



Compensation, Retirement, and Benefits Trends Report

Executive Summary

2022/2023 Edition

NEWPORT
an ASCENSUS company

Contents

<u>Introduction</u>	<u>3</u>
<u>Compensation Practices</u>	<u>8</u>
<u>Retirement Plans</u>	<u>13</u>
<u>Nonqualified Deferred Compensation</u>	<u>19</u>
<u>Health and Welfare Benefits</u>	<u>23</u>
<u>For More Information</u>	<u>28</u>



Introduction

Introduction

To manage through the past few challenging years, one of the top priorities for organizations has been to evaluate the competitiveness of their compensation programs, retirement plans and a multitude of employee benefits to effectively compete for and retain the talent that drives success.

In today's highly competitive labor market coupled with high inflation rates and current global issues, employers are finding it more and more challenging to compete for talent. Understanding what employees value most is key, especially as employers plan and budget for the year ahead.

Looking ahead to 2023, employers seem optimistic that labor market conditions will begin to ease, however, they continue to evaluate how to most effectively enhance Compensation, Retirement, and Benefits programs, while ensuring alignment with strategic company goals.

For well over a decade, Newport's annual **Compensation, Retirement, and Benefits Trends Report** has provided clients and colleagues with key trends across a full range of compensation, retirement, nonqualified deferred compensation programs and employee health and welfare benefits. The result: a comprehensive view of competitive rewards programs available from a single source.

The 2022/2023 report includes information from more than 560 organizations from coast to coast and a range of industries, including manufacturing, healthcare, not-for-profit, professional services, construction and finance sectors. Beyond general trends, this report provides insight on how organizations are strategically managing compensation, retirement, and benefits programs in today's highly competitive labor market.

We hope you find this 2022/2023 edition of our **Compensation, Retirement, and Benefits Trends Report** insightful as you evaluate your own company's programs and strategically plan for the year ahead.

Compensation Practices

In this year's survey, we asked organizations if they have already implemented or are considering a number of compensation strategies to attract and retain talent in the competitive labor market. The results show **higher than normal pay increases for hourly and salaried exempt employees as well as increased use of incentives and bonuses** as the top compensation strategies implemented in 2022.

Average 2022 base salary increase budgets range between 4.0% and 4.2% across hourly, salaried, and executive employee groups. Employers will continue to reward employees for performance this year, reserving a higher proportion of base salary budget dollars. Additionally, the use of short- and long-term incentives continues to be leveraged as an integral part of the compensation package.

Key Results

- Higher pay increases are a top compensation strategy
- Increases to retirement plan matching contributions provide a meaningful benefit to compete for talent
- The level and quality of service ranks as the most important factor in evaluating retirement plan offerings
- Nonqualified plans continue to be critical for recruiting and retaining executives
- Enhanced health & welfare benefits including remote work are top benefits strategies

Introduction

Retirement Plans

Ninety-five percent (95%) of organizations reported offering a qualified retirement plan. Matched defined contribution plans requiring employee contribution are the most common plan type, followed by Defined Benefit plans, ESOP, DB-Hybrid, SIMPLE, PEP and MEP plans.

Maximum company matches seem to be where employers are enhancing their retirement plans. In 2022, more than one-third of organizations report offering maximum company matches above 5% of compensation.

Automatic enrollment and automatic escalation are offered more frequently by larger plan types. It's also more common for larger plans to default to auto escalation at time of enrollment.

Nearly three-quarters of plan sponsors report working with an independent advisor and more than half report working with the same advisor for more than five years.

More than one-third of plan sponsors indicated they use a 3(16) administrative fiduciary to manage retirement plan administration, fiduciary, and reporting responsibilities.

When evaluating retirement plan services, employers continue to rate the level and quality of service above cost of investments and cost of service.

Approximately
thirty-six percent
(36%) of
organizations
report offering
maximum
company matches
above 5% of
compensation.

Nonqualified Plans

Nonqualified deferred compensation (NQDC) plans continue to remain **a critical benefit program for executive recruitment and retention**. Significantly, the primary goals for employers' NQDC plans are offering a valuable financial planning tool and a competitive plan when compared to peer companies.

Job level is the most common criteria used by companies to determine NQDC plan eligibility. Of the organizations offering these plans, the majority of eligible participants include the President and Chief Executive Officer (84%), Vice President, Director levels and other levels of management and Board of Directors members.

The *Newport/PLANSPONSOR Executive Benefits Survey 2022 Edition* shows a fundamental shift, with 42% of employers using their nonqualified plan to help them with the challenging task of attracting senior managers away from competitors and keeping key talent.

Health and Welfare Benefits

As organizations assess their employee benefits programs in today's competitive labor market, **continued remote work opportunities, increased communication around benefits offerings and enhanced health & welfare benefits are** the top strategies implemented to attract and retain talent in 2022.

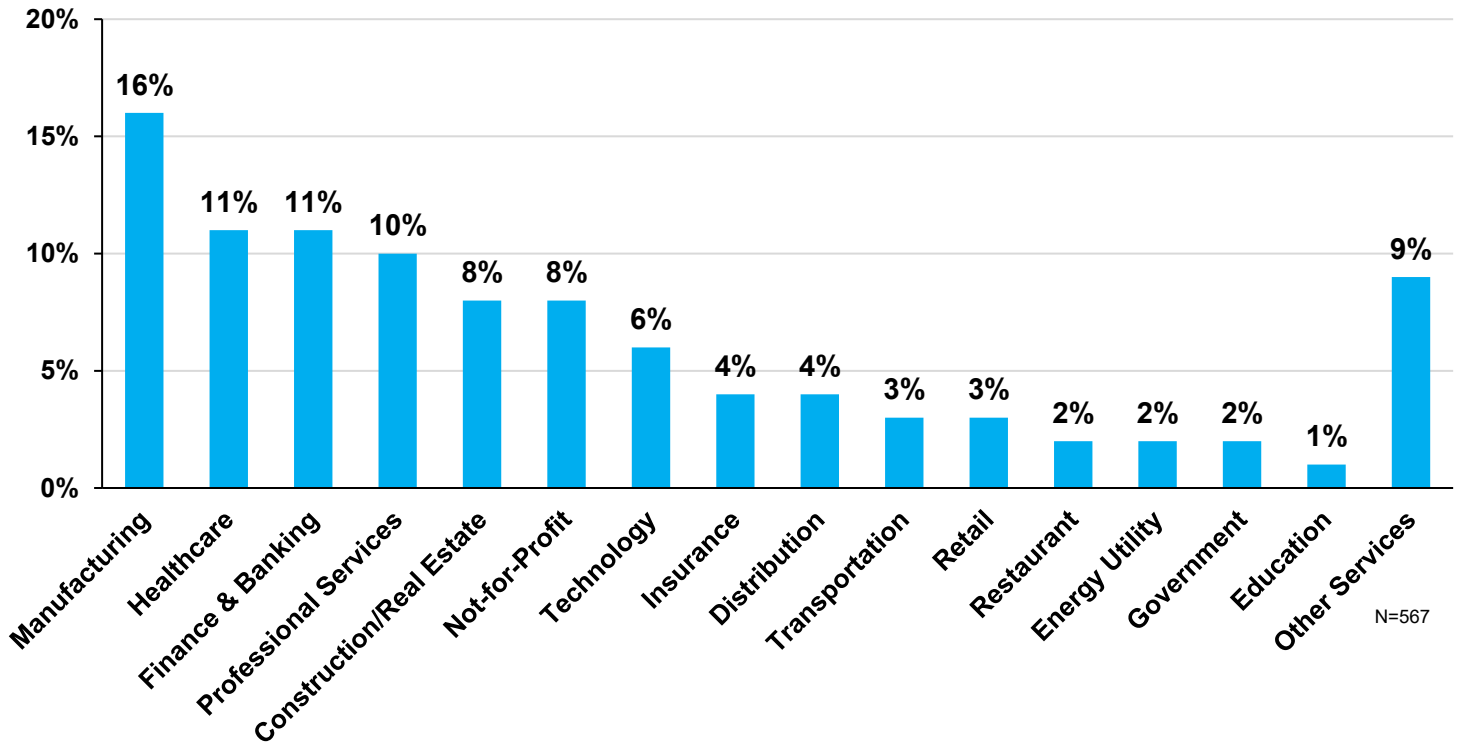
While most employers saw an increase in health plan costs in 2022, the largest percentage of employers reported increases from 4.1% up to 8%. To manage rising health plan costs, a greater portion of the cost is shifted to employees through higher premium payments and deductibles and by leveraging employee wellness initiatives.

Most organizations offer a variety of employee benefits beyond health and welfare, including **employee assistance programs (EAP,) telehealth, flexible work hours & remote work options, wellness & financial wellness programs, employee discounts & perks and education programs like 529 plans**.

Survey Demographics

Organizations from over 15 diverse industries are included in the 2022/2023 report with the largest representation coming from manufacturing, healthcare, finance & banking, and professional services.

Organizations by Industry



Northeast

Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont

Midwest

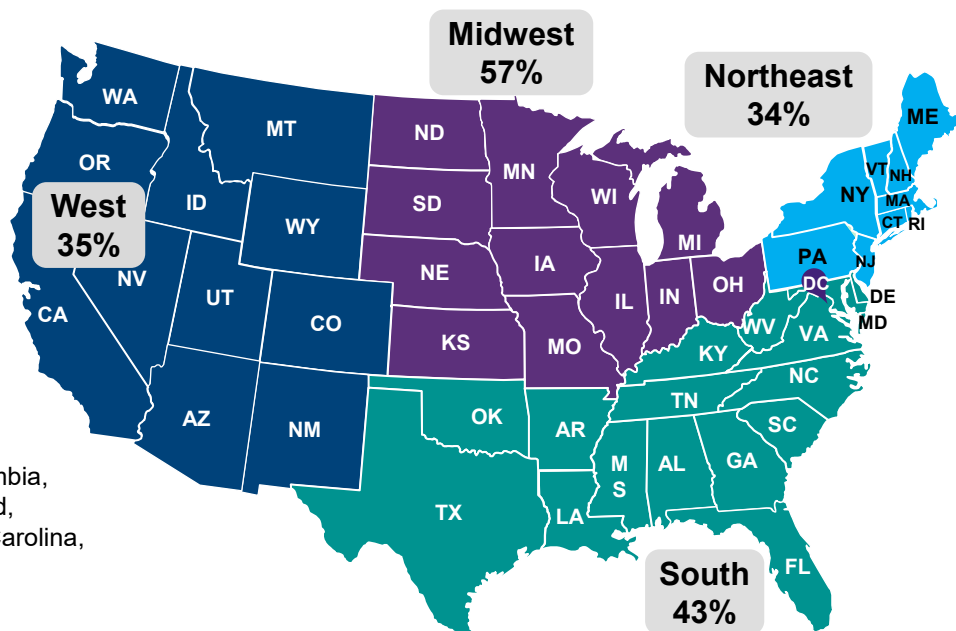
Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin

