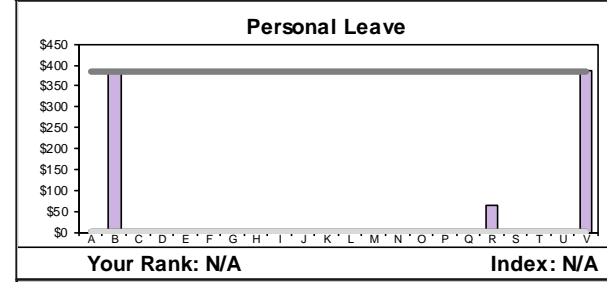
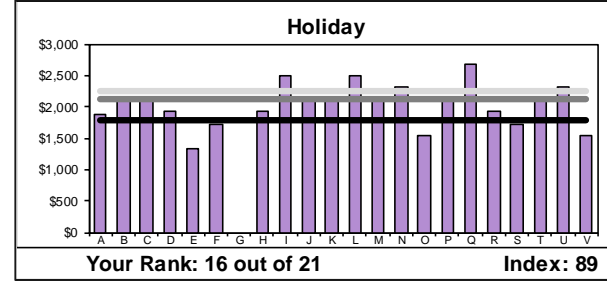
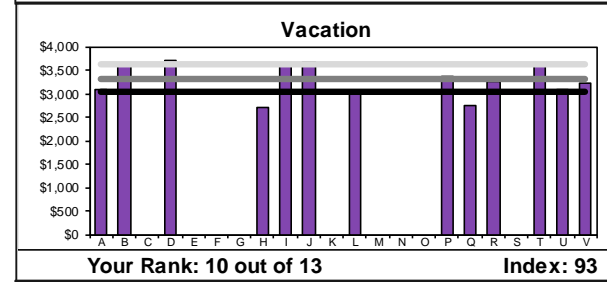
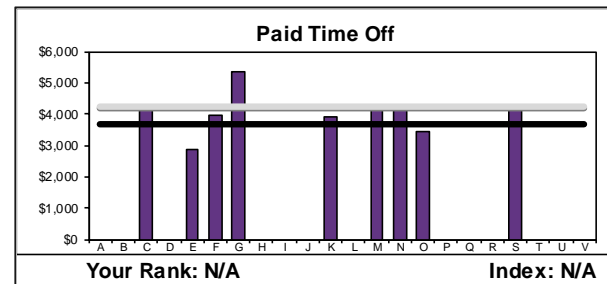
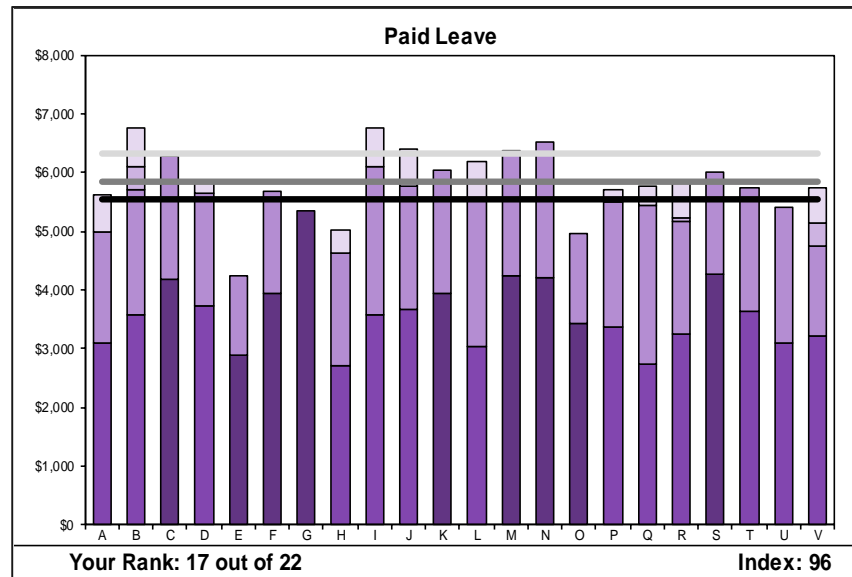
- The plan with the largest percentage of employee participation was valued for all organizations in this study.
- ABC Company's below-median comparison is a result of higher employee cost-sharing at all coverage tiers, offset with a competitive plan design.
- The average employee cost-share for valued plans is 41% for employee-only and 40% for family coverage.
- Four peers require the employee to pay the full cost of the premium, therefore, no value is generated for these peers.

### General Industry Commentary

- Median employee cost share is **40%** for employee only coverage and **47%** for family coverage.
- Median plan coverage is **100%** for preventative, **80%** for basic, **50%** for major and **50%** for orthodontia coverage.
- Median annual maximum is **\$1,500** and median lifetime orthodontia is **\$1,500**.



