



Hot Trends in Benefits

What to Know This Open Enrollment Season

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Meet your Speakers



Becky Seefeldt
Benefit Resource
VP of Strategy



Bryan Levy
Millennium Trust
VP of Strategy



Carolyn Arabolos
Millennium Trust
*Executive Director, CDB
Operations*



Sundance Wikander
PayFlex
*Director of Client Success &
Communications*

Health Savings Account Set for Largest Increase Ever

2024 -- Largest Single Year Limit Increase

	2024 Limit	Increase
Single Coverage		
Contribution Limit	\$4,150	Up \$300
Minimum Deductible	\$1,600	Up \$100
Family Coverage		
Contribution Limit	\$8,300	Up \$550
Minimum deductible	\$3,200	Up \$200

What does this mean for employers?

- As limits and balances rise, the interest in investing HSA balances increases.
- Make sure your health plan remains HSA-compatible.



Secure 2.0 and Emergency Savings

Secure 2.0 was passed under omnibus funding bill in December 2022 with implementation beginning in 2024 and 2025.

- **Retirement plan changes**, such as: age for minimum distributions, Roth contribution rules, auto enrollment and escalation rules, increase catch-up contributions.
- Permits **matching contributions** on behalf of employees repaying student loans
- Creates **in-plan emergency savings**
- Permits **certain rollovers** from 529 plans



Revival of Commuter Benefits

Ridership Trends

- 77% of pre-pandemic levels as of Q1 2023
- 20-30% YOY increase
APTA Ridership by Mode and Quarter – May 2023
- OMNY Reported 44% of paid rides made through taps – May 17, 2023 MTA News

Commuter Benefits Utilization

- 61% YOY Growth by Spend (comparing 2021 v. 2022)
- 126% YOY Growth by Transactions (comparing 2021 v. 2022)
- Average spend in 2022 = \$18.41
- 259% YOY Growth by Spend (comparing 2021 v. 2022)

Source: Mastercard Benchmark Analysis for Transit Spend for BRI



How are commuter benefits evolving?

- Flexibility is the name of the game!
- Contactless use is on the rise.

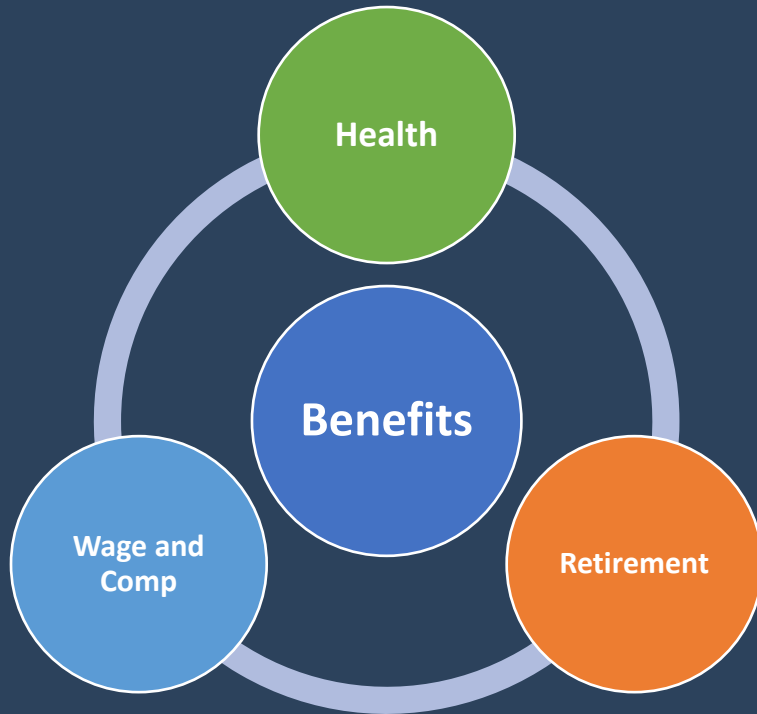
Dependent Care

- Trends
- Regulatory efforts to increase limits \$5,000- \$10,500
- Back-to-office
- Temporary increases

Adult dependent care on the rise

The Definition of 'Benefits'

TRADITIONAL VIEW OF BENEFITS



EVOLVING EXPECTATIONS OF BENEFITS



Rise in Lifestyle / Specialty

Specialty Accounts (also called Lifestyle Spending Accounts) are specifically designed to address the unique needs of employees through flexible employer design and funding of taxable benefits.

**Over 300% increase
in use of Specialty
Accounts**

Based on industry estimates from
2021 to 2022.

In May 2022, “just under 10% of employers that responded said they have a benefit— but **70% of respondents** said that they are considering adding

- Mercer Insights survey.

Why should you consider Specialty Accounts?

- **Flexibility.** Aligns benefits with the specific needs of employees
- **Retention.** Provides benefits that stand-out and aids in employee retention and acquisition strategies
- **Simple management** for streamlined implementation and management. Works with other benefits you are already offering

>1 in 2

focus on wellness (physical and/or emotional)

Range in value = \$100 - \$10,000
Average = \$970; Median = \$300

**TOO MUCH HERE...
NEED TO SIMPLIFY**



**One program to administer.
Many possibilities.**

- Wellness
- Education
- Non-qualified transportation
- Home office
- Personal choice
- Pet Care
- Extended family care

Mental Health / Holistic Wellness Becoming Core Benefits

Unified alignment in spirit; work to be done to make reality.

- Legislative and regulatory environment is forcing the issue through Mental Health Parity and Addiction Equity Act (MHPAEA)
- Employers recognizing the value and cost of mental health in the workplace
- Employees are demanding better access and coverage for mental health services



Student Loan Debt Once Again Top of Mind

Student loan payments resume October 1, 2023.

How can employers support employees?

- Student loan repayment can be eligible under educational assistance programs through December 31, 2025.
- Check out the 'SAVE' Plan through the Federal Education Department for modified repayment options.



Thank you!

