

ease

# The 2022 Ease SMB Benefits and Employee Insights Report

National Data, Trends & Observations for  
Small- and Medium-Sized Businesses

# Small- and Medium- Sized Businesses Power the U.S.

It's true: Small- and medium-sized businesses (SMBs) account for 99.9% of all U.S. businesses and nearly half of the private U.S. workforce.<sup>1</sup> Which works out to an impressive 61 million people evaluating their options for health benefits each year.

With unemployment inching closer to pre-pandemic levels and a sizzling job market, attracting and retaining people continues to be a challenge. A recent PwC survey revealed a staggering 88% of companies are experiencing higher turnover rates than normal.<sup>2</sup> And that same survey notes employees rank benefits as the #2 reason to start looking for a new job right after wages and salary.

So how can you stay ahead of the curve and offer benefits that matter to employees all while minding the bottom line? Rely on data-driven insights to show what's come before and what could come next.

1. U.S. Small Business Administration Office of Advocacy, [2021 Small Business Profile Infographic](#)  
2. PwC, [U.S. Pulse Survey: Next in work](#)

# Small Businesses, Big Insights

## About the Report

The **2022 Ease SMB Benefits and Employee Insights Report** focuses on businesses throughout the country with 1-250 active employees. With more than 4% of the entire SMB workforce making benefits decisions in Ease, we have a breadth of anonymized data to glean insights into how SMBs redirected and evolved benefits throughout 2021. Through analyzing Ease platform data from the past four years — 2018, 2019, 2020, and 2021 — we've uncovered trends, themes, and key insights that can help shape your benefits and engagement strategy.

If there's additional data you wish to see in the future, please let us know at [hrinsights@ease.com](mailto:hrinsights@ease.com).

## About Ease

Ease helps insurance agencies offer their clients better service through simple technology. Today, over 2,000 agencies trust Ease to support benefits, payroll, and HR needs for more than 75,000 employers and their 2.5 million+ employees.

## Uncover year-over-year trends and point-in-time insights



Medical premiums and contributions



Health plans offered



Voluntary benefits



SMB growth



Special report: 2021 according to brokers

### Additional Factors Impacting SMB Benefits in 2021<sup>3</sup>

In the largest December to December gain since 1981, the Consumer Price Index (CPI) climbed 7%.

- ▲ **7.0%** Inflation
- ▲ **2.2%** Overall healthcare prices
- ◀▶ **0%** Prescription drug prices
- ▲ **3.3%** Hospital services
- ▲ **4.3%** Physician services

## Methodology

The data featured in this report reflects small- and medium-size businesses using Ease. This analysis is based on anonymized data collected in November and December 2021. If you have questions about the trends in this report, please reach out to a member of the Ease team.

3. U.S. Bureau of Labor Statistics, [Consumer Price Index: 2021 in review](#)

# Medical Premiums & Contributions

**With few glimmers of pandemic relief, 2021 continued to be impacted directly and indirectly by COVID-19. Though medical premiums across the board fell under the rate of inflation, the 7% consumer price index increase is the highest we've experienced in nearly 40 years.**

The average Ease company saw an increase in individual medical premiums of nearly 6.3%, with the 11-50 employee segment experiencing the largest increase at 6.87% (pacing just below the rate of inflation). On the family side, medical premiums rose at just over half that rate — 3.35% on average.

Year-over-year premium increases coupled with other factors like increases in hospital and physician services continue to pressure decision-makers to balance access with meaningful benefits for employees. And according to Kaiser Health News, requiring insurers to pay for COVID-19 testing, vaccine administration, and treatment means these costs may be passed along to customers through premium increases into 2023.<sup>4</sup>

4. Kaiser Health News, [5 Things You Should Know About "Free" At-Home Covid Tests](#)

## Monthly Medical Premiums

### Individual Plans – Premium Cost

Companies Using Ease	Monthly Premium				Percent Change in Premium Cost			
	2018	2019	2020	2021	2018-2019	2019-2020	2020-2021	2018-2021
All	\$494	\$510	\$541	\$575	▲3.16%	▲5.98%	▲6.29%	▲16.20%
1-10 EEs	\$497	\$513	\$534	\$557	▲3.14%	▲4.19%	▲4.34%	▲12.12%
11-50 EEs	\$490	\$507	\$518	\$555	▲3.43%	▲2.53%	▲6.87%	▲13.32%
51-100 EEs	\$494	\$503	\$528	\$562	▲1.91%	▲4.87%	▲6.36%	▲13.67%
101-250 EEs	\$492	\$515	\$554	\$570	▲5.48%	▲7.67%	▲2.80%	▲16.76%

\*EEs = active employees



Premiums grew faster from 2020 to 2021 for all company segments outside of 101-250 than the prior year’s rates of change. And it’s really no surprise: Pandemic-related costs, like free COVID-19 testing, are likely baked into these premiums.

Regardless of company size, individual medical premiums averaged \$575 in 2021. And employee count doesn’t appear to have an outsized impact on premium cost.

## Monthly Medical Premiums

### Family Plans – Premium Cost

Companies Using Ease	Monthly Premium				Percent Change in Premium Cost			
	2018	2019	2020	2021	2018-2019	2019-2020	2020-2021	2018-2021
All	\$1,294	\$1,348	\$1,398	\$1,445	▲4.19%	▲3.73%	▲3.53%	▲11.70%
1-10 EEs	\$1,283	\$1,320	\$1,341	\$1,386	▲2.53%	▲1.98%	▲3.35%	▲8.06%
11-50 EEs	\$1,315	\$1,348	\$1,398	\$1,451	▲2.45%	▲3.74%	▲3.83%	▲10.35%
51-100 EEs	\$1,237	\$1,347	\$1,401	\$1,462	▲8.83%	▲4.07%	▲4.32%	▲18.16%
101-250 EEs	\$1,303	\$1,400	\$1,524	\$1,535	▲7.48%	▲8.87%	▲0.70%	▲17.83%

\*EEs = active employees



Family premiums are not rising as quickly as individual premiums for SMBs. In 2021, the average family premium was \$1,445. Unlike with individual premiums, family premiums increased at a slightly slower pace — 3.35% — than the year prior.