# Paid Leave



## Market Position

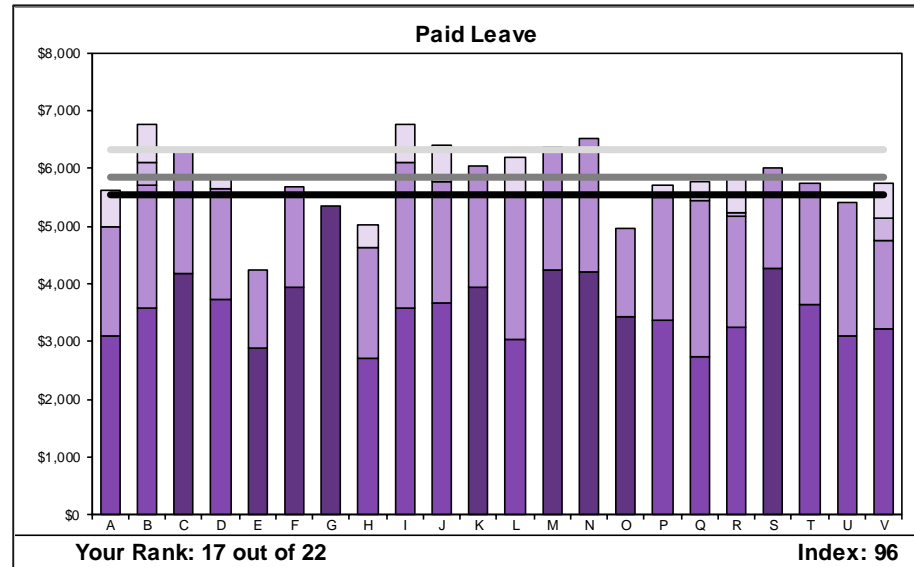
- ABC Company's competitive position is driven by above-median Sick Days offset by below median Vacation and Holiday schedules.
- 57% of peers provide a Traditional Vacation plan
- 43% provide a Paid Time Off plan that combines various elements of Paid Leave
- 95% of the peers provide a separate Holiday plan
- Eleven organizations, including ABC Company, provide a separate Sick Leave plan.

## General Industry Commentary

- Only 42% of respondents with PTO plans say that most of their employees take all of their allotted time, down from 51% in 2018 — and 15% say employees actually use less than 50% of PTO days.
- More than half report that open accruals/balances at the time of transition from a standard vacation/PTO plan were forfeited (where allowable); about two-fifths paid out balances and the rest allowed the accruals/balances to be used for STD top-off pay.

# Paid Leave

## Total Leave



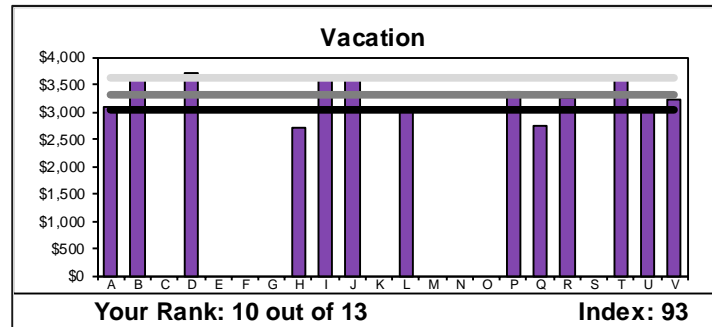
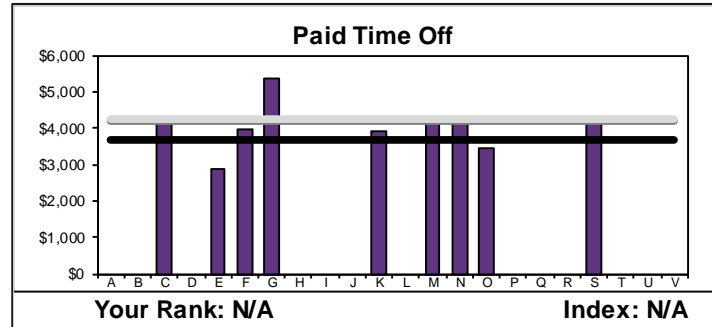
Years of Service	Median Total Leave*	Your Total Leave**	Difference
1 Year	38 Days	43 Days	+5 Days
5 Years	38 Days	47 Days	+9 Days
10 Years	43 Days	48 Days	+5 Days
15 Year	43 Days	48 Days	+5 Days
20 Years	48 Days	48 Days	0 Days
25 Years	48 Days	48 Days	0 Days

### Market Position

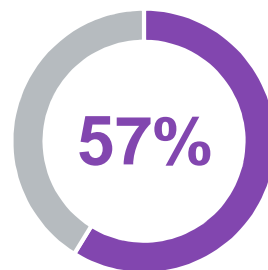
- ABC Company provides a traditional Vacation plan with a separate bank of days for Holidays and Sick Leave.
- Note that both ABC Company and the organization at the median for Paid Leave have informal Sick Leave plans which do not state a set number of days; we assume 10 days are provided for informal plans.
- ABC Company provides 5 more Holidays than the peer that represents the median Total Leave category.
- ABC Company does not provide a separate bank of days for Personal Leave and neither does the median.
- ABC Company provides 4 to 8 fewer weeks for Parental Leave than the market median; Parental Leave is not included in the relative dollar value, rank, or index positioning as this benefit is not utilized by all employees on an annual basis.

