

# Health Benefits Might be Worth More than Money



## 2023 Blue Cross Small Business Benefits Study





Benefits attract and retain employees by providing peace of mind for team members and strong employer ROI





# Context & Methodology

Of the 1.3 million businesses in Canada, 98% are small – defined as employing under 100 team members – according to Statistics Canada. Together, they employ 63% of Canadians.

The 2023 Blue Cross Group Benefits Study was conducted by Research + Knowledge = Insight, an independent research company.

Fielded online from April through June 2023 to a nationally representative sample of 2,086 small business decision-makers and employees working in similarly sized businesses.

Results compare the views among those with and without health benefit plans.

The survey has a margin of error of +/-2%, 19 times out of 20.





# Enable Health & Wealth

For those with benefit plans, it delivers many valuable aspects for employees:

My benefits plan is important to my overall health and wellbeing



91%

My benefits plan is important to my financial health and security



89%

My benefits plan helps me maintain my health and wellness



89%

*Employees receiving benefits through work enjoy more than just a 'direct' upside: their overall quality of life improves*

Q31. Please rate the following (owner managers and employees with plans)





# Benefits Attract Talent

With 72% of small businesses already offering benefits, maintain a competitive edge by increasing the possible pool of candidates for your next hire:

80%

Employees who would need to know about a company's health benefits before accepting a new role

84%

Employees with a health benefits plan who would not move to a new job that did not offer health benefits







# Employees Will Trade Up

Three in four employees are 'in play' and will depart - or stay - based on health benefits factors:

With no  
current  
health  
benefits  
plan

**76% Leaving**

Would leave their current jobs in favour of one with a benefit plan



With a  
current  
health  
benefits  
plan

**73% Staying**

Even if I could earn more money elsewhere

Q22. If you were offered a job at another company with the same role and compensation but the new role provided you with a health benefits plan, how likely would you be to leave your current job?

Q30. Please rate the following



# Enjoy Peace of Mind

Key reasons employees appreciate their health benefit plan through their employer include:

Higher in  
AB, MB

Peace of mind 37%

Higher in  
SK, East

I can take care of my health 34%

Higher in  
BC

Everyone should be covered 33%

Higher in  
MB

Having coverage for family 31%

*Employees value peace of mind and being able to take care of their health*

Q12. Which of the following is most important to you thinking about your workplace health plan?







# Increase Employee Morale

Key reasons by employers for offering a health benefit plan to employees include:



*Employers invest in health benefit plans to increase employee morale, retain and attract employees*

Q9. Which of the following is the key reason that you offer a health benefit plan to your team?

