

Care Beyond Compensation – DCHFA's Holistic Approach to Employee Benefits

District of Columbia Housing Finance Agency
Management Innovation: Human Resources

HFA Staff Contact

Yolanda McCutchen
ymccutchen@dchfa.org

BACKGROUND

Workplace benefits have always been a crucial part of an employee’s compensation plan; however, the pandemic magnified the need for benefits and shifted employees’ values. Today competitive benefits and compensation are more important when it comes to retaining, attracting, and engaging talent. Research has shown the importance of offering employees attractive and innovative benefits packages. *Harvard Business Review* reports 60% of candidates state benefits and perks are a major factor in considering whether to accept a job offer, and 80% of employees would choose additional benefits over a pay raise.

As a result of the changes in the workforce, DCHFA incorporated employee wellness, care, retention and recruitment into the Agency’s strategic goals. DCHFA’s Human Resources (HR) department was tasked to create a benefits package that would be innovative, relevant, and impactful in this new world.

To better understand the needs of the workforce, the HR department conducted an internal benefits survey as well as researched and examined various external data including benefit reports, HR trend reports on turnover, retention, and benefits.

DCHFA’s BENEFIT STRATEGY

After much time and research, DCHFA was able to develop and implement a flexible new benefits strategy with a holistic approach. Holistic wellness initiatives address diverse employees’ physical, financial, mental, and social well-being and are central to creating meaningful and lasting connections with employees. DCHFA ensured these benefits were flexible and customizable to meet the broadest range of employees’ needs. DCHFA prioritized employees’ holistic wellness and overall well-being to help build an inclusive workplace culture.

BENEFITS PACKAGE

In November 2022, DCHFA launched its new benefits package which included enhancing current benefits and providing a menu of benefits with a flexible and holistic approach:

Enhanced Benefits

Medical Insurance

Of all the benefits offerings employers can choose from, few are as essential as health insurance. According to Glassdoor, healthcare coverage ranks as a top priority among employees and job seekers and is the benefit most correlated with workplace satisfaction. But medical insurance also comes at a high cost to employees. DCHFA offered medical insurance at no cost to all employees. Employees were able to enroll their dependents at 50% of the monthly insurance premium. In our benefits survey, we found that this was an expensive cost for those employees who had families and dependents, which accounted for 58% of DCHFA employees and as a result sought insurance from other places. In response to this disparity, DCHFA now covers the premiums 100% for employees and their dependents- thus Medical Insurance at DCHFA is free for all employees and their families.

Remote Work

Based on DCHFA’s employee benefits survey, the most valued benefit was flexibility related to remote work (telework). Prior to the pandemic, employees were allowed to telework one day a week, contingent on business needs. In our new enhanced benefit package employees are now provided the opportunity to work remotely two days a week and have flexible work hours. DCHFA feels that this benefit allows employees to balance their jobs with other responsibilities, including child and eldercare.

Holistic Benefits

PHYSICAL WELLNESS

Physical wellness benefits and wellness programs complement healthcare offerings to help employees aspire to a level of wellness and fulfillment that goes beyond baseline health. DCHFA has partnered with several wellness vendors to help support the Agency’s wellness program, **BeWell**, and employees’ physical wellness initiatives.

Wellable- Wellness Vendor

DCHFA partnered with Wellable, a wellness provider, who enables organizations to create engaging wellness programs through its wellness platform, providing multimedia health content, wellness coaching, and virtual wellness services, fitness classes and instruction. DCHFA subsidized wellness trackers, such as Fitbits and Apple Watches, for all employees to encourage participation in monthly step challenges. Employees can set up the application according to their preferences and goals, ensuring that while everyone participates in the overall program together, each employee can pursue a customized wellness journey.

Hidrate- Wellness Vendor

Hidrate is a technology company that manufactures fitness and wellness products with a mission to promote healthy habits. DCHFA has purchased the Hidrate Smart Water Bottles for employees to track their water intake and participate in ongoing hydration challenges. DCHFA is allowed to customize the challenges with the overall goal of employees meeting their individual hydration goal. The hydration challenge also promotes corporate responsibility in reducing carbon footprint by using a reusable water bottle. Employees can view how many plastic water bottles they have saved daily through the app. Since we launched the first hydration challenge, DCHFA has saved over 600 plastic water bottles in the first week.

Through DCHFA’s wellness program, BeWell, we have found when employees have the help, they need to feel good, eat right, and exercise regularly, they’re simply happier and healthier — and overall, more productive employees.

