

The Myth about ‘Mandatory Participation’ in Voluntary Benefits

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Voluntary benefits continue to increase in popularity among employers, both from a cost control perspective and as a way to promote a happier and healthier workforce. Voluntary products augment the core benefits package at little or no cost to the employer while bringing higher value to the employee. But the trick is to get the employee to participate in the process.

Indeed, many employers struggle to get employees to enroll in voluntary programs; busy workers often don't take the time to understand the offering. This phenomenon is not new to human resources professionals. Trying to introduce anything new to the workforce and encourage a high percentage of employees to take action on this new thing is always difficult. This reality has led many HR professionals to seek mandatory participation in voluntary benefit programs.

Yes, mandatory participation in voluntary benefits does seem like a contradiction, sort of like “jumbo shrimp.” But mandatory participation is actually a myth. It only means that employees are required to meet with a benefits counselor or provide information (such as in a survey) when asked.

Still, when people hear the words “mandatory participation” they often run for the hills. No one wants to be told what to do, and HR leaders would rather not force someone's hand. So they search for another way to engage employees with the goal of increasing participation. After all, employers provide voluntary benefits because they're a good fit for the organization. They want the employees to take advantage of these benefits, but often need to find a way to compel them to act.

And that has led to the requirement of mandatory participation. What *mandatory* means in this context is requiring employees to receive and offer pertinent information relevant to their benefits. If the employer has a way to receive feedback and collect information, it is more likely to create a benefits package that makes the most sense for the workforce. But without information, there is no way to know what employees want and need from their benefits package, and there's the rub.

This brings us back to the challenge of making it mandatory for employees to participate in information sessions or surveys for voluntary programs.

In our experience, we've found the best approach is to reverse-engineer the mandatory requirement. It's similar to trying to get your sick pet to take medicine. Most of the time, you have to hide the pill in peanut butter to get them to take it. Similarly, it's helpful to focus on the educational aspect of making it mandatory for employees to participate in learning about the voluntary benefit being offered. Properly presented, employees will learn something that may be valuable to them. Importantly, so will the employer, who will have an opportunity to get important information from workers about how they utilize their benefits, what types of benefits they're looking for, etc. This "pill in the peanut butter" can be wrapped into [a larger education strategy](#). Again, this leads to a greater exchange of information and a deeper understanding for everyone involved. Mandatory participation in voluntary benefits seems to be a contradiction, like 'jumbo shrimp.' And it's a myth. Mandatory participation in meetings and information-gathering processes sounds off-putting at first, but it can be a significant aspect of creating optimum employee communications and benefit packages. Asking your employees what they need and addressing that need by offering targeted voluntary products, like cancer plans, hospitalization, pet insurance, ID theft protection, etc., sends a message that they matter. The insights you gain will help make your benefits perform better for your workforce by eliminating the noise and confusion. Gathering data on how plan participants use their benefits and the challenges they encounter with their plans often reveals disconnects between the employer's intentions and

the employees' needs, which can be connected to workforce demographics, life events, or gaps in your core coverage that cause plan participants to experience significant out-of-pocket financial risk. Voluntary benefits can help supplement important coverage gaps and assist employees at various life stages. And at a time when employees have so many questions, mandatory participation is a chance for them to learn more about these additional benefits options, and become smarter benefits consumers. It's a scenario that's good for everybody.

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