## Monthly Medical Contribution

### Employer Contributions – Individual

Companies Using Ease	Monthly Premium Contribution				Percent of Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$372	\$379	\$400	\$417	75.33%	74.25%	73.97%	72.65%	▼1.43%	▼0.37%	▼1.78%	▼3.55%
1-10 EEs	\$356	\$361	\$371	\$376	71.66%	70.37%	69.50%	67.46%	▼1.80%	▼1.24%	▼2.94%	▼5.86%
11-50 EEs	\$369	\$378	\$381	\$400	75.30%	74.59%	73.39%	71.89%	▼0.93%	▼1.62%	▼2.04%	▼4.53%
51-100 EEs	\$381	\$382	\$398	\$421	77.11%	75.80%	75.35%	74.93%	▼1.70%	▼0.59%	▼0.56%	▼2.82%
101-250 EEs	\$362	\$387	\$519	\$424	74.11%	75.16%	93.58%	74.37%	▲1.41%	▲24.51%	▼20.52%	▲0.35%

\*EEs = active employees



With the rise of individual premiums, employers are responsible for a slightly smaller share of total contributions in 2021 although the cost is about \$17 more on average.



## Monthly Medical Contribution

### Employee Contributions – Individual

Companies Using Ease	Monthly Premium Contribution				Percent of Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$122	\$131	\$141	\$143	24.67%	25.75%	26.03%	24.88%	▲4.38%	▲1.08%	▼4.41%	▲0.85%
1-10 EEs	\$141	\$152	\$163	\$169	28.34%	29.63%	30.50%	30.25%	▲4.55%	▲2.94%	▼0.85%	▲6.72%
11-50 EEs	\$121	\$129	\$137	\$141	24.70%	25.41%	26.28%	25.45%	▲2.84%	▲3.43%	▼3.16%	▲3.00%
51-100 EEs	\$113	\$122	\$130	\$129	22.89%	24.20%	24.68%	23.02%	▲5.72%	▲1.98%	▼6.73%	▲0.55%
101-250 EEs	\$130	\$128	\$134	\$131	26.73%	24.84%	24.09%	23.02%	▼7.07%	▼3.05%	▼4.41%	▼13.88%

\*EEs = active employees



Employee responsibility for individual premiums in every segment dipped slightly in 2021 from 2020 levels. On average, employees spent \$143 on monthly medical premiums in 2021, or \$1,716 for the year. For comparison, the annual cost sat at \$1,464 in 2018.

## Monthly Medical Contribution

### Employer Contributions – Family

Companies Using Ease	Monthly Premium Contribution				Percent of Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$770	\$796	\$827	\$869	59.55%	59.05%	59.12%	60.11%	▼0.85%	▲0.13%	▲1.67%	▲0.93%
1-10 EEs	\$616	\$618	\$626	\$664	48.00%	46.99%	46.69%	47.87%	▼2.12%	▼0.64%	▲2.53%	▼0.28%
11-50 EEs	\$812	\$823	\$858	\$906	61.74%	61.09%	61.38%	62.42%	▼1.07%	▲0.48%	▲1.69%	▲1.09%
51-100 EEs	\$829	\$911	\$943	\$1,006	67.00%	67.68%	67.30%	68.79%	▲1.01%	▼0.57%	▲2.21%	▲2.66%
101-250 EEs	\$990	\$1,032	\$1,104	\$1,141	75.97%	73.69%	72.40%	74.33%	▼3.00%	▼1.75%	▲2.66%	▼2.16%

\*EEs = active employees



Unlike the trends we see for individual plans, employer responsibility for family premium contributions has increased from 2020 to 2021. This may be in response to the ongoing pressures to acquire and retain employees — offering family coverage can make or break

an offer. According to Humana, adding dependents may diversify the group and help lower rates.<sup>5</sup> Which could work out to be a win-win across the board.

5. Humana, [Offering Spouse and Family Insurance](#)

## Monthly Medical Contribution

### Employee Contributions – Family

Companies Using Ease	Monthly Premium Contribution				Percent of Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$523	\$552	\$572	\$576	40.45%	40.95%	40.88%	39.89%	▲1.25%	▼0.18%	▼2.41%	▼1.37%
1-10 EEs	\$667	\$702	\$715	\$723	52.00%	53.37%	53.30%	52.13%	▲2.65%	▼0.13%	▼2.20%	▲0.26%
11-50 EEs	\$503	\$524	\$540	\$546	38.26%	38.92%	38.64%	37.59%	▲1.71%	▼0.71%	▼2.72%	▼1.76%
51-100 EEs	\$408	\$435	\$458	\$456	33.00%	32.32%	32.70%	31.21%	▼2.06%	▲1.18%	▼4.54%	▼5.40%
101-250 EEs	\$313	\$368	\$420	\$375	24.03%	26.31%	27.57%	24.40%	▲9.48%	▲4.78%	▼11.49%	▲1.53%

\*EEs = active employees



The percentage of employee contributions for family plans is down year over year in every segment. For employee family coverage, Ease companies averaged \$576 per month in 2021, or \$6,912 for the year. The largest company segment paid significantly less per month — nearly \$350 — than the smallest segment in 2021.

## Total Monthly Benefits Cost

### Employee

Companies Using Ease	Total Benefits Cost				Percent Change in Total Benefits Cost			
	2018	2019	2020	2021	2018-2019	2019-2020	2020-2021	2018-2021
All	\$280.75	\$310.85	\$364.69	\$368.22	▲10.72%	▲17.32%	▲0.97%	▲31.16%
1-10 EEs	\$444.93	\$475.34	\$445.43	\$451.25	▲6.84%	▼6.29%	▲1.31%	▲1.42%
11-50 EEs	\$352.57	\$394.85	\$406.27	\$420.35	▲11.99%	▲2.89%	▲3.47%	▲19.22%
51-100 EEs	\$306.44	\$350.43	\$394.20	\$404.76	▲14.36%	▲12.49%	▲2.68%	▲32.09%
101-250 EEs	\$242.32	\$262.96	\$350.50	\$350.25	▲8.52%	▲33.29%	▼0.07%	▲44.54%

\*EEs = active employees



On average in 2021, following the trend we've seen since 2018, the smaller the company the more their employees paid toward benefits. In fact, employees working for companies with 101-250 employees paid 22.38% less than those working for companies with 1-10 employees this past year. On average, 2020-2021 increases were less than 1% across all companies compared to the double-digit jump from 2019-2020.

