

Northeastern regional trends

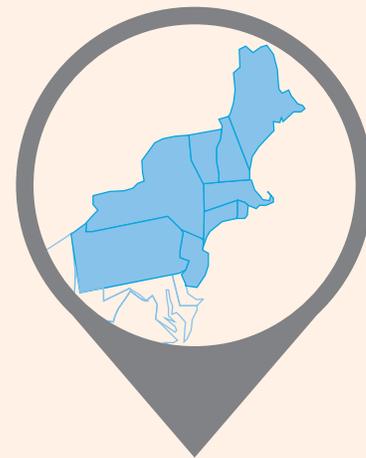
2014 Aflac WorkForces Report results for the Northeastern United States

Northeastern regional snapshot:

Companies in the Northeast (68 percent) are more likely than companies in all other U.S. regions to use a broker or benefits consultant to select their employees' benefits options.

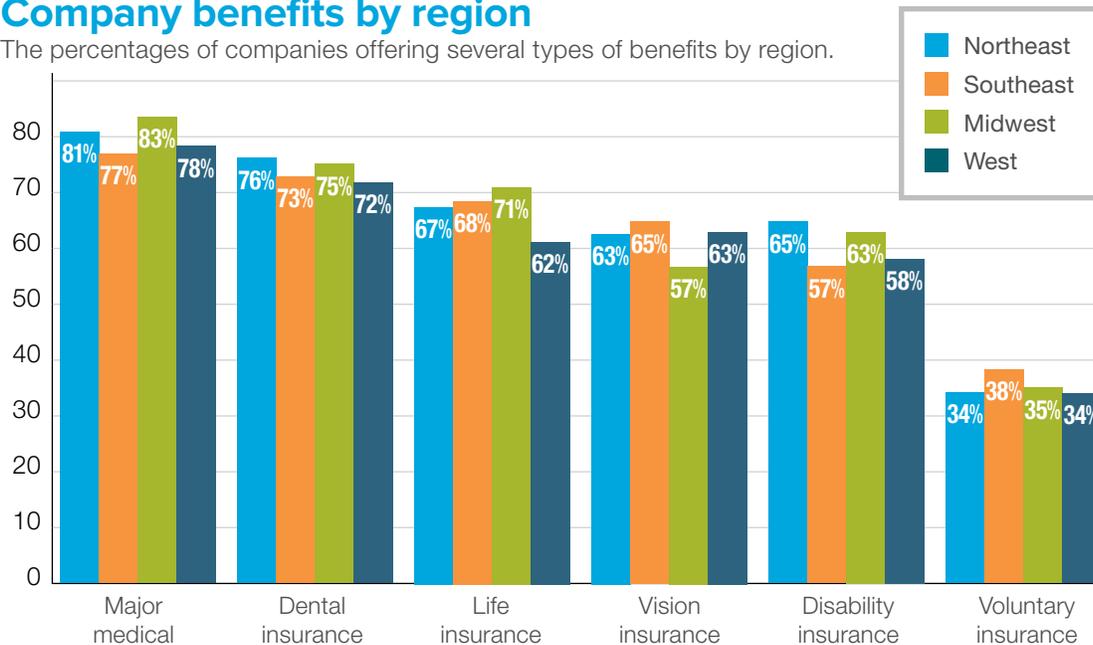
Employees of Northeastern companies are less likely than those working in Southern or Western regions to say they would need to borrow from a 401(k) and/or use a credit card to cover unexpected medical costs.

Employees of Northeastern companies are more likely than those in the West and Midwest to say they or a family member experienced financial problems that affected their ability to work.



Company benefits by region

The percentages of companies offering several types of benefits by region.



The importance of benefits:

Businesses believe benefits are extremely or very influential on:

- Job satisfaction – 50 percent.
- Loyalty to employer – 47 percent.
- Willingness to refer friends – 37 percent.
- Work productivity – 39 percent.
- Decision to leave company – 31 percent.

Yet, employees believe benefits are extremely or very important to:

- Job satisfaction – 75 percent.
- Loyalty to employer – 62 percent.
- Willingness to refer a friend – 49 percent.
- Work productivity – 60 percent.
- Decision to leave company – 49 percent.

Key employer findings

Benefits offerings

	Percent of responses
Offer voluntary insurance to their employees	34%
Moved employees to private exchanges in 2013	6%
Plan to move employees to private exchanges in 2014	8%
Of those who moved or plan to move their employees to private exchanges, say doing so is financially advantageous for their companies	33%
Of those who moved or plan to move their employees to private exchanges, say doing so is financially advantageous for their employees	26%
Expect to offer employees stipends in 2014 to purchase health care coverage on their own, instead of offering company-provided benefits	8%
Changed employee hours from full- to part-time in 2013	13%
Expect to change employee hours from full- to part-time in 2014	11%
Of those who decreased or plan to decrease employee hours from full- to part-time, say they're doing so to avoid penalties associated with health care reform	19%
Expect to eliminate or reduce benefits in 2014	18%
Use a broker or benefits consultant to select their employees' benefits options	68%

Hiring and compensation

	Percent of responses
Awarded employees smaller raises in 2013 than in previous years	42%
Expect to award smaller raises in 2014	24%
Hired full-time workers in 2013	59%
Expect to hire full-time workers in 2014	49%
Hired part-time workers in 2013	47%
Expect to hire part-time workers in 2014	36%

Benefits communication

	Percent of responses
Strongly or somewhat agree they effectively communicate the value of their benefits to employees	64%
Say they communicate about benefits only at open enrollment or new-hire enrollment	23%
Communicated about benefits three or more times in the past year	47%

