



# Employee Benefits Report



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## Benefits Administration

# New Moms Need More than Just Time Off: The Case for Postpartum Benefits

As any new parent knows, bringing home a newborn is exhausting and overwhelming. But for many moms in particular, it can also be isolating and stressful, and lead to serious mental health issues like postpartum depression or anxiety. Companies that want to retain talent and support working parents through major life events would be wise to consider beefing up their postpartum benefits.

## The Baby Blues are Normal – But Not Always Harmless

Experts say most mothers – some 60-80% - experience what's known as the “baby blues” soon after giving birth. This mild form of depression comes from factors like hormonal fluctuations, sleep deprivation, and the major life change that comes with having a baby. These feelings tend to last only around two weeks.

But when depressive or anxious feelings persist longer, it could be a sign of a more serious perinatal mood disorder. As many as 15% of mothers have postpartum depression, while estimates on postpartum anxiety vary from 11-21%. Postpartum psychosis, which requires emergency care, impacts between 0.089 to 2.6 mothers out of every 1,000.

Unlike the “baby blues,” postpartum depression and anxiety should not be written off as normal or harmless. Left untreated, these can negatively im-

## This Just In ...

### Medicare Part D Notification Requirement for Employers

Employers offering group health plans with prescription drug coverage must comply with an important annual notification requirement for their Medicare-eligible employees and dependents. By October 15th, 2024, employers are required to inform these individuals whether their current prescription drug coverage is “creditable” or “non-creditable” compared to Medicare Part D coverage.

Creditable Coverage refers to prescription drug plans that are expected to cover, on average, as much as the standard Medicare Part D plan. If an employee or dependent has creditable coverage and later decides to enroll in Medicare Part D, they can avoid a late enrollment penalty. On the other hand, Non-Creditable Coverage indicates that the employer’s plan does not meet this standard, potentially leading to penalties for individuals who delay enrolling in Medicare Part D.

This notification is crucial for helping employees and dependents make informed decisions regarding their health coverage. The October 15th deadline ensures that individuals have time to assess their options before Medicare’s Annual Enrollment Period, which begins on October 15th and ends on December 7th each year.



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pact relationships and make it hard for parents to properly care for their infants. Tragically, postpartum complications factor into around 20% of all maternal deaths, according to the Centers for Disease Control and Prevention (CDC).

### Destigmatizing Key to Getting Parents Help

Experts say shame and stigma surrounding maternal mental health issues pose significant barriers to families getting much-needed support.

Society paints a rosy picture of parenthood that glosses over its harsher realities. And admitting they feel regret, sadness or hopelessness can make struggling moms feel guilty or like “bad” parents. The disconnect between expectations and reality leaves many suffering in silence.

But early treatment is key to managing symptoms. Parents who notice persistent feelings of sadness, rage, hopelessness, or disconnection from their new baby should speak up. Their healthcare provider can connect them to therapy, support groups, or medication if appropriate.

Colleagues and friends have a role to play too. Checking in, encouraging breaks, and providing meals help lighten new parents’ loads. Employers can support access to treatment while emphasizing that time off is for the family, not just the mom.

### New Parents Need Sleep and Flexibility

Lack of sleep factors into many postpartum struggles. But exhaustion comes with the territory when caring for a newborn on no set sleep schedule.

While extra sleep may not be realistic, employers can build in flexibility to help bleary-eyed moms and dads. Letting parents ease back into work with options like reduced hours, temporary work from home, or a more gradual ramp-up of responsibilities provides some much-needed breathing room.

Extra caregiving benefits allow moms and dads to tag team when one needs to take their baby to the pediatrician. Expanding leave policies – including for partners and adoptive parents - also demonstrates

that time off is for bonding and supporting the whole family.

### Support Postpartum Moms to Retain Talent

Some 85% of women become moms at some point in their careers. Which means employers have a vested interest in supporting them through all stages of the parenting journey: trying to conceive, pregnancy, postpartum, and beyond.

Losing experienced employees after they have a baby costs companies valuable institutional knowledge and talent. It also disincentivizes women from staying in roles long-term out of concern for work-life balance.

Employers hoping to buck these trends should take an inclusive approach:

- Review parental leave policies to ensure all parents – birthing, non-birthing, adopting, surrogacy – have adequate paid bonding leave. The more gender-neutral this looks, the more normalized leave will become regardless of how one becomes a parent.
- Consider extending job protection beyond FMLA’s 12 weeks to allow new moms longer to heal and adjust before returning to work.
- Build in phased return-to-work options like temporary part-time or telecommuting. Give moms (and dads) time to get into a groove with childcare arrangements.
- Offer access to counseling, support groups, and wellness apps that address maternal mental health. Bring in experts to provide training or resources so parents know what signs to look out for.
- Have honest conversations about the transition back to work and realistic job expectations. Plans made pre-baby may need revisiting afterward. ■

As the healthcare landscape evolves, significant changes to Medicare Part D are anticipated for 2025. These changes could impact the comparison between employer-provided coverage and Medicare Part D, making the 2024 notification even more critical. Employers must accurately determine the status of their coverage and effectively communicate it to their employees and dependents by the October 15th deadline to ensure compliance and support informed decision-making. ■



# Court Halts FTC Non-compete Rule for Plaintiffs: A Win for Employers?

Unexpected injuries can lead to financial stress for many workers. With accident insurance, employers have an opportunity to provide additional financial support to employees.