# Health Plans Offered

**Holding relatively steady, the number of health plans offered by employers reflects efforts to steer employees toward more affordable options. While uptake of consumer-driven plans remains a sliver of those enrolled in more traditional plans, participation in high deductible health plans has increased more than 65% since 2018.**

The past four years have shown the larger the employer, the more health plans they are likely to offer. While HMOs and PPOs account for more than 85% of the plans selected in 2021, nearly 50% of SMB employees opted to waive coverage entirely (this number has declined 5% since 2018).

## Medical Plans Offered

### Number of Plans Offered Per Employee

Companies Using Ease	Number of Plans Offered Per EE				Percent Change			
	2018	2019	2020	2021	2018-2019	2019-2020	2020-2021	2018-2021
All	2.78	2.72	2.69	2.69	▼1.85%	▼1.26%	▲0.04%	▼3.05%
1-10 EEs	1.88	1.86	1.85	1.89	▼0.78%	▼0.61%	▲1.80%	▲0.39%
11-50 EEs	3.49	3.87	3.41	3.37	▲10.72%	▼11.95%	▼1.17%	▼3.64%
51-100 EEs	3.92	3.87	3.71	3.82	▼1.34%	▼4.04%	▲2.99%	▼2.49%
101-250 EEs	3.76	3.58	3.64	3.67	▼4.76%	▲1.56%	▲0.98%	▼2.33%

\*EEs = active employees



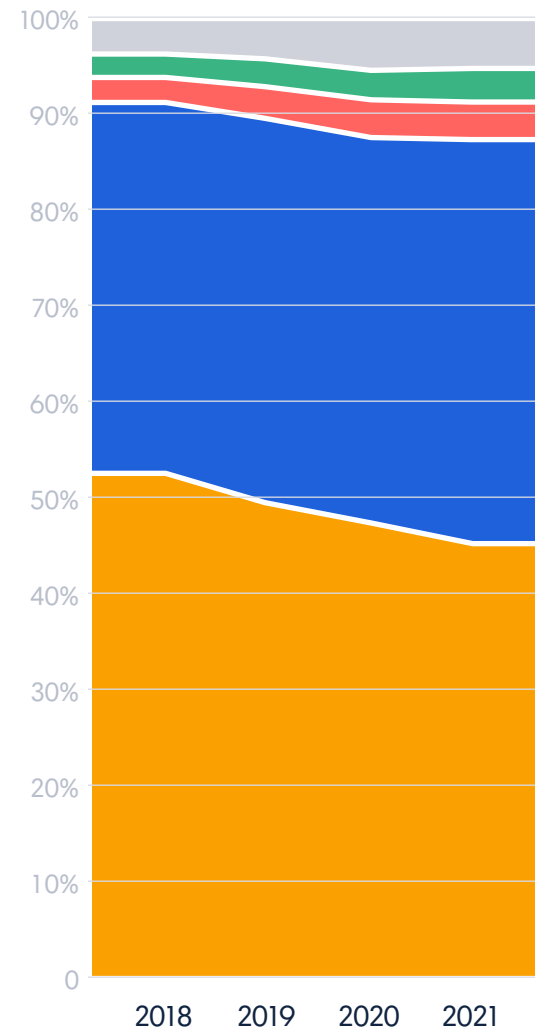
On average, businesses with more employees offered more medical plans than those with fewer employees in 2021, which continues the trend we saw in 2020.

## Medical Plan Type Enrollment

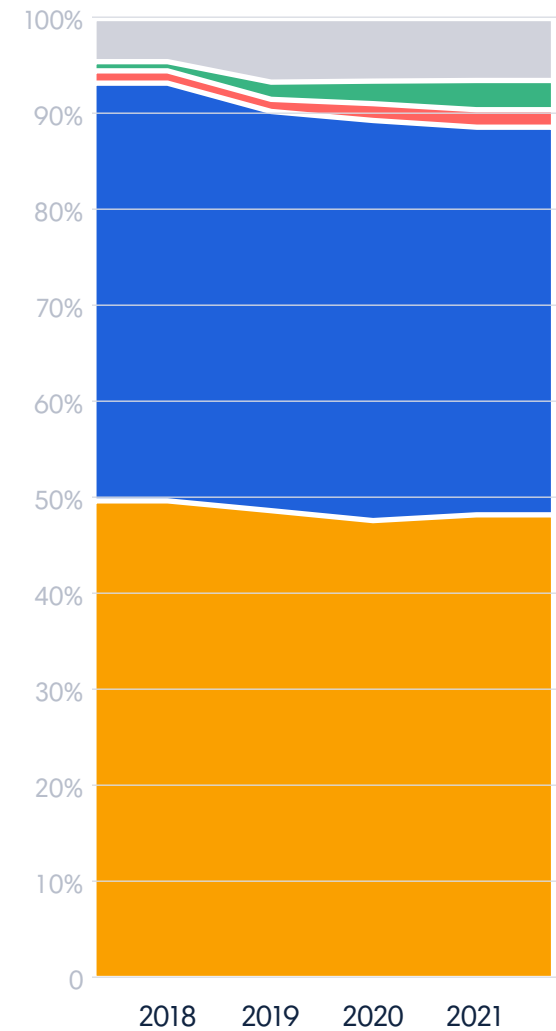
Looking year over year, 2021 brought no new differentiation in plan-type enrollment. The majority of SMB employees continue to enroll in HMO plans at the highest rate, followed by PPO plans. These traditional plans may seem more stable and comfortable to workers in 2021, where pandemic-related worries have likely impacted benefits decisions.