South

Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

West

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming

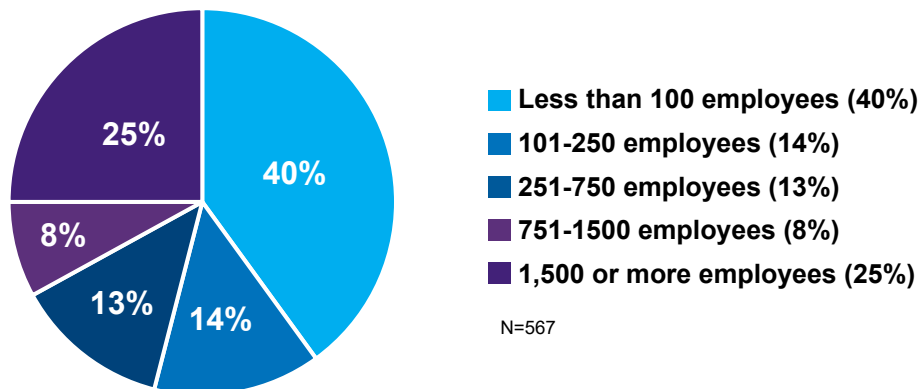


Some employers are located in multiple regions

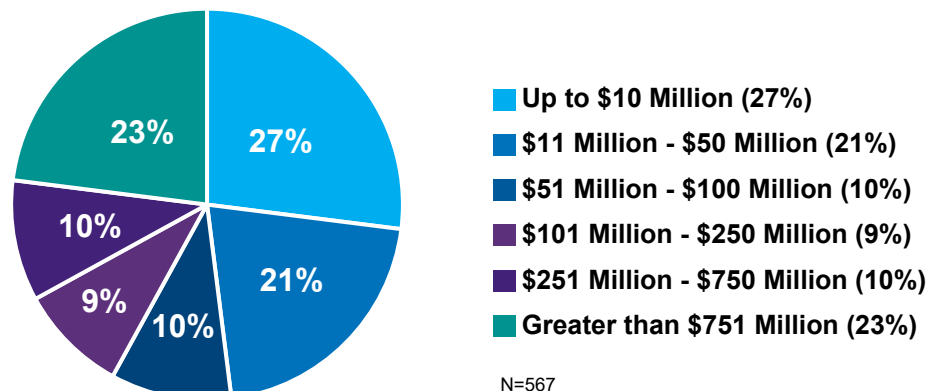
N=567

Survey Demographics

Full-Time Equivalent (FTEs)



Annual Gross Revenue



Methodology


The 2022/2023 survey questionnaire contained over 50 questions about compensation, retirement, nonqualified deferred compensation and benefits programs. This survey instrument was distributed to senior financial and human resources leaders at organizations nationwide with 567 respondents from coast to coast. More than fifteen diverse industries are represented in this report, the most prevalent include manufacturing, healthcare, finance & banking, and professional services. Participating organizations include employers with less than 100 employees to 1,500 or more and annual gross revenue from \$10 Million to more than \$751 Million.

Data collection was administered via a secure web-based data submission tool. Results are based on responses to the questionnaire, which were analyzed for consistency and reasonableness and prepared for presentation by Newport. Key findings from the PLANSponsor 2021 Defined Contribution Plan Industry Report and the 2022 Newport/PLANSponsor Executive Benefits Survey are also included to supplement industry trends.

All individual survey data responses are kept strictly confidential and only aggregated results are reported to display trends.

Key Definitions

- **Median:** statistical point at which half of all reported responses reported are above, half are below
- **Average:** total of all reported data divided by number of responses
- **N:** total number of respondents



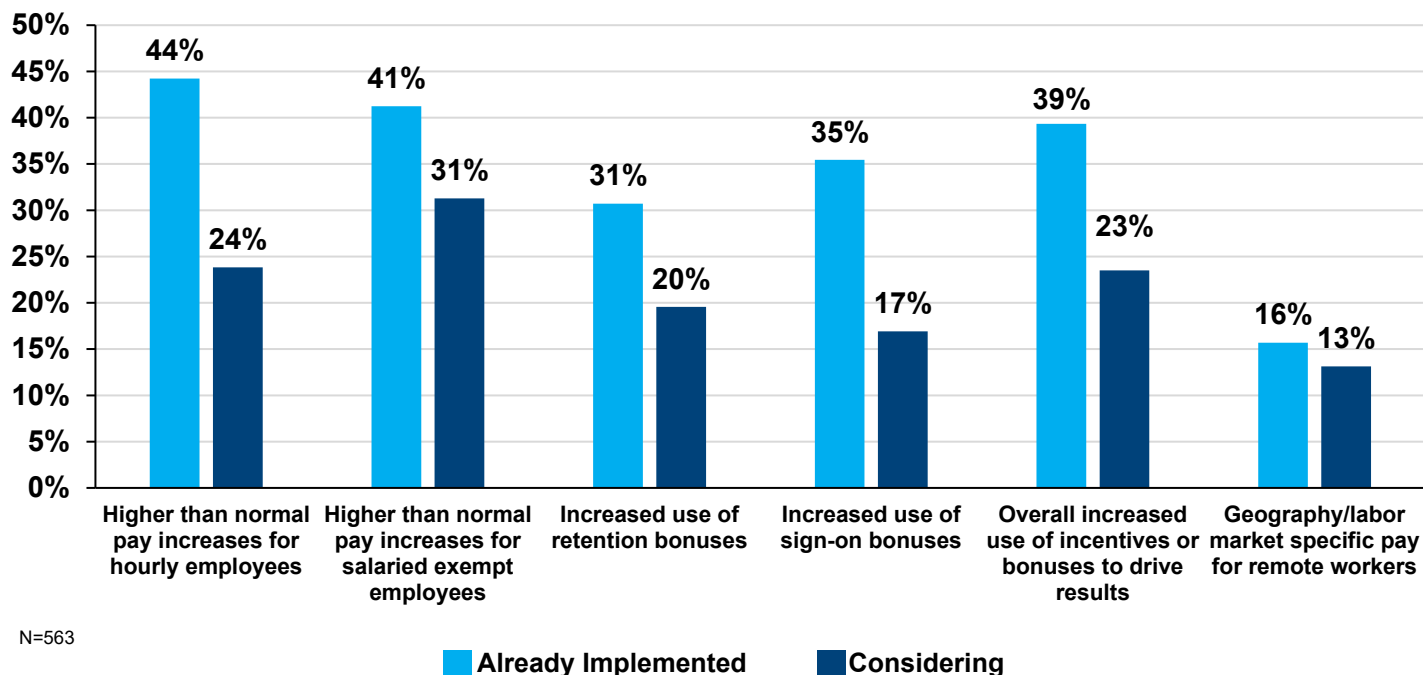
Compensation Practices

Compensation Practices

2022 Compensation Strategies

QUESTION: Which compensation strategies has your organization implemented to attract and retain talent in today's highly competitive labor market?

Organizations have already implemented or are considering a number of compensation strategies to attract and retain talent in the competitive labor market. Higher than normal pay increases for hourly and salaried exempt employees as well as increased use of incentives and bonuses are the most prevalent strategies implemented in 2022.

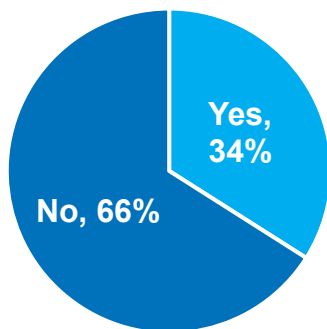


Mid-Year Pay Adjustments

QUESTION: Did your organization give a mid-year pay increase to employees in 2022?

Approximately one-third of organizations provided mid-year pay increases to employees in 2022.

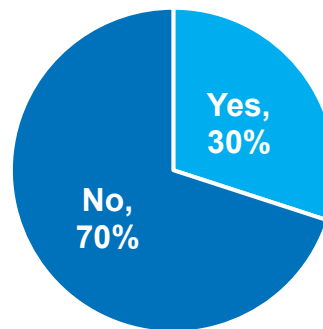
2022 Mid-Year Employee Pay Increases



QUESTION: Is your organization considering a mid-year pay increase in the upcoming year?

Thirty percent of organizations are considering 2023 mid-year pay increases for employees.

Organizations Considering 2023 Mid-Year Pay Increases



Compensation Practices

Base Salary Increase Budgets

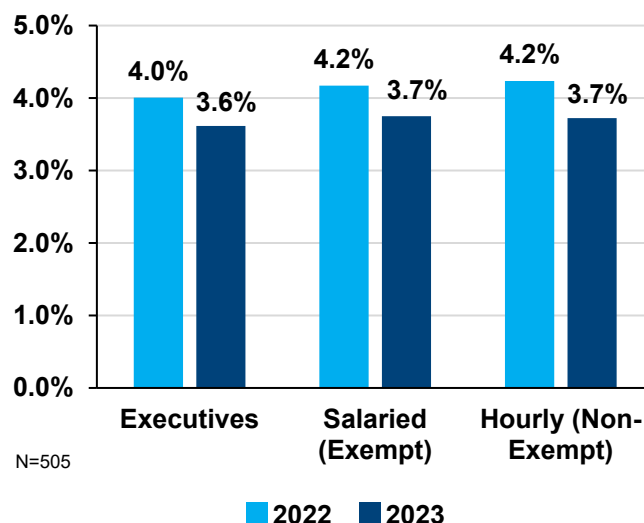
QUESTION: What is your organization's actual base salary increase budget for 2022 and anticipated budget for 2023, as a percentage of base pay for the following employee groups?

Average 2022 base salary increase budgets range between 4.0% and 4.2% across hourly, salaried and executive employee groups. Median salary budgets, which measure the middle of the data sample, have been reported between 3.1% and 4.0% in 2022.

Organizations project 2023 salary increase budgets between 3.6% and 3.7%. This may indicate that organizations expect competitive labor market conditions to begin to ease in the year ahead.

Salary increase budgets continue to vary by industry. In 2022, the highest average base salary increases have been reported for hourly staff in the Manufacturing, Distribution and Transportation industries and Construction, Real Estate & Energy Utility sectors.

Base Salary Increase Budgets (Average)



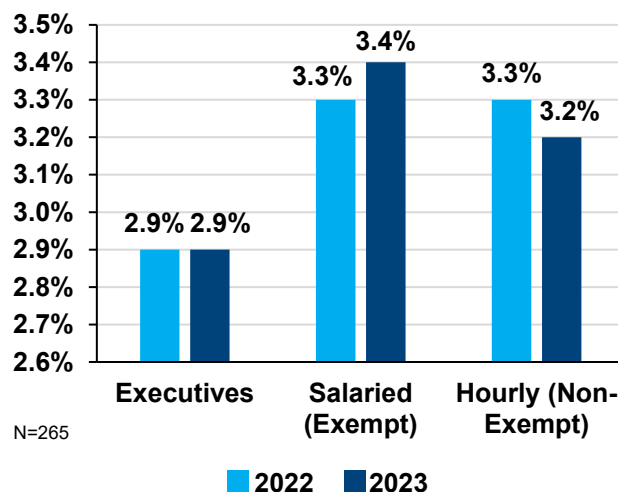
Salary Range/Structure Movement

QUESTION: What is the percentage salary range/structure movement for 2022 and the amount anticipated for 2023?