# Paid Leave

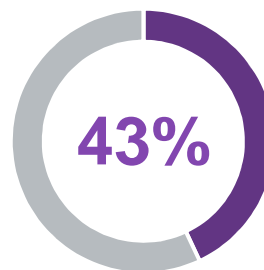
## Vacation / Paid Time Off



Years of Service	Median Traditional Vacation	Your Plan Design
1 Year	15 Days	13 Days
2 Years	15 Days	13 Days
3 Years	15 Days	13 Days
4 Years	15 Days	13 Days
5 Years	15 Days	15 Days
6 Years	15 Days	15 Days
10 Years	20 Days	20 Days
15 Years	20 Days	20 Days



Offer a Traditional Vacation Plan



Offer a PTO Plan

### Market Position

- Thirteen organizations, including ABC Company, provide a Traditional Vacation plan.
- Nine peers provide a Paid Time Off policy whereby vacation days are included with other elements of paid leave such as personal leave and/or sick leave.

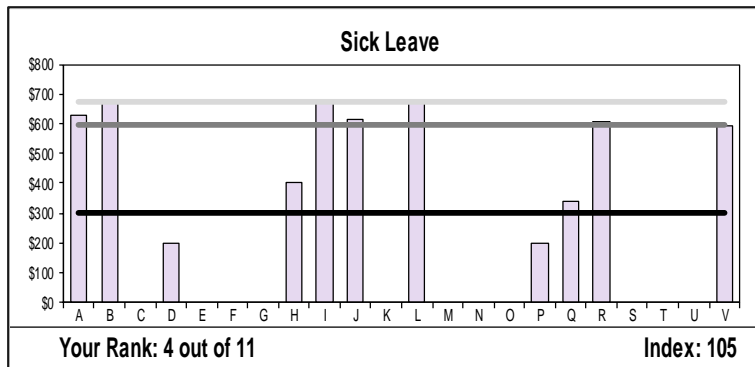
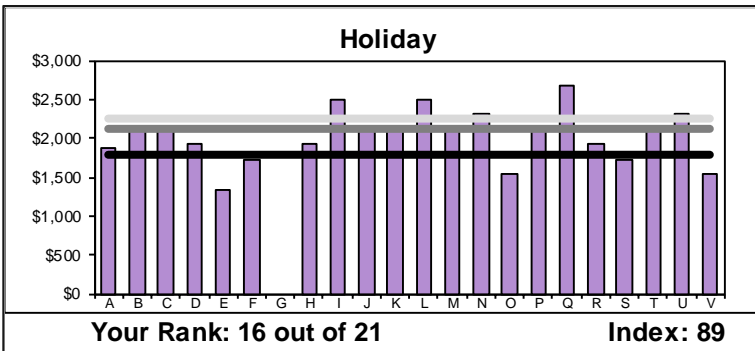
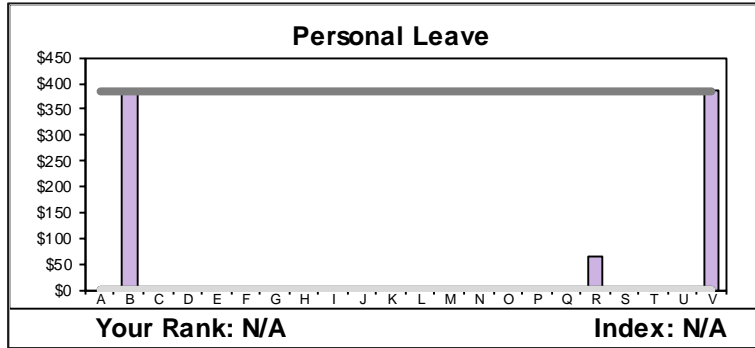
### General Industry Commentary

- Types of Paid Leave:\*
  - 52% offer a Traditional Vacation plan
  - 50% offer a Paid Time Off (PTO) plan
  - 5% offer an Unlimited Time off Plan
- 72% allow carryover of unused days for traditional plans with a median of 30 days.
- 80% allow carryover of unused days for PTO plans with a median 30 days.

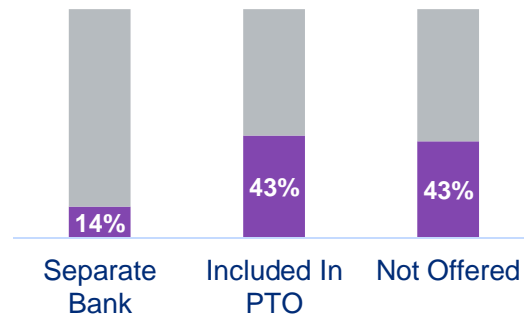
\*Some employers may offer a PTO plan to one group of employees and Traditional Vacation plan to another group.