Although HDHP plans continue to garner huge buzz, we see light adoption compared to HMOs and PPOs. According to a 2021 Kaiser Family Foundation study, only 20% of companies with 3-199 employees offered HDHPs at all, compared to 58% of companies with 200 or more workers.<sup>6</sup> So this adoption number may be related to availability as well as uptake.

All Companies Using Ease



1-10 Active Employees

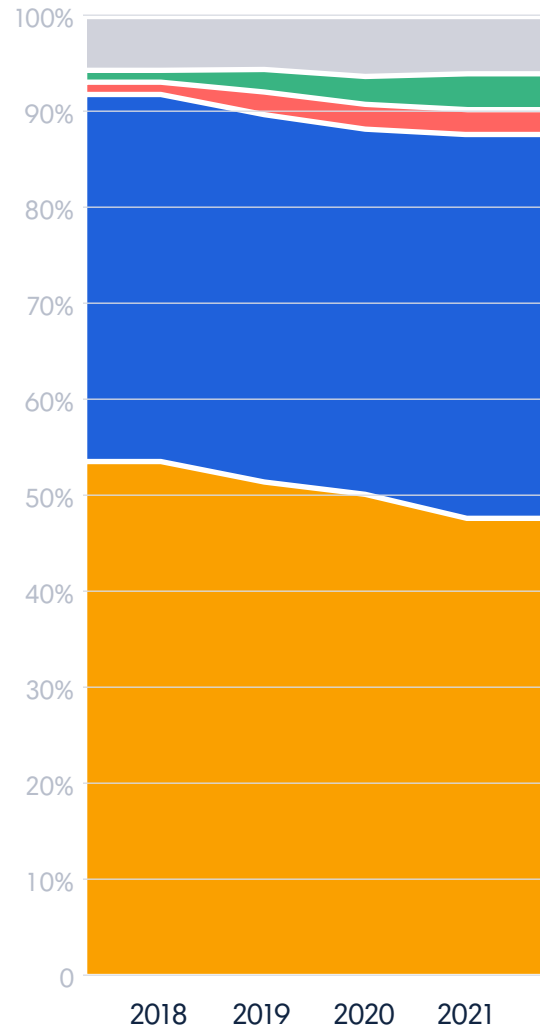


■ HMO
 ■ PPO
 ■ HDHP
 ■ EPO
 ■ POS

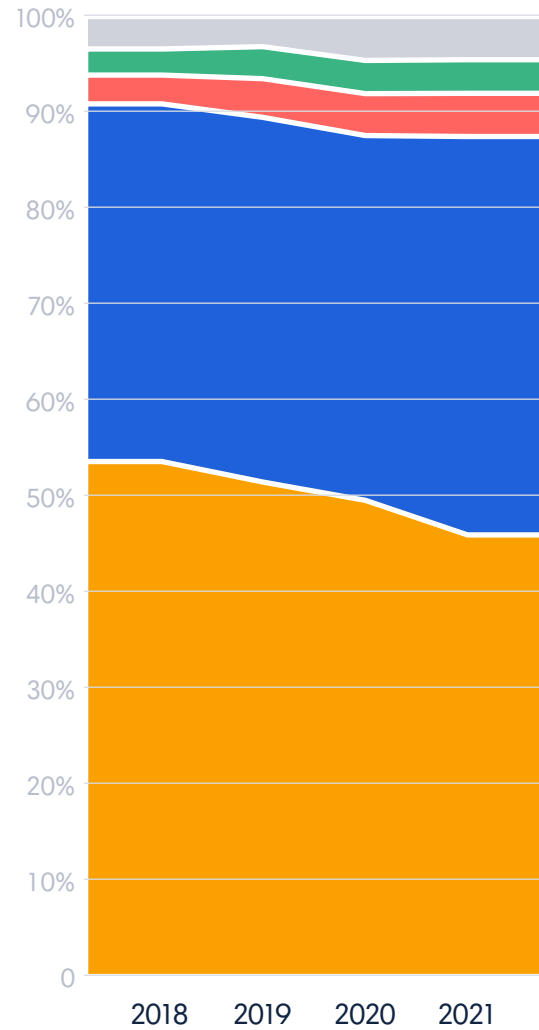
6. Kaiser Family Foundation, [2021 Employer Health Benefits Survey](#)