Salary range and structure movement is also a trend organizations monitor each year to understand how to keep pay rates market competitive.

In 2022, average salary range/structure movement reported is approximately 2.9% for executives and 3.3% for salaried and hourly staff. Median salary range/structure movement is slightly lower, 2.5% for executives and 3.0% for staff. In 2023, organizations anticipate approximately 3.0% structure movement and potentially higher for salaried exempt staff.

Salary Range/Salary Structure Movement (Average)



Salary Structure by FTEs

QUESTION: Does your organization have a formal salary structure (i.e., ranges with a minimum and maximum) to manage compensation decisions?

In 2022, nearly 60% of organizations indicate they have a formal salary structure with pay ranges to manage compensation decisions. Larger organizations by FTE size are more likely to have a formal structure in place. From an industry perspective, Finance, Banking and Insurance, Education, Government and Not-for-Profit sectors are more likely than other groups to utilize a formal salary structure.

	Overall	100 or Fewer	101 - 250	251 - 750	751 - 1,500	1,500 or More
Yes	59%	42%	54%	60%	75%	82%
No	41%	58%	46%	40%	25%	18%
N =	567	225	81	73	48	140

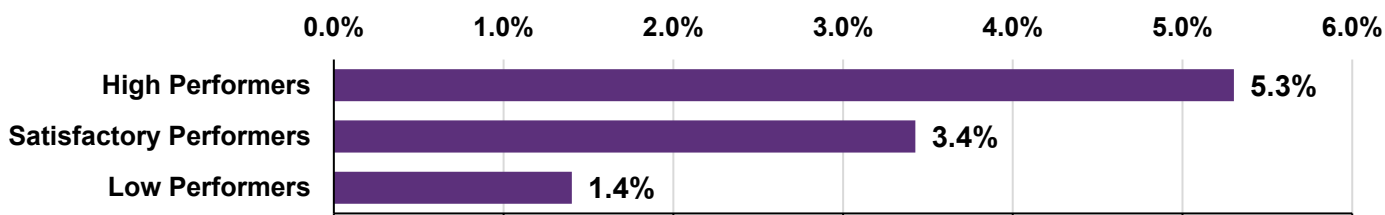
Compensation Practices

Pay for Performance Increases

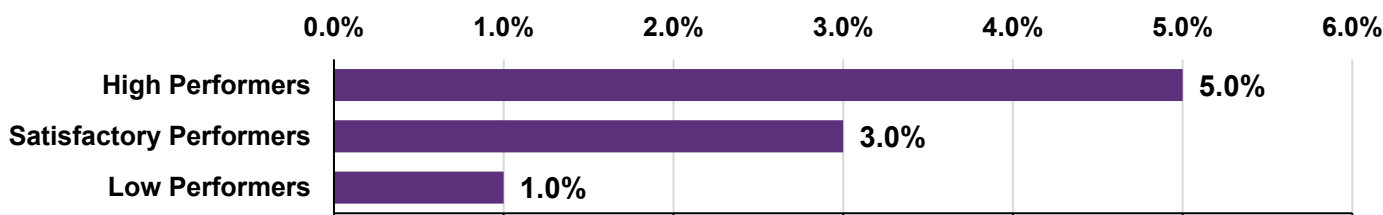
QUESTION: *What will your organization's base salary increase be for the next review period, by performance level?*

Comparable to past years, organizations continue to strategically allocate budget dollars to differentiate high performers. For the next performance review period, organizations report pay increases of at 5.0% and above for high performers.

Average Increase (%) by Performance Level



Median Increase (%) by Performance Level



N=448

Short-Term Incentive by Industry

QUESTION: *Which employee groups are eligible to participate in a short-term incentive or bonus program?*

While most organizations include short term incentives or bonuses to executives and management employees as an integral part of the compensation package, we see many industries leverage short-term incentives for supervisory, office professional and hourly production staff.

	Overall	Construction, Real Estate & Energy Utility	Finance, Banking & Insurance	Education, Government & Not-for-Profit	Healthcare	Manufacturing, Distribution, Transportation	Professional Services & Technology	Restaurant, Retail & Other Services
Hourly Production	38%	50%	55%	22%	24%	44%	34%	31%
Office Professional	54%	59%	72%	34%	29%	61%	61%	47%
Supervisory	58%	71%	74%	37%	38%	66%	59%	53%
Management	66%	69%	78%	46%	48%	73%	68%	65%
Executive	63%	66%	77%	42%	50%	67%	64%	64%
N =	566	58	87	59	66	128	90	78

Compensation Practices

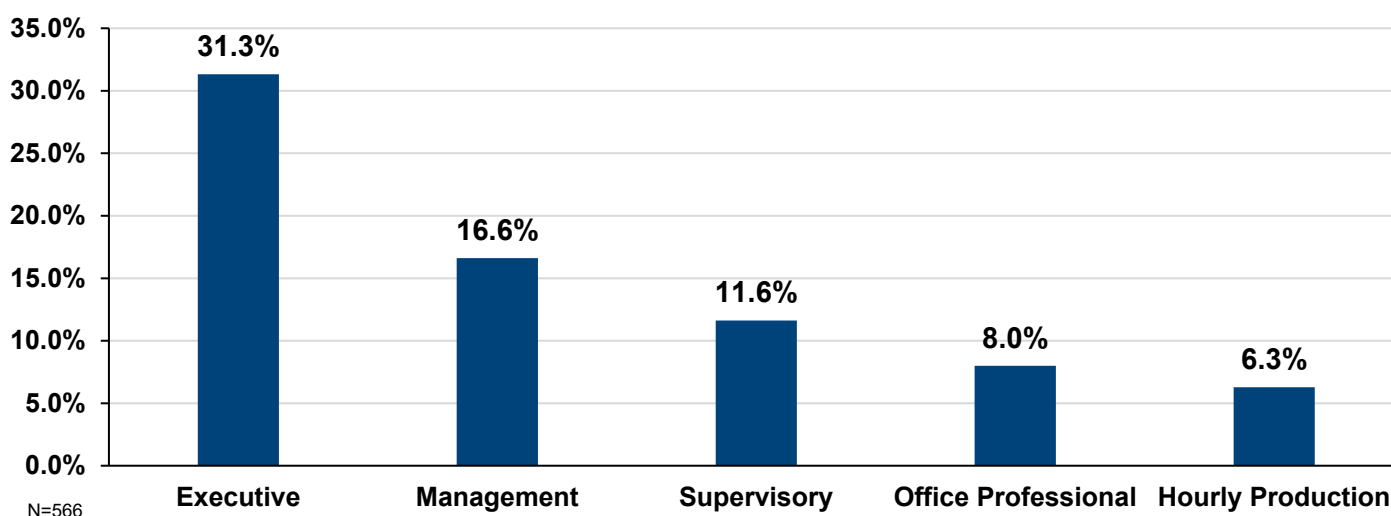
Short-Term Incentive Award Opportunity

QUESTION: What is the average target 2022 annual short-term incentive pay opportunity for each employee group?

In 2022, short-term incentive awards continue to be leveraged by organizations and are prevalent across hourly production to executive employee groups. Short-term incentive pay targets continue to be highest among executives & management and serve as an integral part of the annual compensation package.

Actual incentive payout awards in 2022 will likely reflect organizational results and recognition of individual employee efforts and contributions.

2022 Average Target Incentive Opportunity (%)



Long-Term Incentive Plan Prevalence by FTEs

QUESTION: Does your organization provide long-term incentive compensation to eligible employees?

Larger organizations by FTE size are more likely to provide long-term incentive compensation to eligible employees. Over 70% of larger organizations report having long-term incentive compensation programs.

	Overall	100 or Fewer	101 - 250	251 - 750	751 - 1,500	1,500 or More
Yes	37%	18%	25%	34%	47%	71%
No	48%	62%	62%	56%	45%	15%
Not Sure	15%	20%	14%	10%	9%	14%
N =	555	219	81	71	47	137

Types of Long-Term Incentive Plans include cash-based and equity-based programs designed to motivate performance to achieve specific organizational goals over several years.

From an industry perspective, Finance, Banking and Insurance and Manufacturing, Distribution and Transportation sectors are more likely than other groups to provide long-term incentive compensation to eligible employees.



Retirement Plans

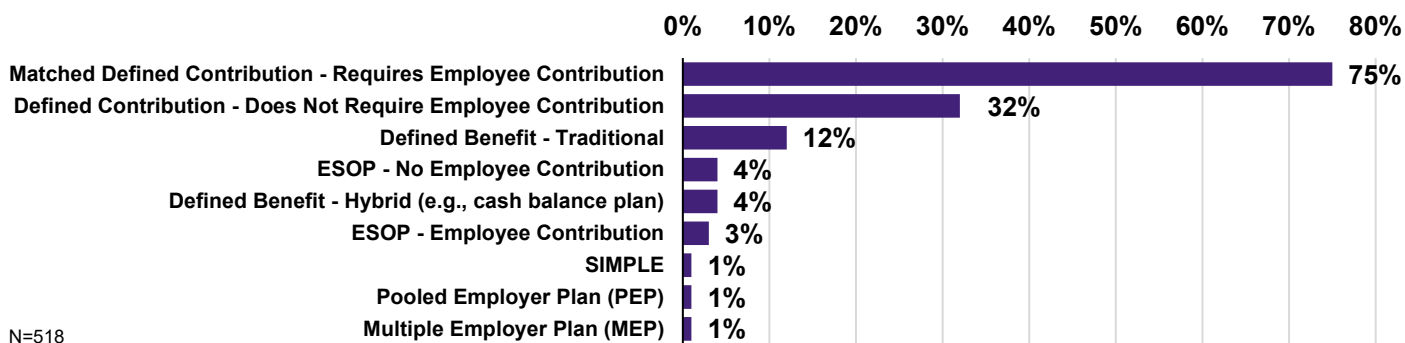
Retirement Plans

These are the results from the 95% of organizations who reported offering a qualified retirement plan.

