

One-in-Five Employers Report That Missing Open Enrollment Costs Workers More than \$1,000 in Out of Pocket Expenses

Expert Offers Tips for Getting the Most out of Your Benefits in Tough Economy

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As the open enrollment season comes into full swing, experts encourage workers to pay particularly close attention to benefit elections this year to help offset financial challenges brought on by the recession. One-in-four workers (25 percent) reported that they don't pay attention to benefit changes, figuring the same benefits would roll over from the previous year or feeling that the whole process is too confusing. Fifteen percent of hiring managers estimate more than 10 percent of their employees miss annual open enrollment deadlines each year on average. The survey, completed in September, included more than 2,900 hiring managers and more than 4,000 workers nationwide.

How Much Money Do Workers Stand to Lose?

Human resource managers warn that failing to participate in open enrollment can have negative consequences on one's pocketbook. One-third (34 percent) of human resource managers said missing open enrollment costs employees, on average, at least \$500 in out-of-pocket expenses. Twenty percent reported that it costs employees more than \$1,000 while 10 percent reported it costs employees more than \$2,500.

What Types of Benefits Don't Employees Realize Their Companies Offer?

One of the biggest obstacles in securing participation in wallet-friendly programs is the lack of knowledge of certain offerings. When asked to identify which benefits employees typically don't realize that their companies provide, human resource managers pointed to the following:

- Flexible healthcare spending - 43 percent
- Wellness benefits - 45 percent
- Tuition reimbursement - 38 percent
- Banking programs - 25 percent
- Discounts on personal entertainment - 24 percent
- Discounts on technology for personal use - 22 percent
- Discounts on travel for personal use (rental cars, airplane tickets) - 20 percent
- Transit programs - 10 percent
- Help with childcare - 10 percent

Thirty-one percent of workers reported that they don't know their company's policy for updating benefits due to life-changing events such as marriage or the birth of a child.

"Workers who are not maximizing their benefit potential are literally giving away free money every year," said Rosemary Haefner, Vice President of Human Resources at CareerBuilder. "In today's economic environment, it's even more critical that employees make sure they are not missing out on benefit opportunities that can help them better manage personal expenses for themselves and their families."

Haefner offers the following tips to help make the most of benefits savings:

1. Schedule time on your calendar - set aside time to review benefit options. Make sure to schedule this review early in the process, so you're not rushing to make a decision an hour before the deadline.
2. Leverage pre-tax dollars - In addition to setting aside pre-tax dollars for retirement through your 401(k), also look at how those dollars can be applied to the near future. Flexible Spending Accounts (FSAs) can help offset rising healthcare costs by putting aside pre-tax money for medical expenses that are not covered by insurance. You can also set aside pre-tax dollars to offset commuting costs through company transit programs.
3. Compare plans - work with your HR representative to compare your

coverage to coverage offered through your spouse's or significant other's employer. It may make better financial sense to have the whole family covered under one plan. Remember to look for quality, not the cheapest option.

4. Don't miss out on perks - your employer may have discount programs for stores, technology, entertainment, personal travel, concierge service, dry-cleaning, etc. If your employer offers a wellness benefit, you can apply that to gym memberships, smoking-cessation, acupuncture and more. Talk to HR and check out your company's Intranet.

Survey Methodology

This survey was conducted online within the U.S. by Harris Interactive© on behalf of CareerBuilder among 2,924 hiring managers and human resource professionals (employed full-time; not self-employed; non-government; with at least significant involvement in hiring decisions); and among 4,285 U.S. workers (employed full-time; not self-employed; non-government); ages 18 and over between August 20 and September 9, 2009 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 2,924 and 4,285, one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.81 percentage points and +/-1.5 percentage points, respectively. Sampling error for data from sub-samples is higher and varies.

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Media Contact:

Jennifer Grasz
773-527-1164
Jennifer.Grasz@careerbuilder.com

First Call Analyst:

FCMN Contact:

SOURCE: CareerBuilder

CONTACT: Jennifer Grasz of CareerBuilder, +1-773-527-1164,
Jennifer.Grasz@careerbuilder.com

Web Site: <http://www.careerbuilder.com/>

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