### Medical Plan Type Enrollment (Continued)

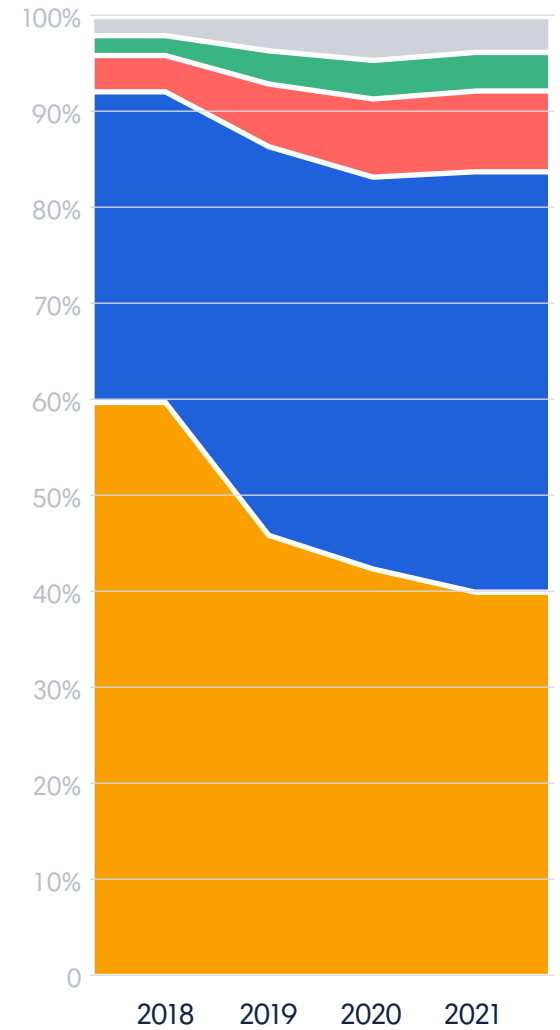
11-50 Active Employees



51-100 Active Employees



101-250 Active Employees



■ HMO   
 ■ PPO   
 ■ HDHP   
 ■ EPO   
 ■ POS



## Medical Plans

### Employees Waiving Coverage

Companies Using Ease	Employees Waiving Coverage								Percent Change			
	2018	2018%	2019	2019%	2020	2020%	2021	2021%	2018-19	2019-20	2020-21	2018-21
All	202,723	52.69%	365,163	54.39%	484,223	46.80%	644,361	49.93%	▲3%	▼14%	▲7%	▼5%
1-10 EEs	7,951	39.81%	12,378	36.74%	17,855	31.52%	24,584	34.03%	▼8%	▼14%	▲8%	▼15%
11-50 EEs	57,220	52.29%	96,530	55.19%	132,989	46.64%	181,265	53.33%	▲6%	▼15%	▲14%	▲2%
51-100 EEs	45,659	49.65%	77,732	54.44%	109,231	50.27%	145,416	54.82%	▲10%	▼8%	▲9%	▲10%
101-250 EEs	52,163	55.11%	93,960	54.25%	122,693	48.69%	161,284	51.33%	▼2%	▼10%	▲5%	▼7%

\*EEs = active employees



As employers get larger in size, more employees choose to waive coverage. However, on average, fewer employees are choosing to waive coverage in 2021 than in 2018.



# Voluntary Benefits Trends

**Holistic well-being benefits continue to be top-of-mind for employers and employees. Physical, mental, financial, and social health top considerations for employees, while employers use these additional benefits as ways to attract and retain workers. According to a recent MetLife survey, 55% of SMB employees view benefits as more important now than before the pandemic.<sup>7</sup>**

And 64% say offering a wider array of non-medical benefits would make them more loyal to their employer. Voluntary benefits offer SMBs a unique way to meet the needs of their employees without adding to their budgets. Must-haves like dental, vision, and life top the list for SMB employees, but “non-traditional” benefits like hospital indemnity, financial wellness, cancer insurance, legal services, and pet insurance have all seen increases in preference since the onset of COVID-19.

7. MetLife, 2021 report [How Small Businesses Can Adapt to the Trends Transforming the Workforce](#)

## Voluntary Benefits Plans Offered

### Number of Plans Offered Per Employee

Companies Using Ease	Number of Plans Offered Per EE				Percent Change			
	2018	2019	2020	2021	2018-2019	2019-2020	2020-2021	2018-2021
All	3.49	3.54	3.59	3.58	▲1.42%	▲1.62%	▼0.52%	▲2.52%
1-10 EEs	2.27	2.28	2.35	2.37	▲0.62%	▲3.05%	▲0.58%	▲4.29%
11-50 EEs	3.73	3.81	3.88	3.88	▲2.22%	▲1.82%	▲0.11%	▲4.20%
51-100 EEs	4.87	4.97	5.01	5.06	▲1.96%	▲0.75%	▲1.07%	▲3.82%
101-250 EEs	5.53	5.56	5.68	5.73	▲0.61%	▲2.07%	▲0.93%	▲3.65%

\*EEs = active employees



As is the case with medical plans, the larger the company, the more voluntary benefit plans offered per employee in 2021. All company sizes have increased voluntary benefit plans offered slightly year-over-year, with the 1-10 employee segment seeing the highest rate of change from 2018-2021.

## Dental Plans

### Employer Contributions – Monthly

Companies Using Ease	Dental Premium Contribution				Percent of Dental Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$31.33	\$29.90	\$27.28	\$27.91	48.93%	47.20%	44.39%	45.23%	▼4.54%	▼8.78%	▲2.31%	▼10.91%
1-10 EEs	\$30.85	\$28.90	\$27.75	\$27.61	45.01%	43.22%	41.60%	41.86%	▼6.35%	▼3.95%	▼0.51%	▼10.51%
11-50 EEs	\$32.94	\$30.63	\$28.30	\$28.14	49.32%	46.93%	44.77%	44.76%	▼7.02%	▼7.61%	▼0.56%	▼14.57%
51-100 EEs	\$32.97	\$30.25	\$28.12	\$29.19	51.24%	48.61%	46.14%	47.53%	▼8.26%	▼7.05%	▲3.80%	▼11.48%
101-250 EEs	\$26.82	\$28.38	\$26.56	\$27.03	46.10%	48.00%	45.08%	45.94%	▲5.83%	▼6.40%	▲1.76%	▲0.79%

\*EEs = active employees



Though employers are paying a slightly higher percentage of contribution for dental premiums than last year, we're still seeing a nearly 11% drop in contribution percentage from 2018 to now.

## Dental Plans

### Employee Contributions – Monthly

Companies Using Ease	Dental Premium Contribution				Percent of Dental Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$32.70	\$33.45	\$34.18	\$33.79	51.07%	52.80%	55.61%	54.76%	▲2.31%	▲2.16%	▼1.13%	▲3.34%
1-10 EEs	\$37.69	\$37.96	\$38.96	\$38.33	54.99%	56.78%	58.40%	58.11%	▲0.72%	▲2.64%	▼1.63%	▲1.70%
11-50 EEs	\$33.84	\$34.64	\$34.92	\$34.73	50.68%	53.07%	55.23%	55.24%	▲2.34%	▲0.80%	▼0.53%	▲2.62%
51-100 EEs	\$31.38	\$31.98	\$32.83	\$32.20	48.76%	51.39%	53.86%	52.44%	▲1.94%	▲2.65%	▼1.90%	▲2.64%
101-250 EEs	\$31.35	\$30.75	\$32.36	\$31.82	53.90%	52.00%	54.92%	54.09%	▼1.93%	▲5.25%	▼1.66%	▲1.51%

\*EEs = active employees



The cost of employee monthly contribution for dental premiums is down slightly for each segment in 2021. However, the cost for employee dental coverage has increased more than 3% since 2018, signaling employers are absorbing these slight increases.