Retirement Plan Options

QUESTIONS: *Does your organization offer a qualified retirement plan? What type of plan(s) do you offer?*

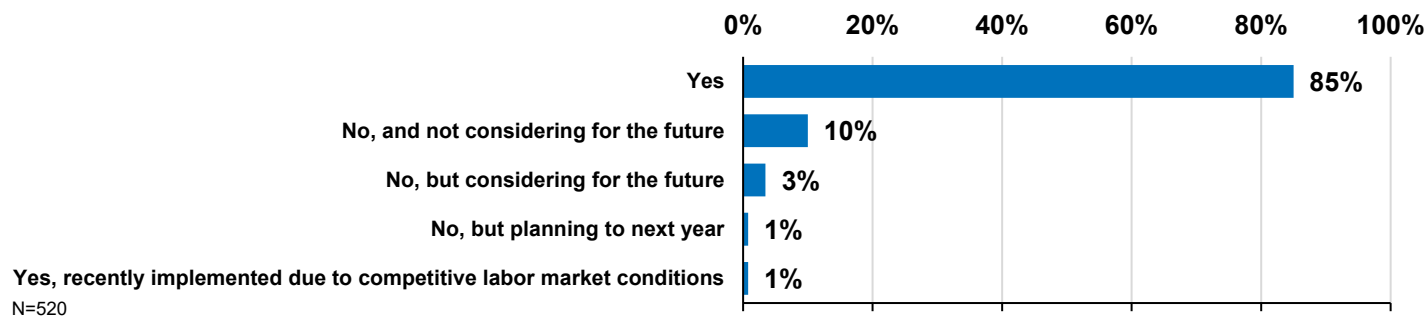
The most prevalent types of retirement plans include matched defined contribution plans requiring employee contribution and defined contribution plans not requiring employee contribution. Defined Benefit plans are the next most prevalent plan type, followed by ESOP, DB-Hybrid, SIMPLE, PEP and MEP plans. Some organizations offer more than one plan type.



Retirement Plan Matching Contributions

QUESTION: *Does your company offer matching contributions?*

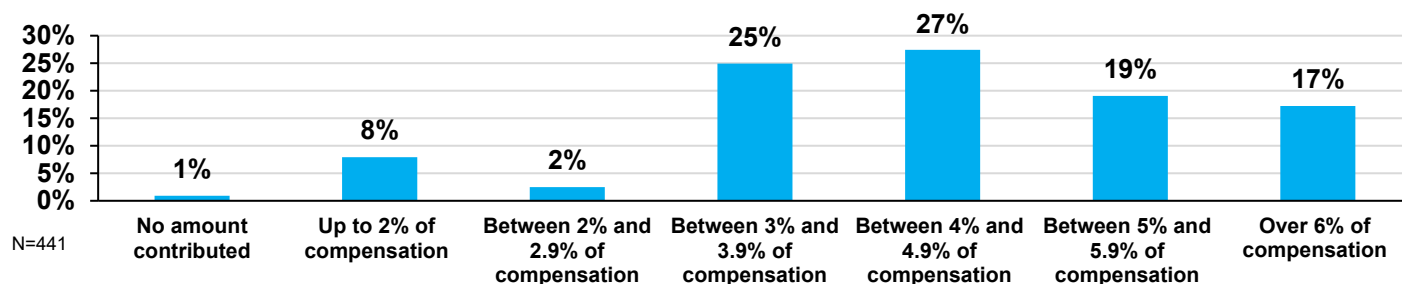
Over eighty-five percent (85%) of organizations offer matching contributions to their qualified plan, including a few who have recently implemented due to competitive labor market conditions. Four percent (4%) of organizations reported they are considering offering a match in the future or planning to next year.



Maximum Company Match

QUESTION: *For your organization's defined contribution plan, what is the maximum match under your formula?*

Most organizations (52%) offer maximum matching contributions between 3% and 4.9% of compensation for their defined contribution plan. Approximately thirty-six percent (36%) of organizations report offering matches above 5% of compensation.

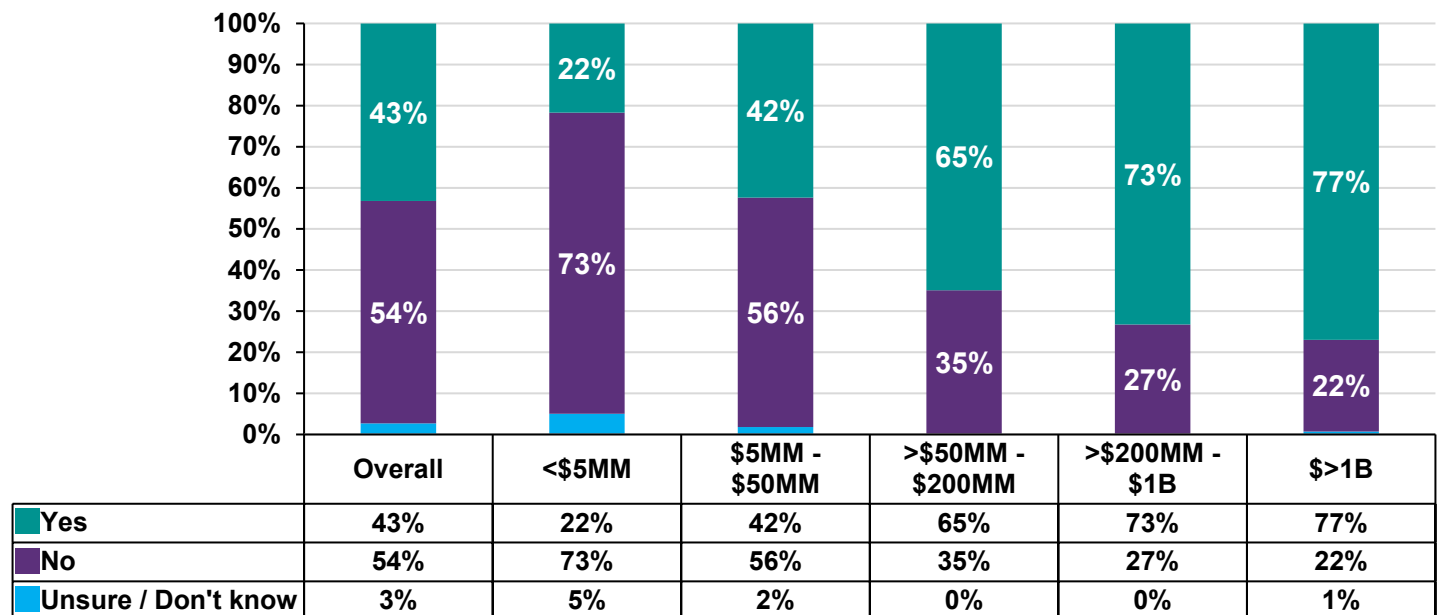


Retirement Plans

Retirement Plan Automatic Enrollment

QUESTION: Does your plan offer automatic enrollment?

Forty-three percent of organizations overall offer automatic enrollment in their retirement plan. Larger plans more frequently offer an automatic enrollment feature.

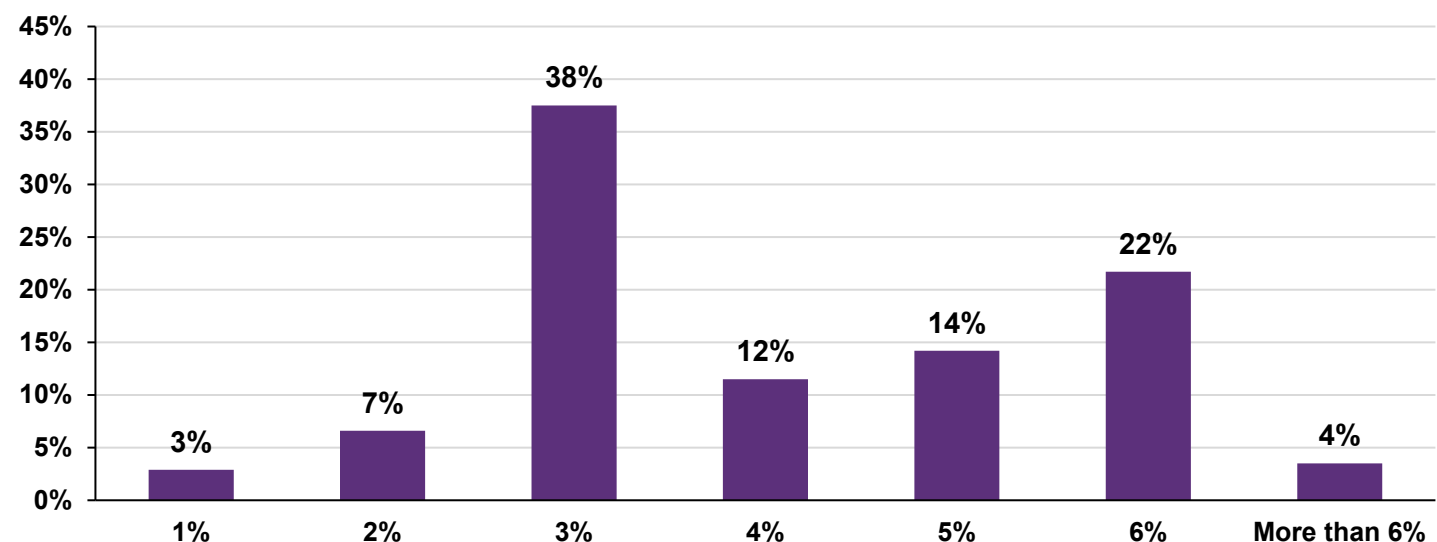


Source: PLANSPONSOR 2021 Defined Contribution Plan Industry Report (p.25). The groups represent plans by DC asset size. N=2,401

Retirement Plan Automatic Enrollment Percentage

QUESTION: What is the default deferral rate as a percentage of the employee's salary?

The default deferral rate as a percentage of the employee's salary. Most organizations defer 3% as the default deferral rate.