# Paid Leave

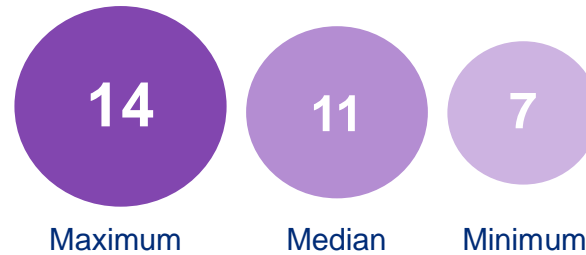
## Personal Leave / Holidays / Sick Leave



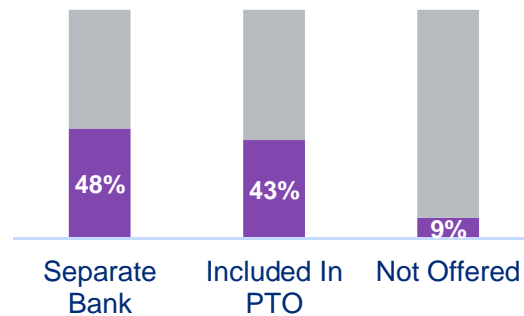
### Personal Leave



### Paid Holidays



### Sick Leave



### Market Position

#### Personal Leave

- ABC Company does not provide a separate bank of personal days.
- The two organizations which provide a separate bank of Personal Leave each provide 5 days.

#### Holidays

- ABC Company's below-median position is a direct result of providing 9 paid Holidays, compared to 11 days provided by the median plan.

#### Sick Leave

- Sick Leave Methodology has an assumed usage rate of 35%.
- When informal plans are used or Sick Leave left to the discretion of management, 10 days are used to generate the values.
- ABC Company's Sick Leave policy is aligned with median as a result of providing an informal plan where 10 days per year are assumed.

#### General Industry Commentary

- **16%** offer a separate bank of personal days.
  - Median number of personal days is **3 days**.
- **100%** offer paid holidays.
  - Median number of holidays is **10 days**.
- **95%** offer paid sick leave.
  - Median number of sick days is **10 days**.

# Paid Leave

## Parental Leave

	Median Plan Design	Your Plan Design
Plan Type	Parental Leave	Maternity + Parental Leave
Number of Weeks	7 weeks	2 weeks + 2 weeks at 80%
Percent of Pay Replaced	100% of pay	100% of pay for 2 weeks + 80% for 2 additional weeks



**50%**

Offer Parental Leave

**38%**

Offer Maternity Leave

**10%**

Offer Paternity Leave

\*Parental Leave is not included in the relative dollar value, rank, or index positioning as this benefit is not utilized by all employees on an annual basis.