In a decision that could have major implications nationwide, a federal judge has put the Federal Trade Commission’s controversial new rule restricting the use of non-compete agreements on hold, at least temporarily.

Judge Ada E. Brown of the U.S. District Court for the Northern District of Texas granted a preliminary injunction on July 3rd which blocks the FTC’s rule from taking effect for a group of plaintiffs, including major business associations like the U.S. Chamber of Commerce and the Business Roundtable.

While the injunction technically only applies to the plaintiffs in the case, experts say the judge’s reasoning suggests the entire rule is on shaky legal ground and could eventually be struck down completely.

That would be a big win for employers across the country, who have argued the FTC lacks the legal authority to implement such a sweeping ban on non-competes. But it remains to be seen whether the rule will survive ongoing legal challenges.

## The Controversial Rule

Finalized by the FTC in March after years of deliberation and debate, the new rule was scheduled to take effect on September 4th. It would ban the use of non-compete clauses for most workers in the U.S., with limited exceptions.

Specifically, it prohibits employers from:

- Entering into or attempting to enter into a non-compete with any worker making less than \$151,164 per year

- Entering into or attempting to enter into a non-compete with an independent contractor or any worker who does not have supervisory or management duties
- Retaliating against a worker for failing to sign or comply with a non-compete

The rule does allow non-competes for high-level executives making over \$151,164, employees who have access to trade secrets, and certain workers in specific industries like air travel and financial services.

Employers would also be required to rescind existing non-competes and notify current and former employees the agreements are no longer in effect.

## The Legal Challenge

The FTC justified its authority to issue such a broad rule by pointing to its mandate to protect fair competition under the Federal Trade Commission Act. But business groups didn’t buy that argument.

Within days of the final rule being published, multiple lawsuits were filed challenging its legality. Opponents argued the FTC had overstepped its authority and ignored important evidence related to the business impacts of banning non-competes.

Judge Brown’s July 3rd decision sided with the challengers, at least for now. Her main conclusions included:

- The FTC likely violated administrative law and exceeded its statutory powers with such a sweeping ban.
- Congress never gave the FTC unlimited authority over employment matters.
- By imposing a “one-size-fits-all approach,” the rule is likely overly broad and arbitrary.
- The FTC failed to sufficiently analyze alternatives or more targeted regulations.





## What This Means for Employers

While Judge Brown's preliminary injunction technically only stops the rule from taking effect for the plaintiffs in the case, most experts agree it signals bad news for the rule overall.

By deciding the challengers have a "substantial likelihood" of prevailing on the merits, the judge made clear she thinks their legal arguments have real weight.

Attorneys monitoring the case say terms like "life support" are now being used when talking about the FTC rule's survival chances. It remains to be seen whether Judge Brown or other courts will strike down the rule completely.

In the meantime, the judge said she will issue a final judgement on the rule's legality by August 30th. Other similar cases are still pending as well. So, employers should stay tuned for new developments in the weeks ahead.

For now, most advise sticking with the status quo on non-competes rather than racing to modify contracts and policies. Clarity should come soon on whether this controversial FTC rule lives or dies. ■

# Family Fitness Is the New Frontier for Employee Wellness Programs

As companies look to improve employee health and productivity while lowering healthcare costs, many are realizing the benefits of expanding wellness initiatives individual employees to include their families as well.

Research shows that exercising with others leads to better adherence, higher-intensity workouts, and more weight loss success. By unlocking the power of family fitness, employers have an opportunity to boost participation, accountability, and outcomes.

## The Science Behind Social Support

Studies demonstrate that people complete 56% more exercise when they work out with others compared to exercising alone. Exercising with someone fitter also enables people to work out at a higher intensity level. And those who started a weight loss program with friends were 42% more likely to maintain their weight loss than those who participated solo.

In the workplace context, while co-worker relationships are impactful, employees' family relationships are even more instrumental in establishing lifestyle habits given the significant

time spent together outside work. As such, engaging family members in fitness initiatives allows employers to cultivate dedication to health goals from the ground up.