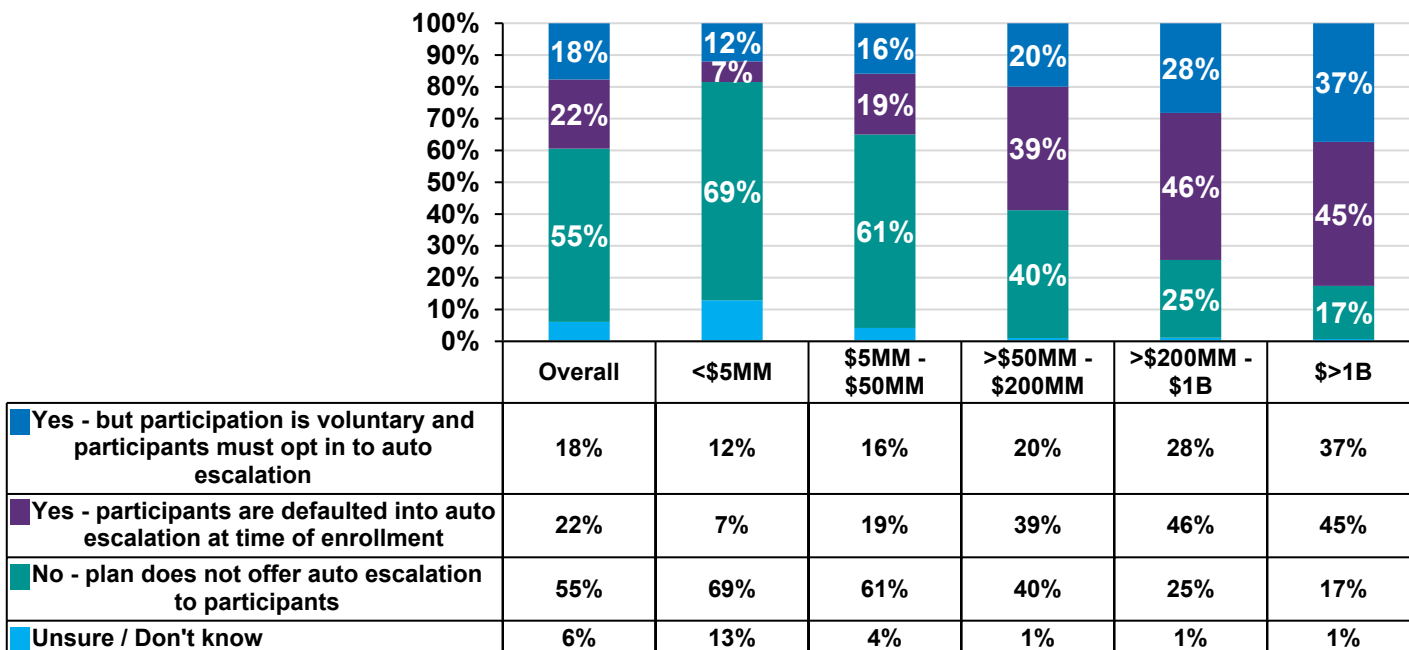
Source: PLANSPONSOR 2021 Defined Contribution Plan Industry Report (p.29). The groups represent plans by DC asset size. N=2,401

Retirement Plans

Retirement Plan Automatic Escalation

QUESTION: Does your plan offer “Auto Escalation” (i.e., automatic deferral increases)?

Forty percent of organizations overall (18% + 22%) offer auto escalation in their retirement plan with more than half defaulting into auto escalation at time of open enrollment. Larger organizations more frequently offer an auto escalation feature and as a default feature at the time of enrollment.

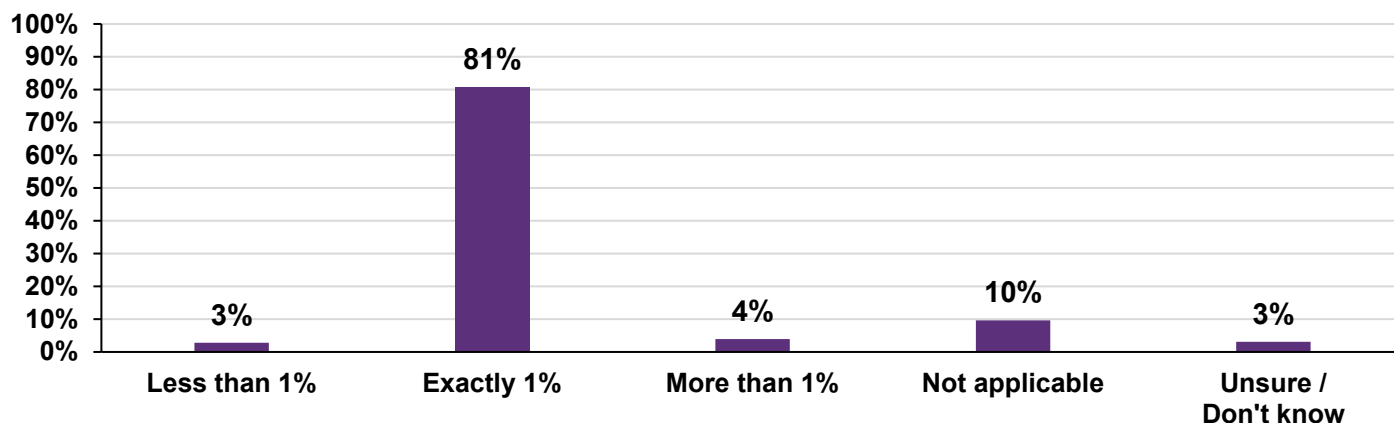


Source: PLANSPPONSOR 2021 Defined Contribution Plan Industry Report (p.30). The groups represent plans by DC asset size. May not add up to 100% due to rounding. N=2,401

Retirement Plan Automatic Escalation Rate

QUESTION: Which of the following best describes (as a percentage of salary) your organization's default/recommended automatic escalation rate?

The results show the default/ recommended automatic escalation rate as a percentage of salary. Most organizations escalate 1% of employee salary as the default rate.



Source: PLANSPPONSOR 2021 Defined Contribution Plan Industry Report (p.31). The groups represent plans by DC asset size. Responses may not add up to 100% due to rounding. N=2,401

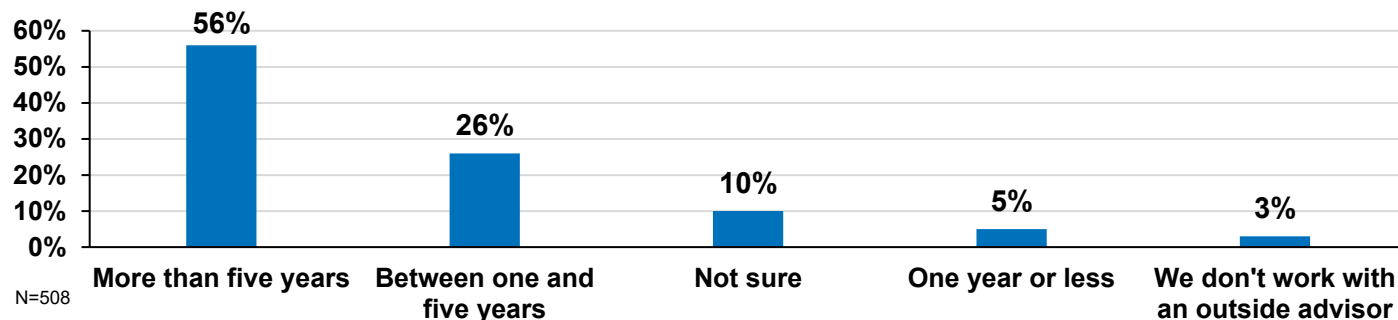
Retirement Plans

Outside Advisor Relationship

QUESTION: How long have you been working with the same outside advisor?

In 2022, 77% of plan sponsors have retained an independent advisor and this shows the duration of the advisor relationship.

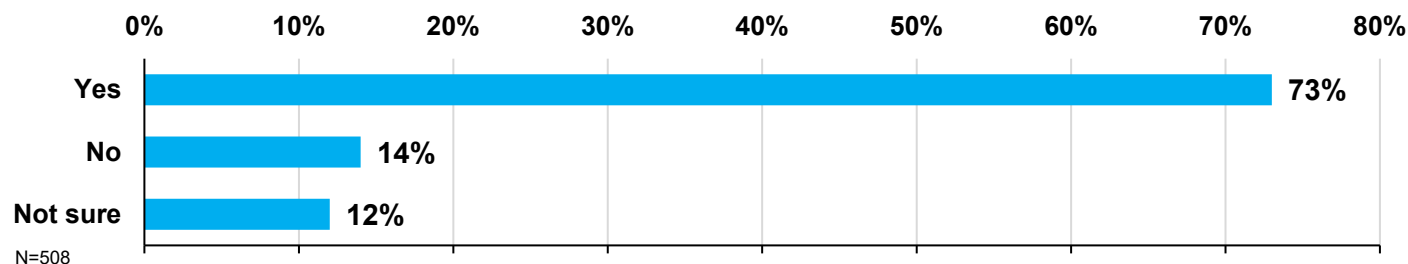
Over one-half of organizations, or fifty-six percent (56%) report working more than five years with the same outside advisor and 26% report working between one and five years.



Professionally Managed Accounts

QUESTION: Does your plan offer professionally managed accounts?

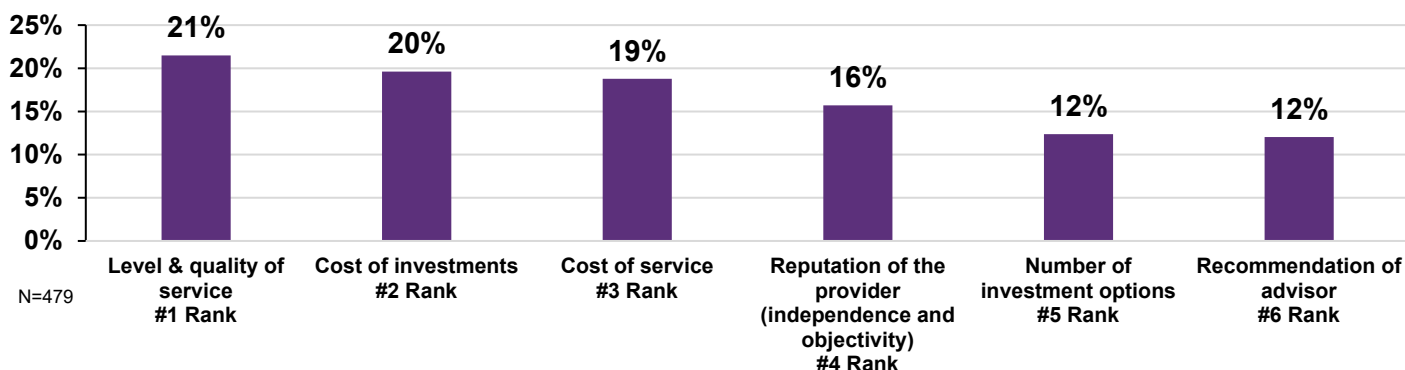
The majority of organizations, approximately 73%, report offering professionally managed retirement plan accounts. Managed account services offer personalized retirement education, advice, and investment management designed to help meet the needs of your organization and retirement plan participants.



Evaluating Retirement Plan Services

QUESTION: Which of the following factors is MOST important in evaluating retirement plan offerings?

In 2022, organizations continue to rank the level and quality of service as the most important factor in evaluating retirement plan offerings. The cost of investments and cost of service rank second and third respectively, in evaluating retirement plan offerings.