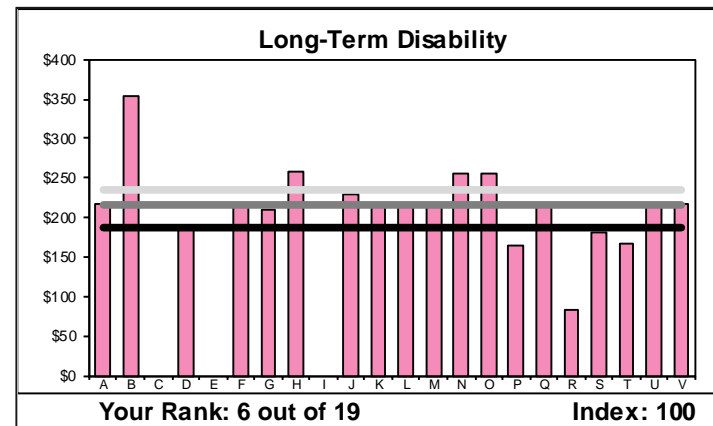
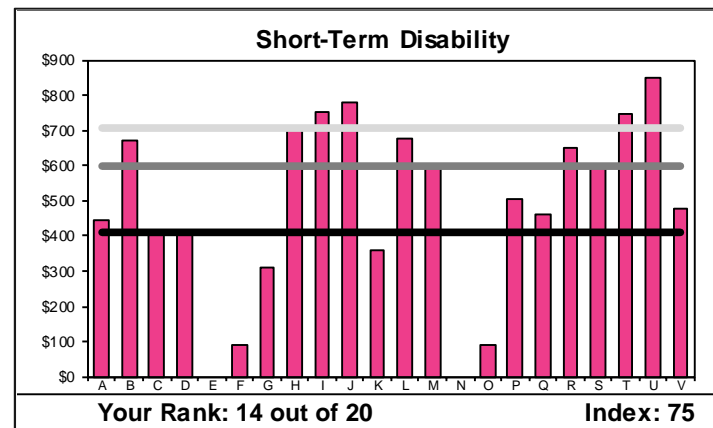
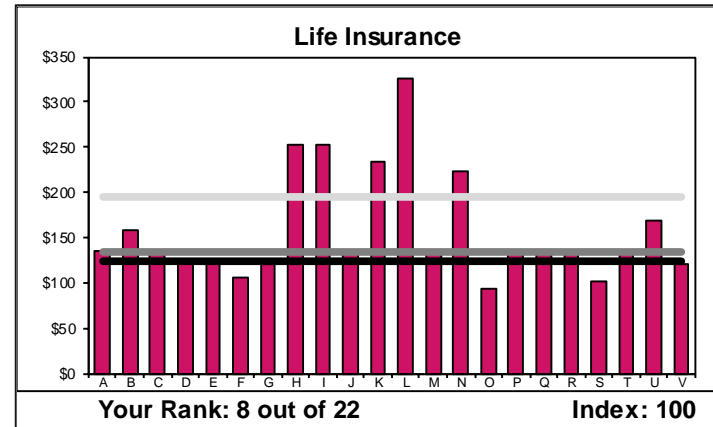
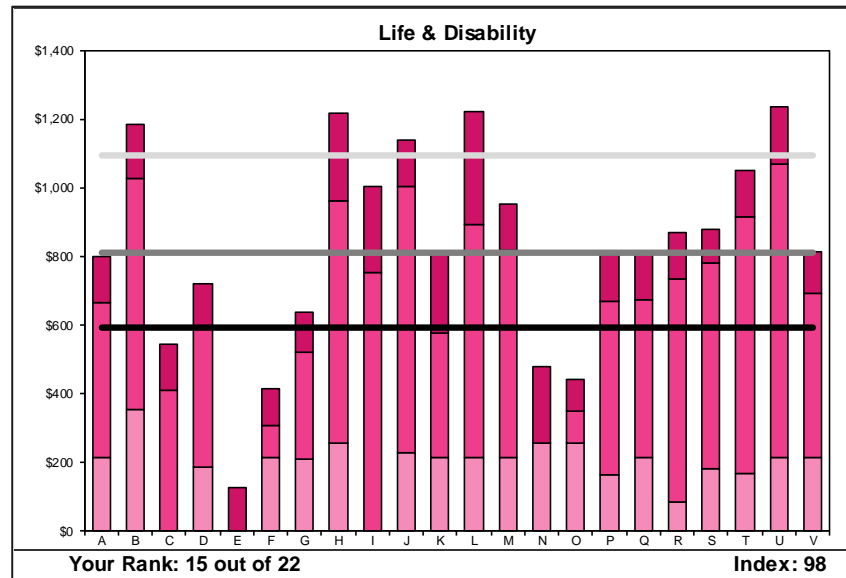
### Market Position

- Sixteen organizations, including ABC Company, do not provide a separate Parental Leave benefit.
- Five peers reported data for this benefit.
- 60% of those that provide a Parental Leave policy provide coverage for non-birth parent.
- 75% of those that provide a Parental Leave policy provide coverage for adoptive parent.
- Parental Leave/Maternity Leave varies from 2 weeks to 12 weeks paid at 100%.

### General Industry Commentary

- **16%** provide a Maternity Leave, with the median benefit being **8 weeks**.
- **5%** provide Paternity Leave, with the median benefit being **2 weeks**.
- **49%** provide a Parental Leave benefit, with the median Parental Leave benefit being **6 weeks**.
- Of organizations offering Parental Leave, **79%** of organizations allow leave to be used for Adoption, and **40%** of organizations allow leave to be used for placement of a Foster child.

# Life & Disability



## Market Position

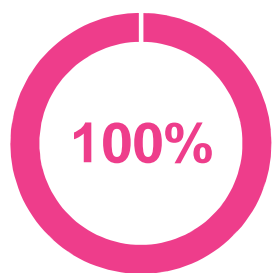
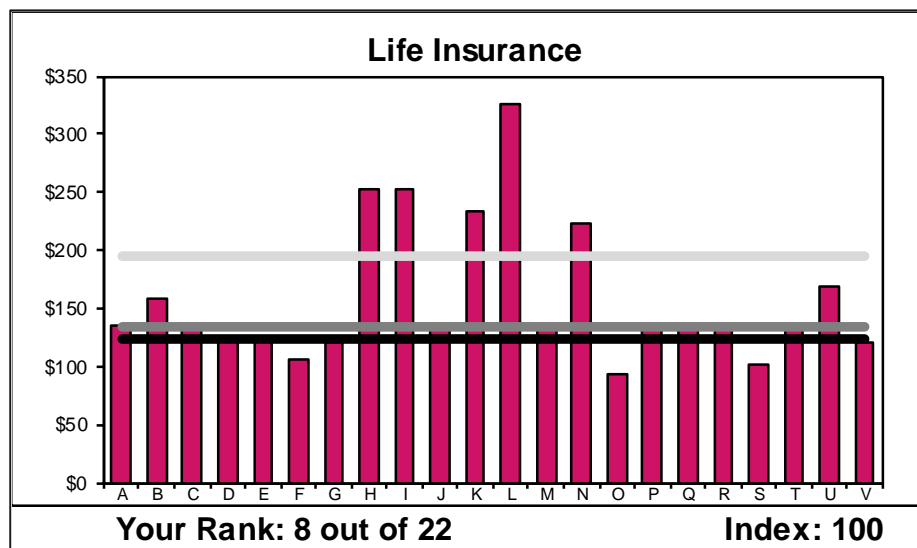
- Life Insurance and Long-Term Disability benefits are aligned with the median.
- Short-Term Disability is below median and drives the overall Life Insurance/Disability comparison by pulling the comparison down slightly below the median value.
- Two peers do not provide an employer paid STD plan, therefore no value is generated.
- Three peers do not provide an employer paid LTD plan, therefore no value is generated.