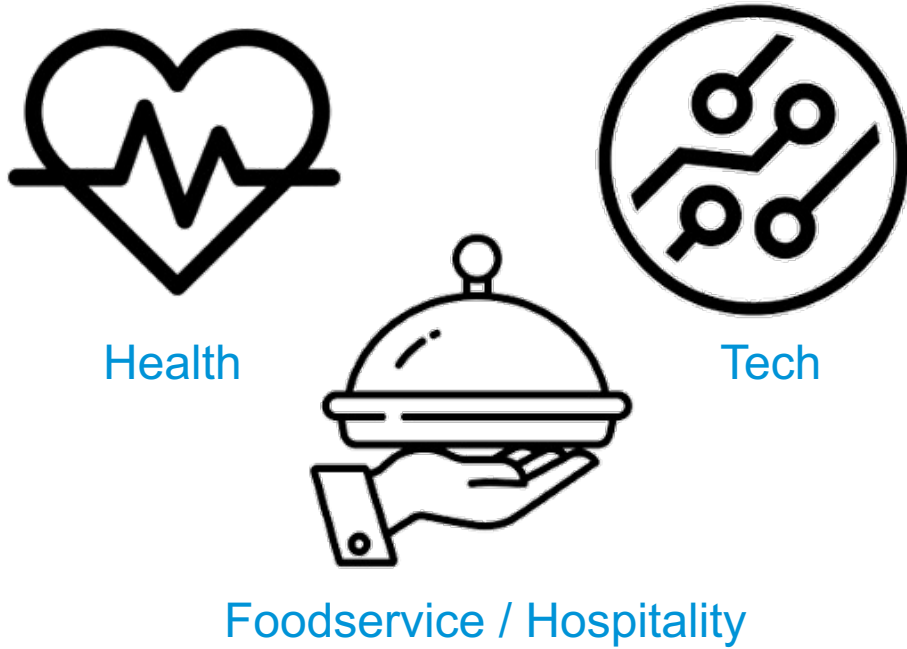




# Employer Motivations to Offer Benefits Vary Regionally

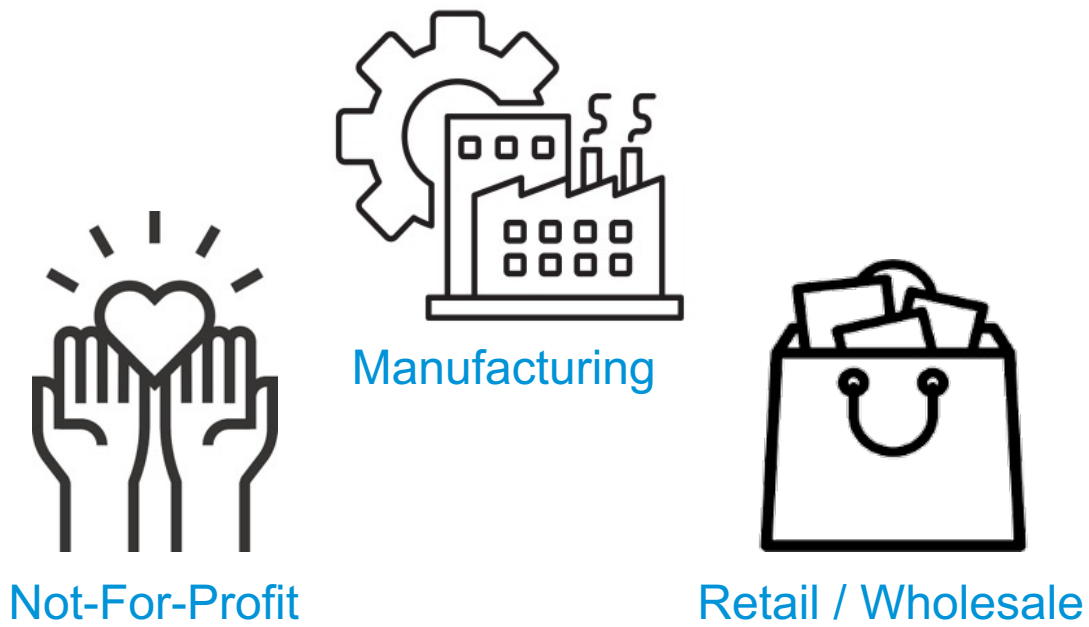


# Employer Motivations to Offer Benefits Vary by Industry



Top Reason  
**Maintain Productivity**

Top Reason  
**Employee Morale**





# Retain Teams with Benefits

The landscape of employment is changing rapidly and employers must deliver value to retain teams:

53%

Feel under-appreciated at work

22%

Look for other jobs while at work

1 in 8 employers

have seen at least one employee resign for a better benefits plan



Q23. How often are you personally less engaged at work due to feeling unwelcome or unappreciated?