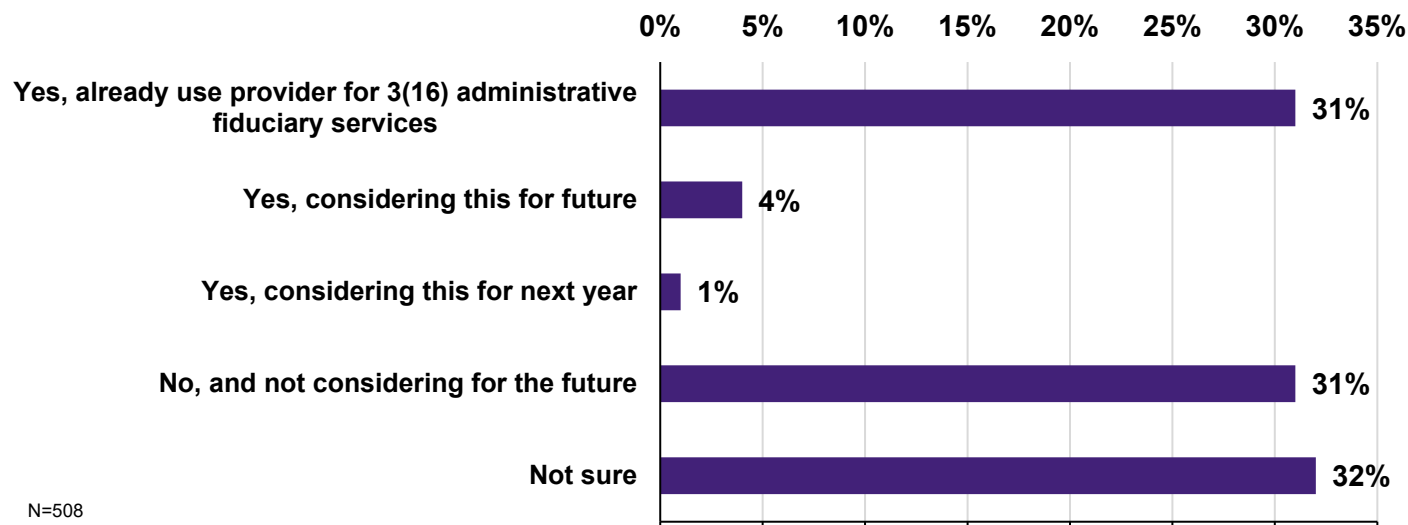


Retirement Plans

3(16) Administrative Fiduciary Services

QUESTION: *Would the services of a 3(16) administrative fiduciary be of interest to you to manage the administration, fiduciary, and reporting responsibilities of your organization's retirement plan?*

In 2022, plan sponsors used a provider for 3(16) services in 31% of organizations with 5% considering for next year or the future.



3(16) Administrative Fiduciary Services

QUESTION: *Would the services of a 3(16) administrative fiduciary be of interest to you to manage the administration, fiduciary, and reporting responsibilities of your organization's retirement plan?*

In 2022, plan sponsors report using a provider for 3(16) services in 31% of organizations with 5% considering for next year or the future. These figures are relatively consistent across organization size by FTE.

	Overall	100 or Fewer	101 - 250	251 - 750	751 - 1,500	1,500 or More
Yes, already use provider for 3(16) administrative fiduciary services	31%	30%	31%	33%	28%	33%
Yes, considering this for next year	1%	1%	1%	2%	0%	1%
Yes, considering this for future	4%	4%	5%	3%	2%	3%
No, and not considering for the future	31%	28%	41%	28%	43%	29%
Not sure	32%	36%	22%	34%	26%	34%
N =	508	206	74	64	46	118



Nonqualified Plans

Nonqualified Plans

Nonqualified Plan Prevalence

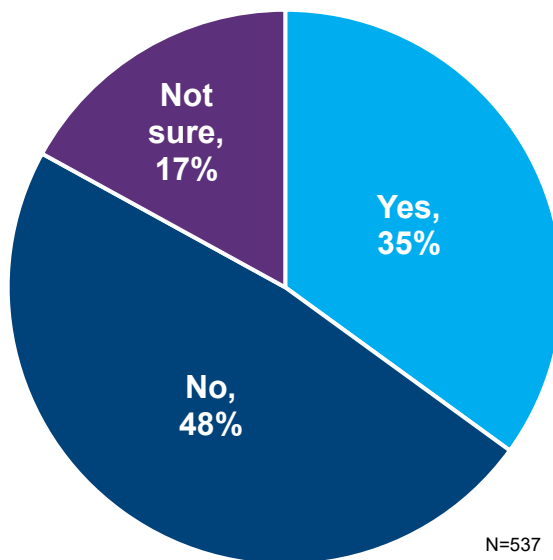
QUESTION: Does your organization offer a nonqualified deferred compensation, nonqualified defined benefit, or other key person benefit plan?

Of 537 participating organizations, thirty-five percent (35%) reported offering a nonqualified deferred compensation, nonqualified defined benefit, or other key person benefit plan.

As you can see from the prevalence by FTE and revenue size on the following pages, these plans are much more widely utilized in the large company space.

This data shows that nonqualified plans can make a big difference in terms of attracting talent from larger companies. The enhanced motivation and retention opportunities offered by nonqualified plans should also be seen as an opportunity for small to mid-sized organizations.

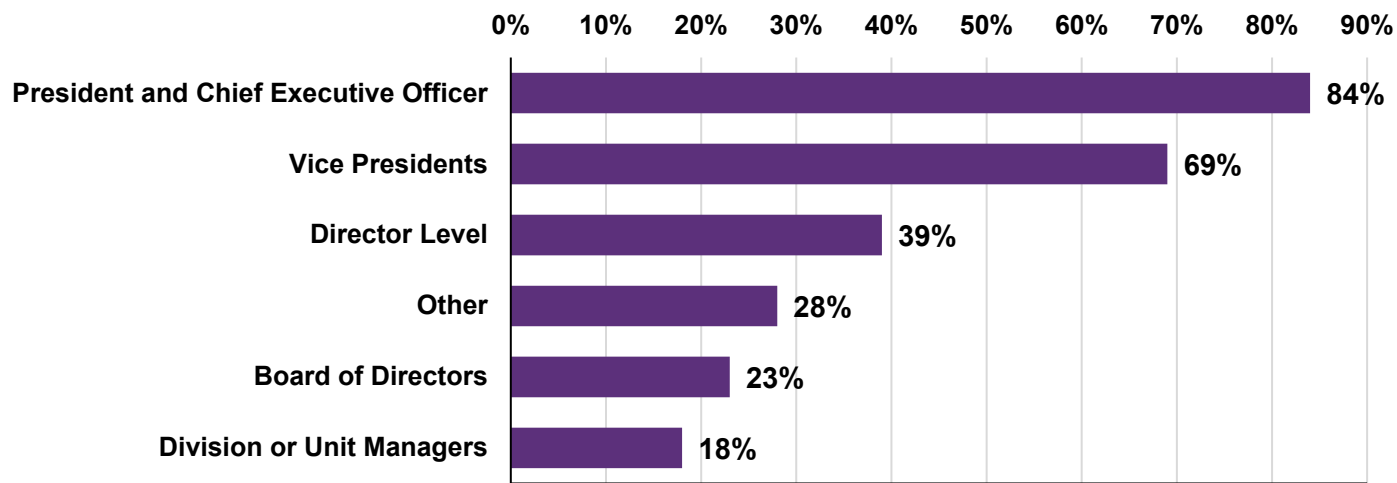
Nonqualified Plan Prevalence



Nonqualified Deferred Compensation Plan Participation Eligibility

QUESTION: Which positions are eligible to participate in the plan?

Of the organizations offering nonqualified plans, the majority of eligible participants include the President and Chief Executive Officer (84%), Vice Presidents, Director Levels and other levels of management and Board of Directors members.



N=185

Nonqualified Plans

Nonqualified Plan Prevalence by Industry

The prevalence of nonqualified plans varies across industries. The enhanced motivation and retention opportunities offered by nonqualified plans should also be seen as an opportunity for industries where they may offer unique benefit.

	Overall	Construction, Real Estate & Energy Utility	Finance, Banking & Insurance	Education, Government & Not-for-Profit	Healthcare	Manufacturing, Distribution, Transportation	Professional Services & Technology	Restaurant, Retail & Other Services
Yes	35%	28%	57%	25%	30%	38%	23%	36%
No	48%	46%	31%	59%	41%	46%	61%	53%
Not Sure	17%	26%	12%	16%	29%	16%	17%	11%
N =	537	54	84	56	63	122	84	74

Highlights from the Newport/PLANSPPONSOR Executive Benefits Survey 2022 Edition

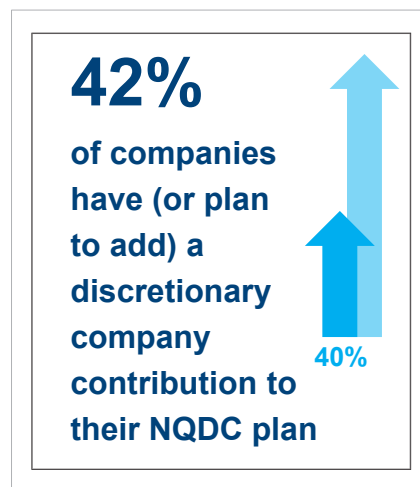
Newport partnered with PLANSPPONSOR magazine for the second time in 2022 to explore aspects of nonqualified deferred compensation (NQDC) plan design. The survey was sent to a broad cross-section of organizations including PLANSPPONSOR subscribers, Fortune 1000 companies, and other large for-profit and tax-exempt companies. Data collection was performed by PLANSPPONSOR magazine and included answers from *350 unique companies* and organizations.

Discretionary Company Contributions

This year's NQDC Survey shows a fundamental shift, with **42% of employers using their nonqualified plan to help them with the challenging task of attracting senior managers away from competitors and keeping key talent.**

These companies are offering a discretionary or incentive company contribution for a select number of their plan's participants. This percentage is up significantly from prior surveys and demonstrates a real interest and effort on the part of employers and their financial advisors to address recruiting and retention issues.

Source: Newport/PLANSPPONSOR Executive Benefits Survey 2022 Edition, p.5.