Wellness Stipend

In promoting a total lifestyle approach to wellness, DCHFA provides a health and wellness stipend to allow employees to choose the best way to support their own physical, emotional, and mental health. All employees are allocated \$50/month to use toward wellness expenses. Expenses may include personal fitness trainers, massages, acupuncture, mental health, wellness apps, mediation and home gym equipment among many other things.

Telehealth Service

According to the Center for Disease Control (CDC) individuals use of telemedicine increased 154% from 2019 to 2020, primarily due to the COVID-19 pandemic. DCHFA offers a standalone telemedicine service, HealthTap, from its medical insurance carrier. HealthTap offers the world’s most comprehensive and seamless consumer healthcare experience through a proprietary mobile app and website. Employees have immediate and unlimited, 24/7 access to doctors from over 163 specialties, a virtual symptom checker and a vast database of doctor-authored content. The app and website platform enable patients to pose health-related symptoms and questions to real doctors and receive actionable advice and prescriptions if applicable. There is no cost to employees for the telehealth services. Research shows that by using telehealth services, employees eliminate travel and wait times and save money, amounting to \$120 of savings per visit, or up to \$1,500 in cases where it diverts them away from emergency rooms.

FINANCIAL WELLNESS

In DCHFA’s benefits survey, it was found that causes of financial stress — inflation, a higher cost of living and debt, are the top causes of low financial health across all demographics, age and race, groups. As a result, DCHFA wanted to provide benefits and tools to reduce financial stress. DCHFA currently provides a student loan repayment

program, 529 savings program, and a 457b retirement plan, but wanted to further optimize the financial wellness solutions.

Employer Match- Retirement Plan

The first step in optimizing the financial wellness solution was to increase DCHFA’s employer match on the retirement plan from 7% to 10%. This was a key move in helping the Baby Boomers, who represent 29% of DCHFA’s employees, become more financially sound as they begin to transition into retirement.

Flexible Employer Match Program

The second step was to provide other financial wellness solutions that support student loan debt and 529 savings program. As a result, DCHFA created a *Flexible Employer Match Program*, administered through the vendor THRIVE. The THRIVE platform allows employees to direct and/or allocate their *unused* Employer match dollars (up to 10% of their salary) from DCHFA’s 457b Retirement account to their student loan(s) account or 529 college savings fund, or a combination of both funds. Employees must contribute a minimum of 3% into the DCHFA 457b Retirement Account to be eligible for the Flexible Employer Match Program. The Flexible Employer Match Program is used predominately by Millennials and Generation Z, making up 31% of our staff.

PTO Conversion

The third step was to provide financial wellness through already established channels. DCHFA partnered with PTOGenius, a vendor that provides a platform for employees to convert accrued vacation leave for financial wellness, including retirement investments and student loan debt. CNN reports 44% of Americans don’t have enough cash to cover a \$400 emergency and 58% of Americans have less than \$1,000 saved. Thus, DCHFA allows employees to convert accrued vacation leave to an emergency savings account once a year with a maximum amount of \$2,000. This benefit is widely used among all employees regardless of generation or family circumstance.

MENTAL WELLNESS

Health benefits of taking vacation time include improved productivity, lower stress levels, and most of all overall better mental health. Research also shows that employees rate paid vacation as the number two most-important benefit, after healthcare. But we found that, although our employees are offered paid time off, they are not taking full advantage of this benefit by using their leave. Some employees indicated they did not take leave, because they did not have the financial capability to pay for a vacation. In finding a solution for this problem, DCHFA worked with the PTO Genius, to allow employees to convert their accrued vacation hours to use for the purpose of booking vacations, including airline flights and hotels.

BENEFIT BITES

Because healthcare plans vary widely, providing employees with as much information as possible during open enrollment is essential but sometimes it is overwhelming to employees. The HR department has developed Benefit Bites. Benefit Bites are small, clear, and proactive communications around DCHFA’s benefits offerings. Benefit Bites are communicated through diverse channels including all staff meetings, emails, internal chat, and clear benefit summaries. Effective benefit communication and engagement efforts can boost returns on benefit investments. At a minimum, all employees should understand what’s available to them and how to sign up. Simple explanations on enrollment forms can help employees take the right action around enrollment and understand the value of benefits.

THE WAY FORWARD

As DCHFA implements our new benefits package, we realize the world is continuing to change as we recover from the COVID-19 pandemic. Therefore, the Agency will continue to evaluate, improve, and implement new benefits packages. While the pandemic has weakened us in a lot of ways, it has strengthened our ability to have empathy for others. HR leaders have the opportunity to build on that awakening, to use both policies and benefits to create more just, empathetic organizations.