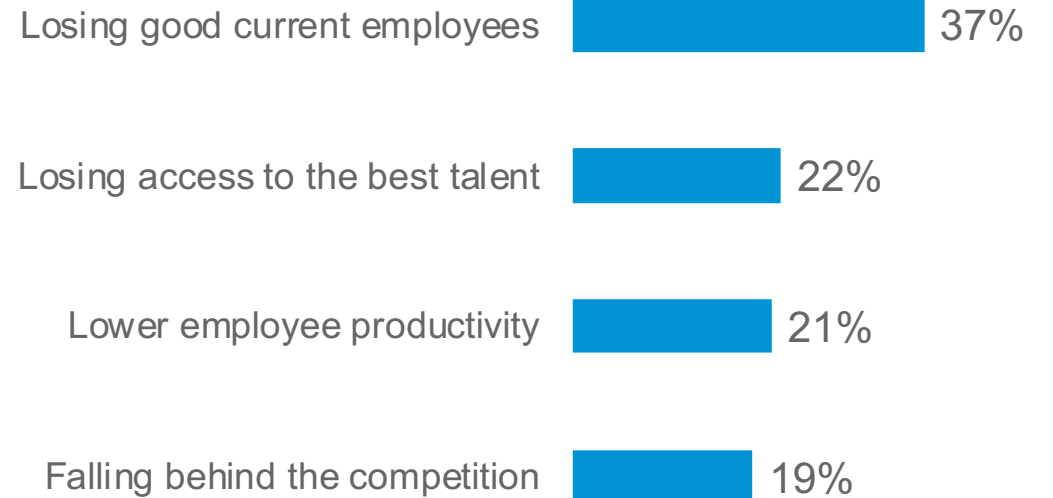
Q24. When you are less engaged at work, how does this manifest at your job?

Q25. As far as you know, have employees left your company over the past 12 months?



# No Benefits Increase Risk

74% of employers without health benefit plans see the following threats in their organization's future:



*Employers are concerned their lack of plan will lead to losing employees and not being able to attract talent*

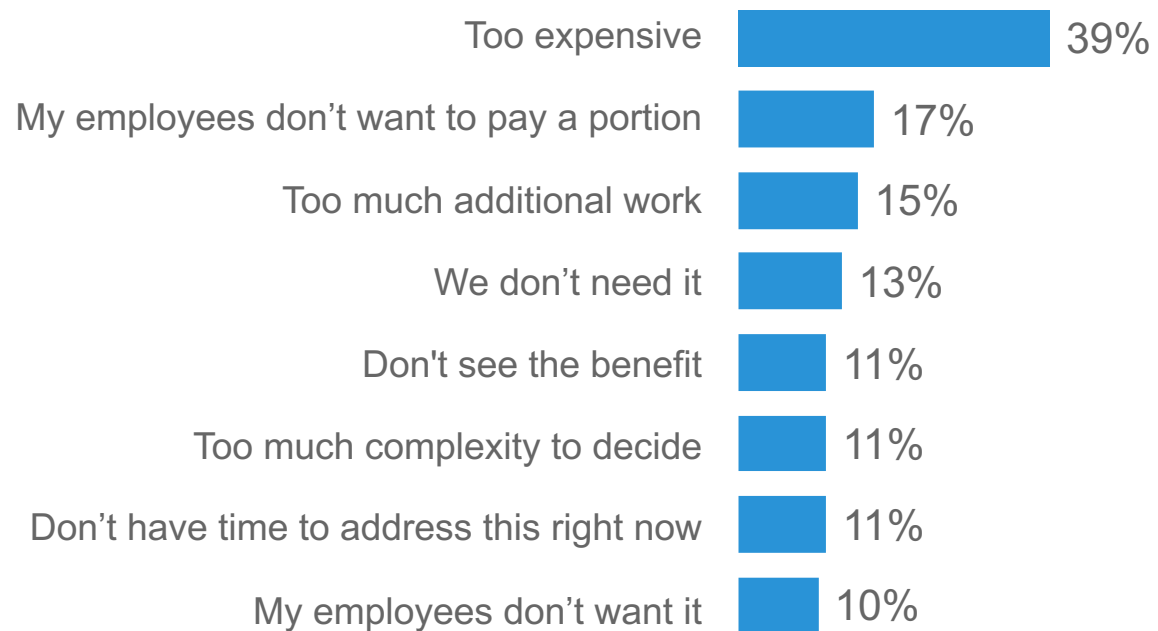
Q13. Which of the following do you see as the biggest threats if your company continues to offer no health benefits to employees?