Enhanced Focus on Investment Menu

When survey participants were asked if they are **considering changes to their NQDC plan in the next 12-18 months**, one of the highest plan sponsor considerations in this year's survey is **"reviewing or enhancing the NQDC investment menu"**

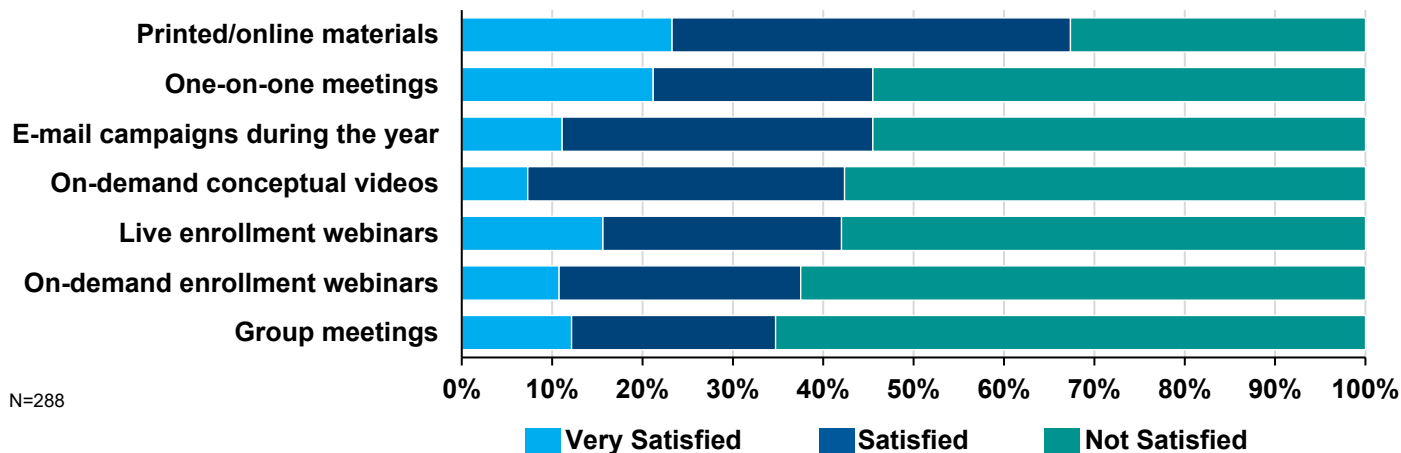
- Market-based investment options are still the most popular structure (93%)
- Model portfolios (risk or time-based) are oftentimes part of these menus (61%)
- A high level of plan sponsor and adviser oversight is needed for these structures

Nonqualified Plans

Custom Communication Campaigns

Sponsors are most satisfied with “printed/online materials” by a sizeable margin (more than 20%). In a virtual tie for second were “one-on-one meetings” and “email campaigns during the year,” followed closely by “on-demand conceptual videos.” “Group meetings” was noticeably last.

Most to Least Satisfied Communication Types

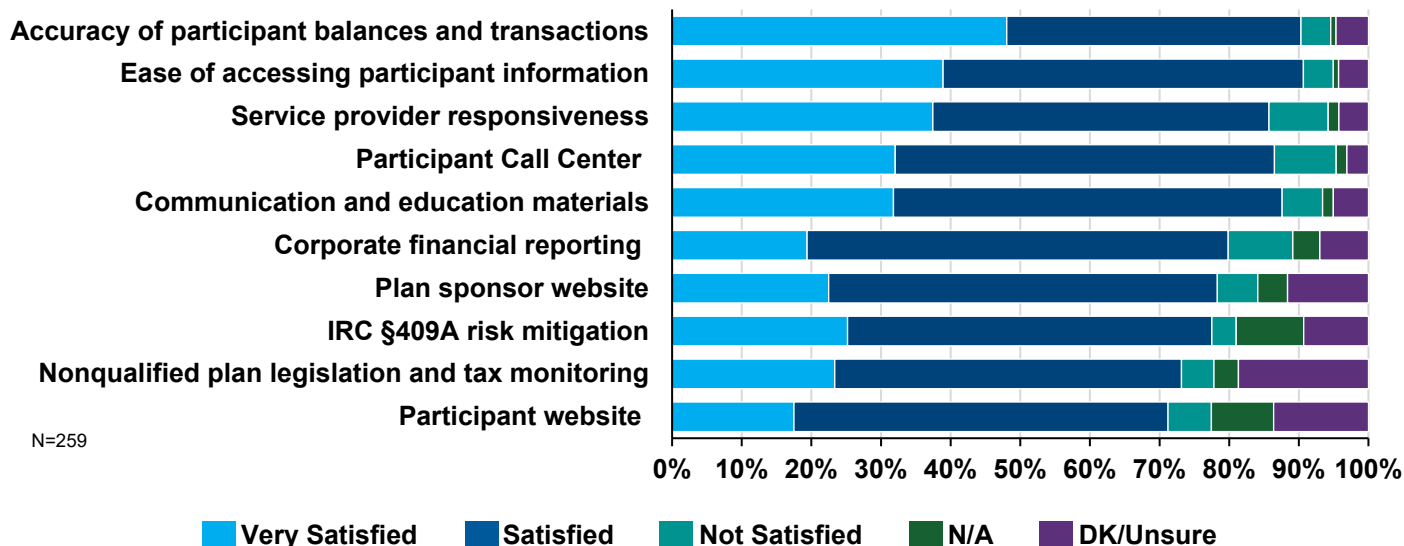


The top methods of communication are generally the ones most personal to the employee, either in the way the employee experiences the communication or in the way the communication may be customized for the employee. While printed materials may not seem highly personal, when they are provided online, an employee may interact with materials on their own schedule and may drill down for additional information—whatever is needed.

Source: Newport/PLANSponsor Executive Benefits Survey 2022 Edition, p.13.

Dedicated NQ TPA/Recordkeeper

Plan sponsors report a relatively high degree of satisfaction with plan operations. However, there are concerns with IRC §409A risk mitigation. Corporate financial reporting, nonqualified legislation/tax monitoring, and participant and sponsor website experiences all have room for improvement in the “Very Satisfied” category.





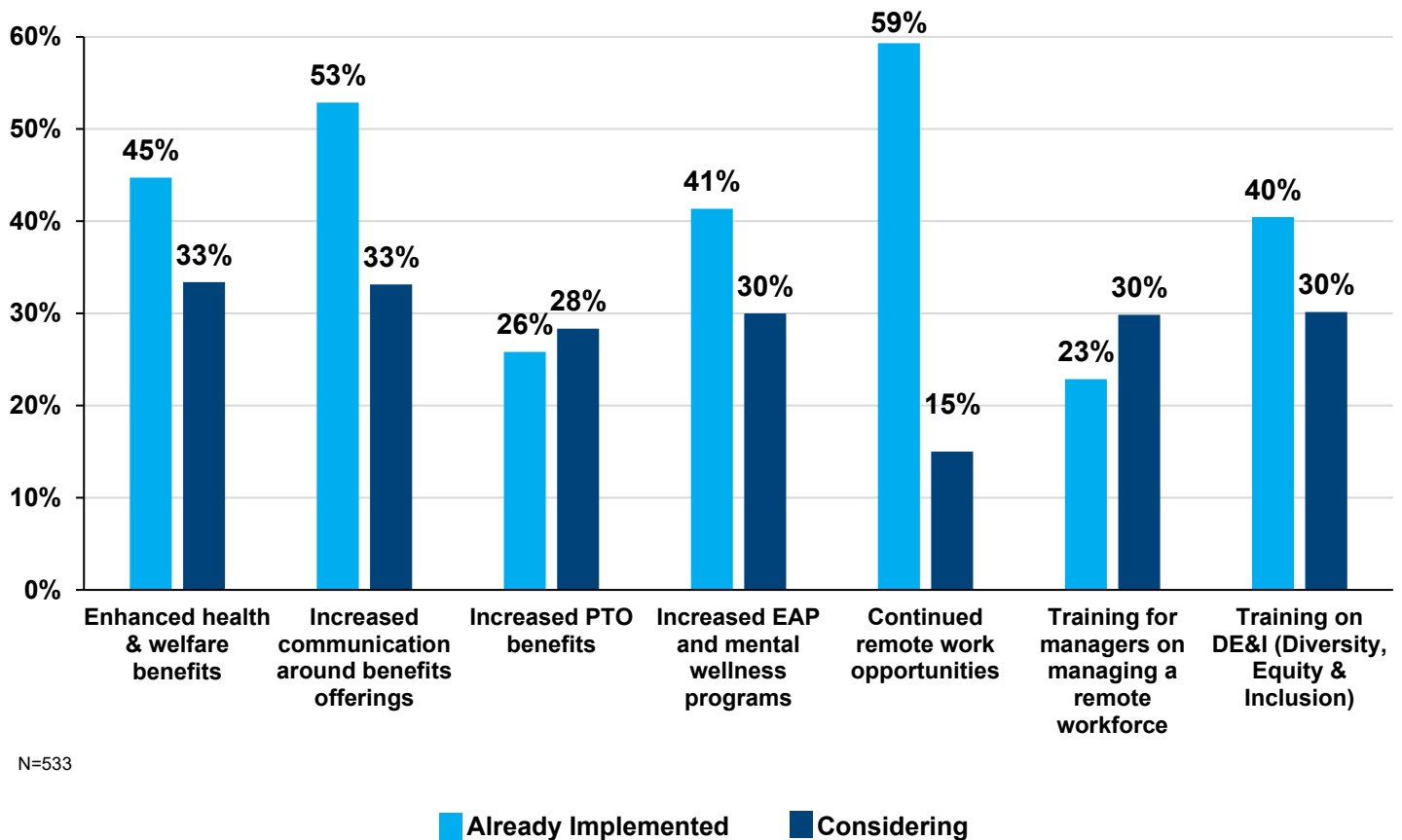
Health and Welfare Benefits

Health and Welfare Benefits

2022 Benefits Strategies

QUESTION: Which benefits strategies has your organization implemented or considered in today's highly competitive labor market?

Organizations have already implemented or are considering several benefits program strategies to attract and retain talent in today's highly competitive labor market. Continued remote work opportunities, increased communication around benefits offerings and enhanced health & welfare benefits have been reported as the most prevalent strategies implemented in 2022.



Health and Welfare Benefits

Health Insurance Plan Options by FTEs

QUESTION: Which of the following plans do you offer as health insurance options?

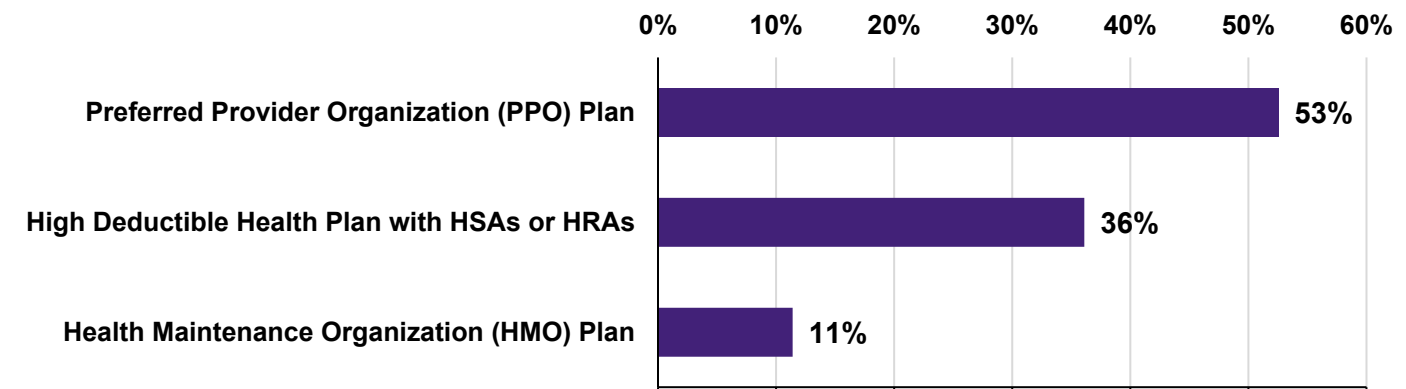
The most widely available health plans offered by employers based on FTE size continue to be PPO Plans, High Deductible Health Plans (HDHP), and HMO Plans. Supplemental medical plans for executives and retiree medical are more typically offered by larger firms.