The most common benefits-communication channels



Email
64%



Face to face
52%



Employee-benefit booklet
39%

Key employee findings

Financial preparedness

	Percent of responses
Would not be able to adjust to the large financial costs associated with a serious injury or illness	63%
Do not have a financial plan to help achieve their financial goals and prepare for the unexpected	54%
Completely or strongly agree their families are financially prepared for an unexpected emergency	25%
Have less than \$1,000 to pay for unexpected out-of-pocket medical expenses	45%
Have less than \$500 to pay for unexpected out-of-pocket medical expenses	23%
Would need to borrow from a 401(k) and/or use a credit card to cover unexpected medical costs	48%
Say high medical costs have affected their credit scores	8%
Have been contacted by a collection agency about outstanding medical bills	11%
Say they or a family member have experienced financial problems that affected their ability to work	15%

Benefits engagement

Are extremely satisfied with their benefits packages

12%

Believe their benefits packages meet their current family needs extremely well

15%

Are likely to accept jobs with slightly lower compensation but better benefits

58%

Say they would likely purchase voluntary insurance benefits if they were offered by their employers (of those who don't currently have access to such benefits).

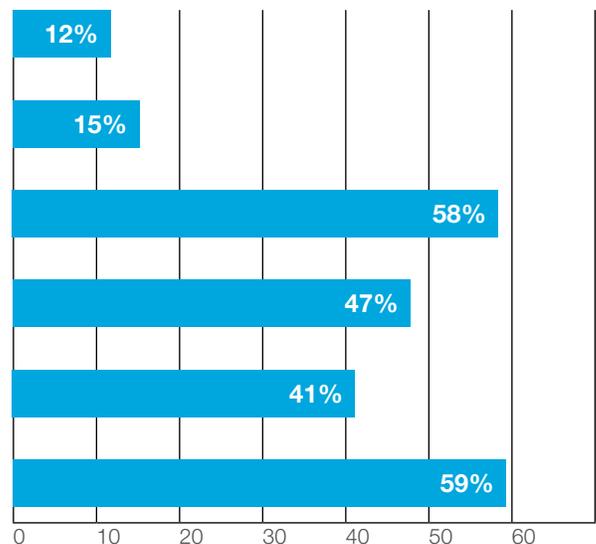
47%

Say maintaining their health care benefits is currently their most important benefits concern

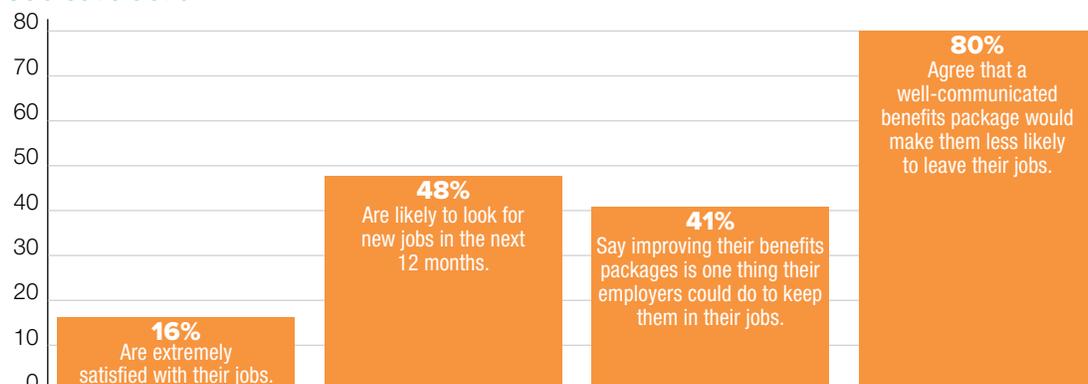
41%

Agree there's a growing need for voluntary insurance benefits today compared to past years

59%



Job satisfaction



The impact of health care reform

	Percent of responses
Employees think health care reform is too complicated to understand	72%
Employees believe their employers will educate them about changes to their health care coverage as a result of health care reform	65%
Employees think their medical costs will increase	88%
Employers feel extremely or very prepared to address changes to the health care system in 2014	43%
Employers will rely on brokers or insurance companies to suggest changes to their benefits packages due to the changing health care environment	47%
Employees think their HR departments communicated extremely effectively about health care reform and any subsequent changes to their benefits	7%
Employees completely agree their employer has prepared them well for the impact of health care reform	2%
Employees say the frequency of their employers' benefits communication increased compared to last year	17%
Employees agree they are very or extremely knowledgeable about federal and state exchanges	11%

About the study

The 2014 Aflac WorkForces Report is the fourth annual Aflac employee benefits study examining benefits trends and attitudes. The study, conducted in January 2014 by Research Now, captures responses from 1,856 benefits decision-makers and 5,209 employees from across the United States. As part of the fourth annual Aflac WorkForces Report, 487 benefits decision-makers and 980 employees in the Northeastern United States¹ shared their opinions on a variety of workplace-benefits issues. To learn more about the Aflac WorkForces Report, visit AflacWorkForcesReport.com.

This material is intended to provide general information about an evolving topic and does not constitute legal, tax or accounting advice regarding any specific situation. Aflac cannot anticipate all the facts that a particular employer or individual will have to consider in their benefits decision-making process. We strongly encourage readers to discuss their HCR situations with their advisors to determine the actions they need to take or to visit healthcare.gov (which may also be contacted at 1-800-318-2596) for additional information.

This article is for informational purposes only and is not intended to be a solicitation.



Source

¹ For the purposes of the Aflac WorkForces Report, Northeastern states include Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.