## Vision Plans

### Employer Contributions – Monthly

Companies Using Ease	Vision Premium Contribution				Percent of Vision Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$5.13	\$5.64	\$4.26	\$4.37	33.87%	43.07%	35.35%	36.68%	▲9.90%	▼24.45%	▲2.68%	▼14.74%
1-10 EEs	\$4.68	\$4.36	\$4.26	\$4.35	35.43%	33.32%	32.70%	34.34%	▼6.70%	▼2.44%	▲2.16%	▼7.02%
11-50 EEs	\$5.28	\$4.87	\$4.46	\$4.41	40.51%	38.71%	35.96%	36.27%	▼7.76%	▼8.59%	▼0.97%	▼16.50%
51-100 EEs	\$5.39	\$4.96	\$4.53	\$4.68	44.78%	41.39%	38.06%	39.52%	▼8.00%	▼8.65%	▲3.31%	▼13.17%
101-250 EEs	\$5.01	\$4.58	\$4.19	\$4.28	47.70%	39.69%	36.36%	37.48%	▼8.71%	▼8.44%	▲2.08%	▼14.67%

\*EEs = active employees



In 2021, employers contributed minimally higher dollar amounts to vision premiums than in 2020. Overall, however, employers contribute less — to the tune of nearly 15% — than in 2018.

## Vision Plans

### Employee Contributions – Monthly

Companies Using Ease	Vision Premium Contribution				Percent of Vision Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$10.02	\$7.45	\$7.79	\$7.55	66.13%	56.93%	64.65%	63.30%	▼25.60%	▲4.55%	▼3.13%	▼24.55%
1-10 EEs	\$8.53	\$8.73	\$8.76	\$8.30	64.57%	66.68%	67.30%	65.52%	▲2.44%	▲0.34%	▼5.32%	▼2.68%
11-50 EEs	\$7.76	\$7.72	\$7.94	\$7.75	59.49%	61.29%	64.04%	63.73%	▼0.56%	▲2.85%	▼2.30%	▼0.08%
51-100 EEs	\$6.64	\$7.02	\$7.37	\$7.16	55.22%	58.61%	61.94%	60.46%	▲5.66%	▲4.98%	▼2.87%	▲7.74%
101-250 EEs	\$5.50	\$6.95	\$7.33	\$7.13	52.30%	60.31%	63.64%	62.52%	▲26.50%	▲5.44%	▼2.70%	▲29.79%

\*EEs = active employees



On average, vision care premiums remain lower in 2021 than in 2018. An annual total of \$120.24 in 2018 now looks like \$90.60 — nearly \$30 cheaper — for employees in 2021.

## Accidental Death and Dismemberment (AD&D) Plans

### Employer Contributions – Monthly

Companies Using Ease	AD&D Premium Contribution				Percent of AD&D Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$6.03	\$6.68	\$7.74	\$7.46	58.37%	57.12%	57.45%	55.97%	▲10.68%	▲15.94%	▼3.61%	▲23.69%
1-10 EEs	\$7.69	\$8.77	\$10.41	\$8.27	67.55%	69.06%	70.46%	60.32%	▲14.08%	▲18.66%	▼20.48%	▲7.65%
11-50 EEs	\$6.25	\$7.44	\$7.66	\$8.12	59.80%	60.08%	57.68%	58.07%	▲19.02%	▲2.98%	▲5.96%	▲29.87%
51-100 EEs	\$7.30	\$7.78	\$7.31	\$7.52	61.90%	60.37%	56.05%	54.64%	▲6.49%	▼6.03%	▲2.89%	▲2.97%
101-250 EEs	\$4.97	\$6.27	\$6.69	\$6.87	52.72%	55.03%	52.29%	53.46%	▲26.12%	▲6.74%	▲2.67%	▲38.21%

\*EEs = active employees



In 2021, employers contributed 3.6% less in AD&D premiums than the year prior. From 2018 to now; however, employers contribute 23.7% more to monthly premiums (and continue to cover more than half of the plan cost). As AD&D premiums increase year over year, employers continue shouldering some of this cost burden, with the 1-10 continuing to cover the most.



## Accidental Death and Dismemberment (AD&D) Plans

### Employee Contributions – Monthly

Companies Using Ease	AD&D Premium Contribution				Percent of AD&D Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$4.30	\$5.01	\$5.74	\$5.83	41.63%	42.88%	42.55%	43.68%	▲16.50%	▲14.39%	▲1.57%	▲35.35%
1-10 EEs	\$3.69	\$3.93	\$4.36	\$4.71	32.45%	30.94%	29.54%	34.32%	▲6.38%	▲11.04%	▲7.93%	▲27.49%
11-50 EEs	\$4.20	\$4.94	\$5.62	\$5.85	40.20%	39.92%	42.32%	41.86%	▲17.67%	▲13.72%	▲4.09%	▲39.28%
51-100 EEs	\$4.50	\$5.11	\$5.73	\$6.17	38.10%	39.63%	43.95%	44.84%	▲13.57%	▲12.26%	▲7.68%	▲37.29%
101-250 EEs	\$4.45	\$5.12	\$6.10	\$5.98	47.28%	44.97%	47.71%	46.54%	▲14.91%	▲19.20%	▼2.06%	▲34.16%

\*EEs = active employees



On the flipside of the AD&D employer data, employees at companies in the 1-10 segment pay nearly \$1.50 less than their counterparts at larger companies. Contribution rates for employees increased across the board in 2021, though at a slower pace than in 2020.