	Overall	100 or Fewer	101 - 250	251 - 750	751 - 1,500	1,500 or More
Preferred Provider Organization (PPO) Plan	77%	70%	75%	81%	87%	82%
High Deductible Health Plan (HDHP) with HSAs or HRAs	64%	46%	69%	63%	89%	82%
Health Maintenance Organization (HMO) Plan	30%	34%	23%	29%	34%	30%
Supplemental Medical Plan for executives	2%	1%	0%	1%	4%	4%
Retiree medical plan for executives	3%	1%	1%	4%	11%	5%
Do not offer Health Insurance	1%	3%	0%	0%	0%	1%
Other	5%	3%	5%	6%	2%	6%
N =	532	211	80	70	47	124

Health Insurance Plan Preference

QUESTION: For your most recent open enrollment, which of the following health insurance options was selected by the largest number of employees?

Similar to recent years, PPO Plans continue to be the most popular option selected by employees during open enrollment. Overall, more than half of employees (53%) selected PPO Plans, followed by 36% High Deductible Health Plans and the fewest (11%) selecting HMO Plan options



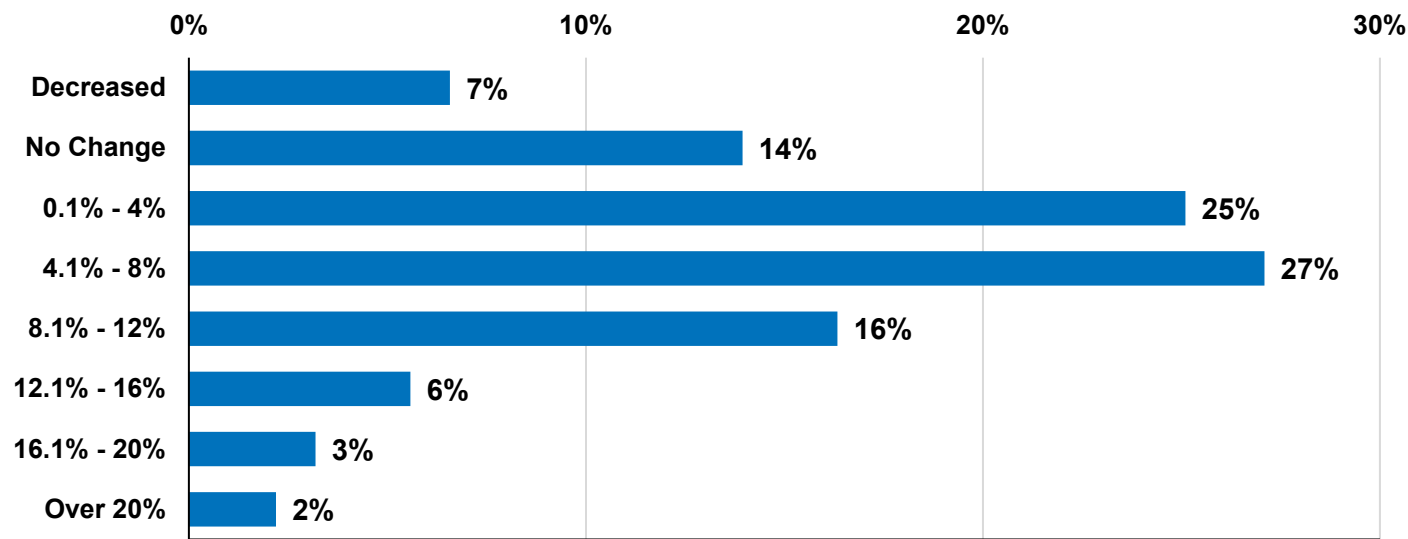
N=516

Health and Welfare Benefits

2022 Health Insurance Cost Change

QUESTION: *What was the average percentage change in your health insurance plan costs for the 2022 plan year?*

While most employers (79%) saw an increase in health plan costs in 2022, the largest percentage of employers (27%) reported increases from 4.1% up to 8%.



N=500

Health Insurance Annual Premiums by FTEs

QUESTION: *For the health insurance option selected by the majority of your employees, what is the premium paid by the employer and the employee?*

Average health insurance premium costs vary by level of coverage however, employers (by FTE size) share more of the proportional costs with employees when dependents are added to the plan.

	Overall	100 or Fewer	101 - 250	251 - 750	751 - 1,500	1,500 or More
Average Employer Annual Premium						
Family	\$16,629	\$14,658	\$17,854	\$18,900	\$18,325	\$17,566
Employee + One (Spouse or Child)	\$12,834	\$11,971	\$13,204	\$14,397	\$14,096	\$12,877
Employee + Children	\$12,160	\$11,334	\$12,604	\$14,039	\$12,835	\$12,008
Employee Only	\$7,697	\$8,404	\$7,996	\$8,035	\$6,414	\$6,639
Employee Share of Premium						
Family	\$7,724	\$9,757	\$7,072	\$6,335	\$7,708	\$5,668
Employee + One (Spouse or Child)	\$5,404	\$6,573	\$5,132	\$4,730	\$5,286	\$4,196
Employee + Children	\$4,920	\$5,981	\$4,585	\$4,220	\$5,801	\$3,559
Employee Only	\$2,120	\$2,249	\$1,812	\$2,387	\$2,747	\$1,703
N =	402	161	68	58	37	78

Health and Welfare Benefits

Plans to Address Health Care Costs by FTEs

QUESTION: What actions do you plan to take for the 2023 plan year to address health care costs?

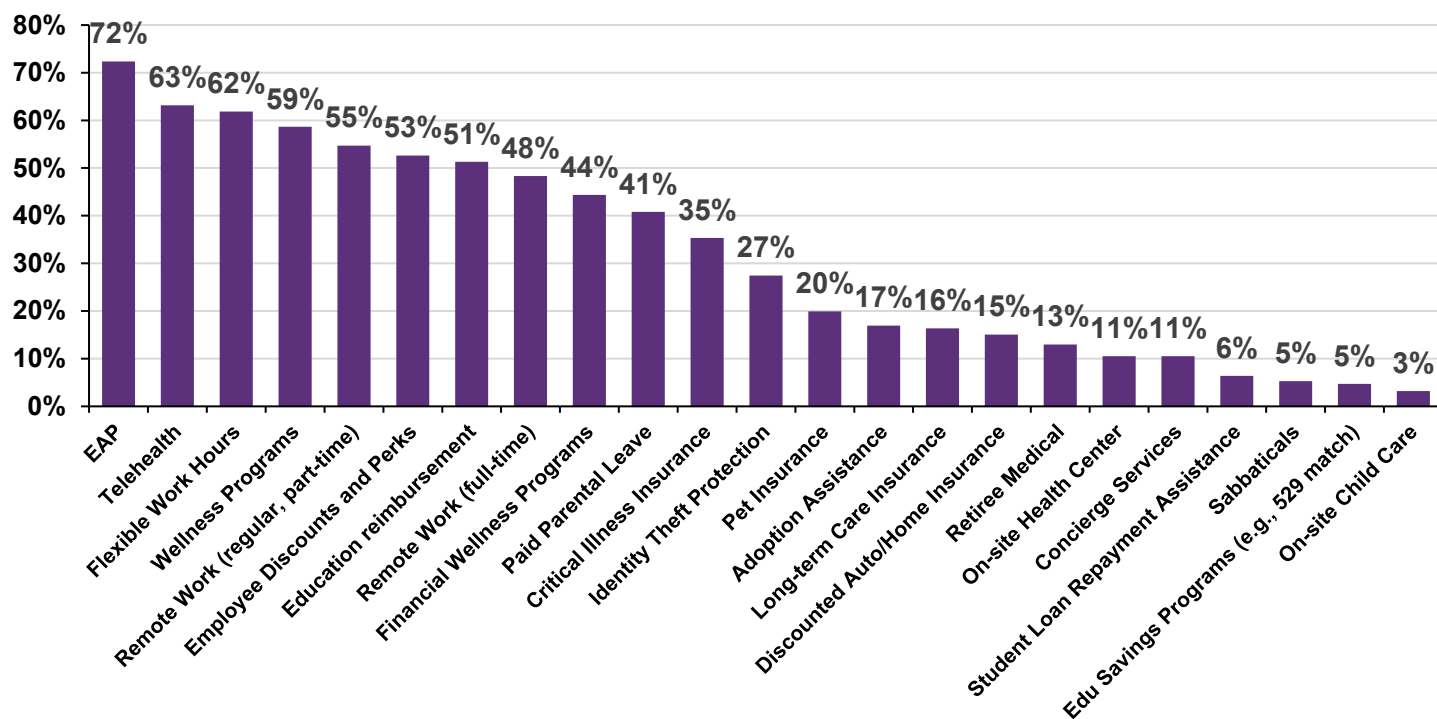
More than half of small and mid-sized organizations (by FTE size) have no actions planned to address healthcare costs in 2023. For those organizations taking action, increasing the employee portion of premium payments is the most prevalent action, followed by offering tax-advantaged savings & spending accounts.

	Overall	100 or Fewer	101 - 250	251 - 750	751 - 1,500	1,500 or More
No Actions Planned	55%	70%	52%	50%	52%	33%
Increase Employee Portion of Premium Payment	26%	17%	31%	29%	29%	36%
Offer tax-advantaged savings & spending account (FSA, HSA, HRA, LSA, Commuter Benefits)	18%	11%	17%	21%	26%	25%
Implement Wellness Program	12%	5%	11%	18%	24%	19%
Managing Surging Specialty Pharmacy Costs	12%	2%	12%	18%	17%	26%
Increase Employee Deductibles	11%	9%	5%	9%	21%	13%
Conduct Dependent Audit	5%	1%	1%	6%	5%	14%
Offer Opt-Out Incentive	5%	2%	11%	10%	0%	4%
Pursue Coverage through a Private Exchange	1%	2%	1%	3%	0%	0%
Institute On-Site Health Center	1%	0%	0%	1%	0%	2%
N =	485	193	75	68	42	107

Benefits Currently Offered

QUESTION: Which of the following employee benefits do you currently offer?

In addition to medical, dental, vision, life insurance and disability benefits, many organizations offer employee assistance programs (EAP,) telehealth, flexible work hours & remote work options, wellness & financial wellness programs, employee discounts & perks and education programs as prevalent trends in 2022.





For More Information

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Links to Resources:

The *Newport/PLANSponsor Executive Benefits Survey 2022 Edition* can be downloaded [here](#).

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