## Getting Creative with Family-Inclusive Programming

Forward-thinking employers are using creative ways to get entire families moving together, both virtually and in person. Offering flexible, on-demand fitness solutions allows parents to adapt workouts to different ability levels - getting kids involved while still meeting their own needs. Providing diverse options from yoga to high-intensity interval training (HIIT) also helps appeal to family members of all ages and interests.

Other family-friendly fitness ideas include instructional classes to help young athletes prepare for upcoming sports seasons and outdoor activities like family bike rides, hikes, volunteer park cleanups, and more. Such programming allows parents and children to bond while being active.

## Why It Matters for Health and Business Outcomes

While individual employee fitness has clear ties to satisfaction, productivity, and healthcare costs, the case for family fitness goes further:

## Strengthens Support Systems

Exercising together strengthens family relationships, which research links to reduced loneliness and better mental health. Close-knit families also provide better support when health issues inevitably arise.



### Drives Accountability

When employees have family members joining them in wellness programs, they feel more accountable to show up and hit their goals. As most adults spend minimal time socializing with colleagues outside work, family partners help drive results.

### Enhances Work-Life Balance

Family fitness allows busy parent employees to incorporate movement into their day during time that's already devoted to kids. This avoids the need to carve out separate workout blocks.

### Supports Population Health

Getting kids and spouses active lays the groundwork for healthy habits across generations, helping prevent chronic disease down the line. Family fitness

also reduces injury risk to child athletes, preventing parents from missing work to provide care.

### Keys to Success for Employers

While the benefits of family fitness are clear, employers should do what they can to motivate participation. Here are some best practices for employers:

#### Promote Family-Inclusive Messaging

Incorporate images of and messaging around families being active together in wellness campaign materials rather than only featuring individual employees. This signals that the programming is meant to be family-friendly.

#### Incentivize Participation

Consider offering prizes or additional wellness

account dollars for employees who complete family fitness challenges and share photos or stories to increase visibility.

#### Evaluate Vehicle and Venue

Determine whether virtual or on-site offerings best suit your population's needs and resources. Consider partnerships with local gyms/studios to reduce barriers.

#### Meet Parents Where They Are

Parents often cite lack of time as a key obstacle, so emphasize flexibility and convenience in family fitness offerings. ■





# Enable Healing from Pet Loss with Thoughtful Bereavement Policies

As the number of American households welcoming pets continues its 30-year climb, now including more than 66% nationwide according to recent surveys, their role in our families and fabric of daily life has transformed dramatically. Consequently, the grief inflicted by losing these furry loved ones can be devastating.

Forward-thinking employers have begun responding with formal bereavement allowances specifically covering the loss of personal pets. They report substantially boosted morale and retention rates among staff as a result of the compassion and flexibility displayed through such policies.

## The Costs of Grief Go Far Beyond the Individual

Untreated grief in the workplace unleashes staggering productivity losses, to the tune of \$225.8 billion per year according to data aggregated by the Centers for Disease Control. Furthermore, researchers have determined the intensity of mourning a pet often rivals that for human family members.



Yet without explicit company bereavement guidelines including pets, many staffers feel unable to request necessary time off without judgment.

Formal pet bereavement leave alleviates numerous troublesome outcomes. Most critically, it enables proper healing which supports both the employee's mental health and their ability to concentrate fully on responsibilities.

At an organizational level, thoughtful accommodation of personal trauma enhances corporate culture and cements trust. Findings from a recent study by San Jose State University clearly reinforce the value of demonstrating such empathy: companies offering pet bereavement leave realized noticeable jumps in both morale and staff retention figures.

## Weigh Relief Against Replacement

As employee benefit specialists strive to balance continually mounting insurance premiums and medical costs against other support programs, assessing the financial upsides helps determine ideal alternatives.

According to calculations by the Society for Human Resource Management, replacing a departed staffer demands up to 400% of their salary when accounting for training, lost productivity and hiring. Given how profoundly pet bereavement policies boost retention statistics, they drive massive savings through avoiding such expensive turnover.

## Shape Sustainable Solutions

Of course, organizations face legitimate barriers to open-ended leave allowances. Yet through thoughtful policy design, they can deliver truly meaningful backing. If budgets or client demands restrict offering days-long absences, managers can be coached to reshuffle workloads temporarily.

Simply adjusting deadlines and deferring less critical tasks enables healthy accommodation. Enhanced transparency regarding upcoming projects also smooths planning should deficits emerge. And fundamentally, vocal normalization of grief's painful but unavoidable impacts fosters supportive dynamics across all levels.

While leave constitutes the most direct form of bereavement policy, nuanced alternatives that respect employees' profound bonds with their pets deliver similar dividends. The mere gesture of acknowledgment – that a loved one was lost, and time is needed for the heart to mend – speaks volumes.

It reassures staff of their value as whole people rather than just "human resources." Especially when woven into a broader culture of openness, it cements trust and community essential for weathering challenges as a team. ■