## General Industry Commentary

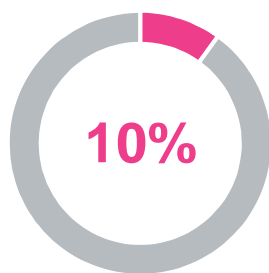
- **98%** provide employer-paid Basic Life Insurance.
- **78%** provide employer-paid Short-Term Disability.
- **80%** provide employer-paid Long-Term Disability.

# Life & Disability

## Life Insurance



Offer employer-paid Basic Life Insurance



Offer employer-paid Spouse/Dependent Life Insurance

	Median Plan Design	Your Plan Design
<b>Multiple of Pay</b>	1.0 x pay	1.0 x pay
<b>Maximum Coverage Amount</b>	1,000,000	\$500,000
<b>Salary Definition</b>	Base Pay	Base Pay

### Market Position

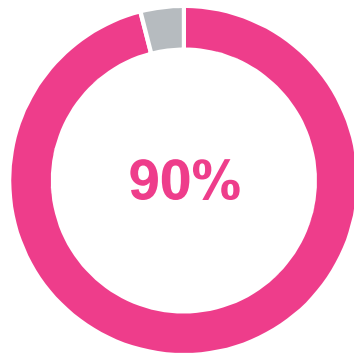
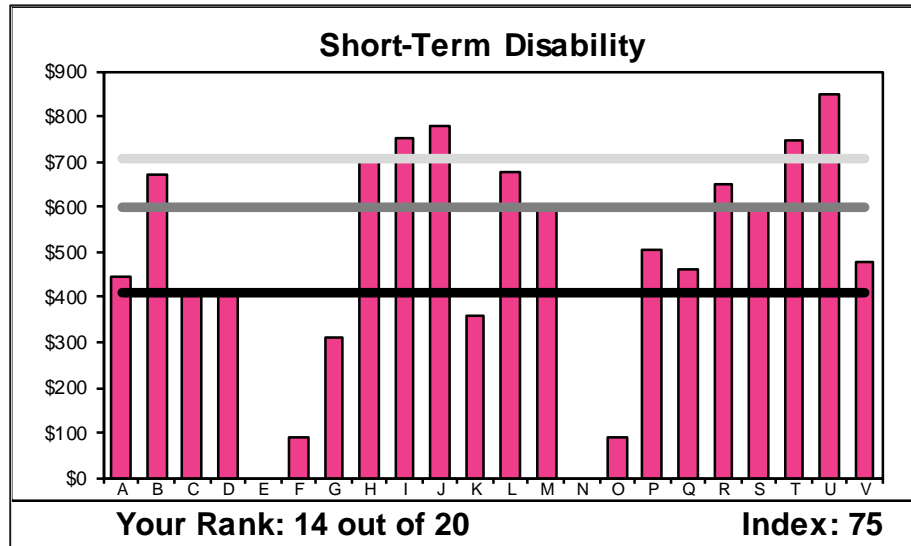
- ABC Company's aligned-with-median position is the result of offering 1x base pay as does the plan at the median. ABC Company's maximum benefit amount of \$500,000 is competitive among the peers.
- Amongst broad-based employee benefits, the multiple of pay ranges from 1 to 3 times pay.
- Three peers provide a flat dollar payout instead of a multiple of pay benefit.
- The maximum Benefit amount ranges from \$50,000 - \$2,000,000.
- Two peers provide employer-paid spouse and dependent life insurance.
- Two peers include bonus in the salary definition.

### General Industry Commentary

- The median plan design equals **1.5x pay benefit**.
- **85%** provide a percent of pay Life Insurance plan, while **15%** provide a flat benefit plan.
- **86%** provide a Basic AD&D benefit equal to the Basic Life Insurance benefit.
- **9%** provide employer paid spouse/dependent Life Insurance.