## Short-Term Disability (STD) Plans

### Employer Contributions – Monthly

Companies Using Ease	STD Premium Contribution				Percent of STD Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$9.28	\$10.03	\$10.21	\$10.45	48.11%	45.53%	42.93%	41.39%	▲8.04%	▲1.80%	▲2.35%	▲12.56%
1-10 EEs	\$5.08	\$4.59	\$5.68	\$5.20	15.35%	13.60%	15.27%	13.91%	▼9.51%	▲23.64%	▼8.49%	▲2.38%
11-50 EEs	\$7.55	\$8.54	\$8.62	\$9.09	36.97%	36.65%	32.82%	33.68%	▲13.07%	▲0.92%	▲5.48%	▲20.36%
51-100 EEs	\$10.78	\$12.45	\$10.67	\$11.69	60.11%	57.46%	49.91%	51.32%	▲15.54%	▼14.32%	▲9.58%	▲8.48%
101-250 EEs	\$13.41	\$12.53	\$13.45	\$13.01	70.94%	58.61%	60.83%	55.71%	▼6.59%	▲7.34%	▼3.26%	▼3.00%

\*EEs = active employees



On average, employers covered a lower percentage of monthly STD premiums and a marginally higher total cost in 2021 across the board. This signals that as premiums increase, employers are sharing the new cost burden — not pushing it solely to employees.

## Short-Term Disability (STD) Plans

### Employee Contributions – Monthly

Companies Using Ease	STD Premium Contribution				Percent of STD Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$10.02	\$12.00	\$13.57	\$14.61	51.89%	54.47%	57.07%	57.84%	▲19.81%	▲13.11%	▲7.62%	▲45.82%
1-10 EEs	\$28.01	\$29.20	\$31.51	\$32.18	84.65%	86.40%	84.73%	86.13%	▲4.25%	▲7.92%	▲2.12%	▲14.89%
11-50 EEs	\$12.87	\$14.76	\$17.63	\$17.90	63.03%	63.35%	67.18%	66.32%	▲14.65%	▲19.48%	▲1.49%	▲39.02%
51-100 EEs	\$7.15	\$9.22	\$10.71	\$11.01	39.89%	42.54%	50.09%	48.31%	▲28.89%	▲16.13%	▲2.80%	▲53.86%
101-250 EEs	\$5.50	\$8.85	\$8.66	\$9.54	29.06%	41.39%	39.17%	40.85%	▲61.01%	▼2.12%	▲10.14%	▲73.57%

\*EEs = active employees



Consistent since 2018, employee contributions for monthly STD premiums continue to climb. The largest Ease segment saw a cost increase of almost 74% over the past four years, and signals employees are increasingly responsible for rising short-term disability premium costs.

## Long-Term Disability (LTD) Plans

### Employer Contributions – Monthly

Companies Using EEs	LTD Premium Contribution				Percent of LTD Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$13.29	\$15.30	\$14.12	\$14.85	77.34%	76.63%	70.28%	74.40%	▲15.09%	▼7.70%	▲5.13%	▲11.68%
1-10 EEs	\$16.35	\$16.45	\$16.95	\$16.69	62.33%	59.92%	55.73%	57.71%	▲0.62%	▲3.02%	▼1.52%	▲2.08%
11-50 EEs	\$12.77	\$16.45	\$14.23	\$16.09	71.36%	70.85%	61.75%	70.91%	▲28.86%	▼13.47%	▲13.03%	▲26.02%
51-100 EEs	\$15.82	\$16.60	\$14.87	\$15.18	84.24%	82.06%	76.14%	74.58%	▲4.94%	▼10.46%	▲2.11%	▼4.05%
101-250 EEs	\$10.87	\$12.56	\$13.74	\$13.97	81.25%	80.32%	73.39%	79.53%	▲15.52%	▲9.46%	▲1.66%	▲28.55%

\*EEs = active employees



Last year, employers were passing the cost increase of LTD onto their employees, but we've seen a reversal of that in 2021. This past year, on average, employers contributed \$14.85 (up 5%) from 2020. Similar to what we see with short-term disability, larger companies contribute more toward long-term disability compared to smaller companies.

## Long-Term Disability (LTD) Plans

### Employee Contributions – Monthly

Companies Using Ease	LTD Premium Contribution				Percent of LTD Premium Contribution				Percent Change			
	2018	2019	2020	2021	2018	2019	2020	2021	2018-19	2019-20	2020-21	2018-21
All	\$3.90	\$4.67	\$5.97	\$4.99	22.66%	23.37%	29.72%	25.01%	▲19.80%	▲28.01%	▼16.47%	▲28.10%
1-10 EEs	\$9.88	\$11.00	\$13.46	\$11.27	37.67%	40.08%	44.27%	38.98%	▲11.33%	▲22.39%	▼16.28%	▲14.07%
11-50 EEs	\$5.12	\$6.77	\$8.82	\$6.82	28.64%	29.15%	38.25%	30.05%	▲32.10%	▲30.30%	▼22.67%	▲33.10%
51-100 EEs	\$2.96	\$3.63	\$4.66	\$4.68	15.76%	17.94%	23.86%	22.98%	▲22.59%	▲28.38%	▲0.38%	▲57.98%
101-250 EEs	\$2.51	\$3.08	\$4.98	\$3.47	18.75%	19.68%	26.61%	19.76%	▲22.65%	▲61.99%	▼30.36%	▲38.36%

\*EEs = active employees



Compared to 2020 and its double-digit swing to higher monthly contribution costs, 2021 saw double-digit decreases in every segment except 51-100. This coincides with an overall decrease in percent of premium contribution in 2021, too.

A large green graphic on the left side of the page. It features a stylized, multi-petaled flower or star shape in a lighter shade of green, with the text "SMB Growth" in white, bold, sans-serif font centered within it. Below the flower shape, there are several horizontal bars of varying lengths, also in a lighter shade of green, suggesting a bar chart or data visualization.

# SMB Growth

**Adaptability, reorganization, and reskilling top the list for small- and medium-sized businesses experiencing growth in the past year, according to the Harvard Business Review.<sup>8</sup> Automation, digitization, and a shift to online channels when possible fueled efficiency and success.**

But setting up a new digital platform or tool isn't an overnight thing: thoughtful implementation remains key. And it seems to reason SMBs have a distinct advantage here — fewer layers between decision-makers and workers and little (if any) corporate red tape leads to more nimble evaluation and onboarding.