# A Manageable Investment

For employers, there are many stated reasons for not offering health benefit plans to their teams:



*This is despite average stated costs of a benefits plan is \$1,822 per employee per year (noting that with 50% of the average stated fees of \$3,644 are paid by employees)*

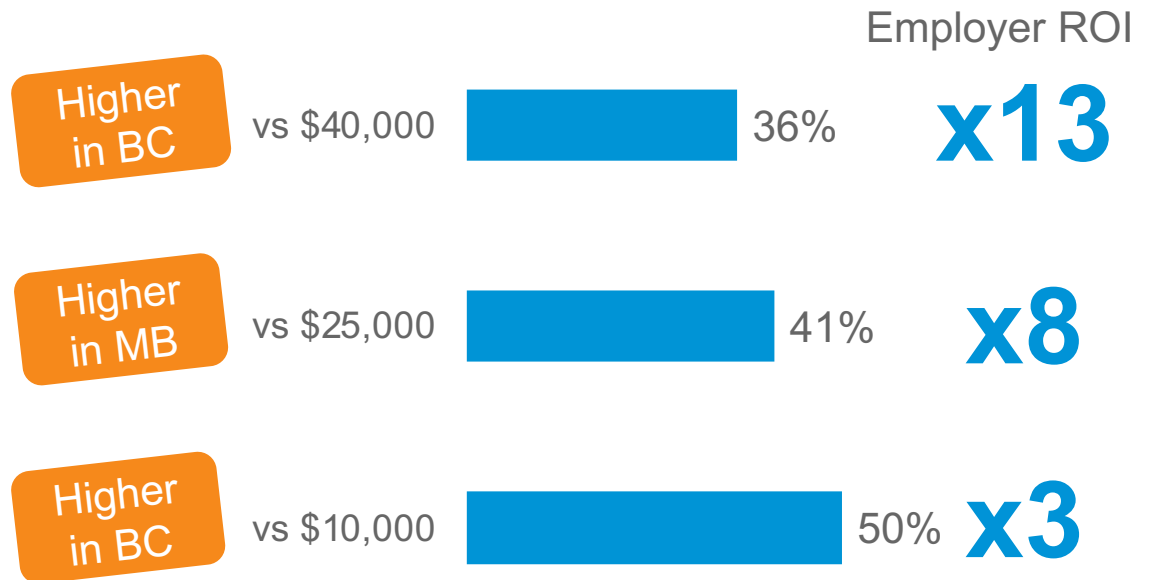
Q14. Which of the following are the key reasons that you do not have a benefits plan?  
Q15. How much does a health benefit plan cost per employee for a year of coverage?  
Q32. What percent of the plan is paid for by employees?





# Benefits Deliver ROI

The value of a health plan is worth much more than the cost since employees prefer a benefits plan; for 36%, benefits are worth more than a \$40K raise:



*When offered cash or a benefit plan, most employees select the benefit plan; even when offered over 10x the cost of a plan, a sizable portion would prefer having a plan*

Q17-20. Would you rather have an extra \$X per year OR a workplace health plan?







# Benefits Create Comfort

Peace of mind leads employees to select health benefit plans vs significantly greater sums of cash:

Peace of mind  64%

I have a number of prescriptions or medical requirements  29%

My child / family needs additional coverage  22%

*Employees say that the peace of mind that comes with a benefits plan is worth more than greater sums of money*

Q21. Why did you choose the benefit plan versus the cash?



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For more information, visit  
[bluecross.ca/benefitsstudy](https://bluecross.ca/benefitsstudy)