# Life & Disability

## Short Term Disability



Provide employer-subsidized Short-Term Disability

	Median Plan Design	Your Plan Design
<b>Benefit</b>	Ranges from 1 – 9 weeks at 100% based on years of service and 66.67% thereafter	66.67% of pay for 26 weeks
<b>Salary Definition</b>	Base pay	Base pay
<b>Elimination Period</b>	3 days	7 days
<b>Maximum Weekly Benefit</b>	Unlimited	\$1,800

### Market Position

- Short-Term Disability benefit values are based on amounts payable in the first 6 months of disability; Sick Leave carryover and LTD commencing before 6 months of disability are included in Short-Term Disability.
- ABC Company's below-median comparison is a result of not providing any weeks at 100% pay replacement combined with an \$1,800 weekly maximum.
- Eleven peers provide some or all weeks at a 100% pay replacement.
- Two peers require employees to pay 100% of the plan cost; therefore, no value is generated.

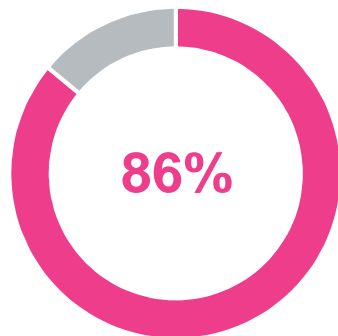
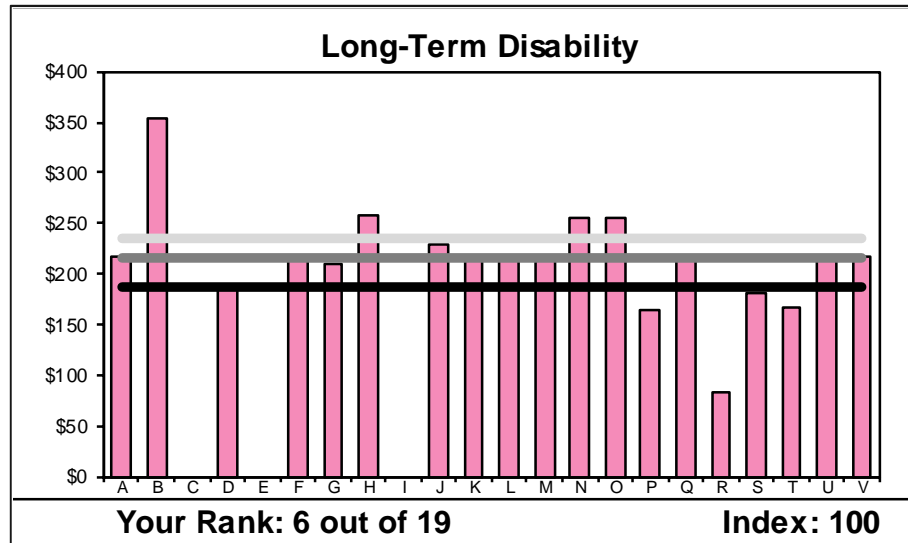
### General Industry Commentary

- **78%** provide employer-paid coverage.
- Typical plan covers **60% of base pay up to 26 weeks** with an **unlimited** weekly benefit.
- **42%** of participants provide all or a portion of the disability at **100% pay replacement**.



# Life & Disability

## Long Term Disability



Provide employer-subsidized Long-Term Disability

	Median Plan Design	Your Plan Design
<b>Benefit</b>	60% pay replacement	60% pay replacement
<b>Salary Definition</b>	Base pay	Base Pay
<b>Maximum Monthly Benefit</b>	\$15,000	\$15,000
<b>Social Security Offset</b>	Family Offset	Family Offset

### Market Position

- ABC Company's aligned-with-median position is a result of providing a pay replacement that is the same as the median plan.
- Three peers require employees to pay 100% of the plan cost; therefore, no value is generated.

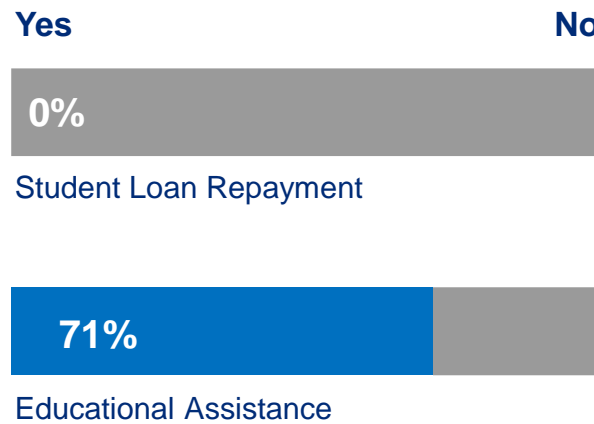
### General Industry Commentary

- 80% provide employer-paid coverage.
- The median pay replacement is 60% of base pay.
- Median monthly maximum is \$10,000.
- The majority of the peers provide a family Social Security offset.