8. Harvard Business Review, [Lessons on Resilience for Small and Midsize Businesses](#)

## Average SMB Size

### Average Number of Active Employees

Companies Using Eases	Average Number of Active Employees				Percent Change
	2018	2019	2020	2021	2018-2021
All	30.67	32.37	31.70	31.65	▲3.18%
1-10 EEs	4.84	4.82	4.79	4.82	▼0.53%
11-50 EEs	24.79	24.91	24.78	24.39	▼1.63%
51-100 EEs	69.37	70.36	70.08	69.66	▲0.42%
101-250 EEs	144.16	146.26	146.28	147.04	▲2.00%

\*EEs = active employees



While all segments have seen minimal changes in active employees over the past year, since 2018, Ease groups have seen an average increase of 3%.

## Companies Using Ease

### Growth Trajectories Since 2018

Companies Using Ease	1-10 EEs 2021	11-50 EEs 2021	51-100 EEs 2021	101-250 EEs 2021
1-10 EEs	>	4.23%	1.38%	0.24%
11-50 EEs	>		11.37%	0.29%
51-100 EEs	>			4.85%
101-250 EEs				

\*EEs = active employees



#### Ease looked at companies that have been using our system since 2018.

Of the companies that were between 1-10 employees in 2018:

- > **4.23%** now employ 11-50 employees
- > **1.38%** employ 51-100 employees
- > **0.24%** employ 101-250

Of the companies that were between 11-50 employees in 2018:

- > **11.37%** now employ 51-100 employees
- > **0.29%** employ 101-250 employees

Of the companies that were between 51-100 employees in 2018:

- > **4.85%** now employ 101-250 employees



# Special Report: 2021 According to Brokers

**After a year of grinding through the motions, brokers felt more prepared to handle the ongoing transformation of how they conduct their business and manage client expectations.<sup>9</sup>**

Most agencies understand the need to be flexible and digital to meet their clients' evolving expectations. Especially in a heated job market feeling the ongoing impacts of COVID-19, employers want game-changing solutions for engaging their current employees and attracting future ones.

Intuitive onboarding, flexible benefit plans, and everything in between emerged as key factors to help attract, retain, and satisfy employees (and, in turn, their employers).

9. Ease platform-agnostic broker survey, data collected in July 2021 and analyzed in [The 2021 Digital Broker's Open Enrollment Readiness Report](#).

## Employers Expect More (& More)

Everyone needed a bit of hand-holding this past year. And as employers continued to navigate shifting realities, they turned to their brokers as trusted advisors on more than just benefits. Nearly 50% of agencies revealed they were providing more options and deeper services for their clients than ever before.

On the benefits side of things, more than 90% of those surveyed planned on offering more insurance options during this year's open enrollment, including engaging additions for pandemic-weary employees like telemedicine and mental health benefits. To attract and retain talent in this heated job market, valuable extras like these can carve out a big competitive advantage for your groups.

**48.24%** of agencies offered more support to clients this year than last year by helping them onboard new hires online, conduct benefits elections remotely, and provide compliance support.

**90.18%** of agencies anticipated their groups wanting MORE insurance options this upcoming open enrollment season:

- **40.29%** will offer more health insurance plan options
- **46.42%** will offer more worksite benefits options (like accident, life, or critical illness)
- **29.86%** will offer a telemedicine option
- **35.38%** will offer mental health benefits

## Pandemic-era Patches Now Part of Doing Business








We've been saying it for more than 12 months, but now it's official: 76% of agencies have changed the way they do business after last year. What was once a novelty — like Zoom meetings and Microsoft Teams — is now a must-have for client communication and collaboration. And it's not just the agency-client relationship, work-from-home and flexible schedules require nimble services and service providers for employees, too.

**75.88%** of agencies  
have changed the way they do business after 2020.

**44.89%** of agencies

mostly conducted business remotely because their clients have evolved to a flexible or permanent work-from-home structure.

### Currently, agencies use the following online collaboration tools:

-  Zoom: **81.6%**
-  Microsoft Teams: **53.78%**
-  Dropbox: **23.31%**
-  Google Drive: **21.47%**
-  Skype: **7.16%**
-  Slack: **4.50%**
-  Box: **3.48%**

No technology to enable remote work: **5.32%**

# Work Smarter, Not Harder

How do you do (and offer) more with the same amount of time for your clients? Finding digital efficiencies can help brokers provide a frictionless administrative experience all while offering engaging year-round solutions.

The reality: While brokers understand the importance of superior service, cost containment measures and support for compliance and regulatory issues all play a hand in winning new business.

**84.38%** of agencies pitched benefits administration technology when going after new business.

**43%** of agencies noted the ability to conduct business digitally was a driving factor in winning new business.

For agencies winning new business this year, additional driving factors included:

- ▶ **26.97%** said the promise of a paper-free open enrollment season
- ▶ **38.93%** said better support with compliance and regulatory issues
- ▶ **44.53%** said innovative ways to help clients contain costs
- ▶ **71.76%** said superior customer service

# Are you a health insurance broker or do you work at an insurance agency?

**Perfect. You're in the right place.**

Choosing Ease puts you in the driver's seat. The right benefits administration software supports your current clients now and helps future-proof your book of business from digital-first competitors.

**84.95%** of Ease users reported winning new business compared to 64.95% from non-users or unidentified survey participants over the past year.

And, Ease doesn't stop after open enrollment closes. As your all-in-one digital client solution, you can develop new ways to increase your commissions by offering voluntary benefits, HR tools, TPA connections, ACA compliance, and payroll integrations all while managing mid-year changes for your clients with one login.

**ease**

**Ready to learn more about Ease?**

Visit [ease.com](https://ease.com) or reach out to us at [requestinfo@ease.com](mailto:requestinfo@ease.com).