# Non-Traditional Benefits

## Educational Assistance

	Median Plan Design	Your Plan Design
Reimbursement %	100%	90%
Maximum Annual Dollar Limit	\$5,250	\$3,000 Undergrad/ \$5,000 Graduate
Require Payback upon Termination	Yes	No
Covers Books	Yes	No



\*Nontraditional benefits are not included in the relative dollar value, rank, or index positioning.

### Market Position

- Reimbursement limits amongst the peers range from \$2,000-\$5,250 per year for undergraduate and \$2,000-\$10,000 for graduate.
- Ten of the peers vary their tuition reimbursement based on grade.
- None of the peers provide tuition reimbursement to an employee's spouse or children.
- None of the peers reports a Student Loan Repayment program.

### General Industry Commentary

- **82%** provide educational assistance.
- The median reimbursement limits is **\$5,250** per year for both undergraduate and graduate courses.
- **78%** require employees to payback upon termination.

# Non-Traditional Benefits

## Additional Benefits

	*Peer Group	Your Plan Information
Wellness Program	100%	Yes
Adoption Benefits	100%	N/A
Child/Elder Care Assistance	80%	N/A
Onsite Childcare	21%	N/A
Job Sharing	29%	N/A
Flextime	87%	N/A
Work-at-Home Policy	94%	N/A
Telemedicine	94%	Yes
Infertility Services	80%	Yes
Onsite Fitness Facility	81%	N/A

\*Percentage based on those that responded.

### Market Position

- Mercer conducted the 2022 Flexible Working Policies and Practices survey with 749 respondents and found that the happiest employees are hybrid workers; 77% report being able to maintain a reasonable work-life balance.
- 53% of employers are working to expand the types of flexibility offered
  - 42% offer part-time schedules
  - 70% offer flex time (e.g., adjusted start and stop times)
  - 32% have, or are considering offering, a 4-day workweek to all or some employees
  - 18% offer variable or alternative shifts
  - 14% offer phased or flexible retirement

# Appendix

The following supporting documents will be provided upon your request and were used in the creation of this report.

**Summary of Plan Features** – this report displays participant data imported from Mercer’s national benefits database and is the basis for the valuation.

**Methodology** – This section details the methods used by Mercer to value the benefit plans included in the Summary of Plan Features report for each comparator organization.

## Summary of Plan Features

Medical Plan	Organization A	Organization B	Organization C	Organization D
Plan ID	MD0010	MD0020	MD0020	MD0020
<b>General</b>				
Plan Type	PPO	EPO	PPO	PPO
Plan Type Comments				
Plan Status	Active	Active	Active	Active
Plan is Out-of-Area Plan	No	No	No	No
Plan is a Silent PPO	Not Specified	Not Specified	Not Specified	Not Specified
Percent Of All Employees Participating in This Plan				
This plan has an HSA/HRA included (If Yes, data is in the HSA/HRA section, at bottom)	Yes	No		
This plan has Post-retirement Medical Coverage (If yes, data is in the Retiree Medical sections, at bottom)	No	Yes		
<b>Deductibles</b>				
<b>Deductible Levels</b>				
Level	Individual	Individual		
In Net %				
In Net Amt	\$1,500.00	\$0.00		
In Net Tier 2 %				
In Net Tier 2 Amt				
Out of Net %				
Out of Net Amt	\$5,000.00			
Level	Individual + 1	Individual		
In Net %				
In Net Amt		\$0.00		
In Net Tier 2 %				
In Net Tier 2 Amt				
Out of Net %				
Out of Net Amt				
Level	Family	Family		
In Net %				
In Net Amt	\$3,000.00	\$0.00		
In Net Tier 2 %				
In Net Tier 2 Amt				
Out of Net %				
Out of Net Amt	\$10,000.00			

## METHODOLOGY

### ABOUT THIS SECTION

This section details the methods used by Mercer to value the benefit plans included in the Plan Value Comparisons and Employee Profile Comparisons sections. For each item discussed, we provide an example illustrating how each plan is valued. *Note: Your organization’s plan features may vary somewhat from the examples provided. However, we have applied these techniques, with adjustments where necessary, to the actual features of your plan.*

### SECTION CONTENTS

The Methodology contains the following sections:

#### PRINCIPLES

- Basic methodology
- Market valuation
- Mean use
- Participation
- Personal substitution

#### NATIONAL COMPOSITE WORKFORCE

- Workforce demographics
- Target bonuses
- Position classification
- Cash Compensation
- Annual Salary
- Bonus

#### RETIREMENT/SAVINGS

- Defined Benefit plans
- Defined Contribution plans
- Stock Purchase plans

#### HEALTH/GROUP BENEFITS

- Medical benefits
- Dental benefits
- Dependent Care Spending Accounts
- Health Care Spending Accounts
- Post-retirement Medical benefits

#### PAID LEAVE

- Paid Time Off
- Vacation
- Holidays
- Personal Leave
- Sick Leave

#### TIME LOSS BENEFITS

- Life Insurance benefits
- Short-term Disability benefits
- Long-term Disability benefits

\*Percentage based on those that responded.

