



July 2021

Benefits Breakdown

Boyd
Consulting
Group Inc.



Cybercrime and Benefits Plans

There is a cyberattack every 39 seconds, according to recent estimates from the University of Maryland. Data breaches and cyberattacks are daily headlines—and employee benefits plans are no exception to those threats. In fact, employee benefits plans are even more vulnerable as the coronavirus pandemic continues. Organizations and benefits providers are relying heavily on electronic access, ultimately creating new vulnerabilities.

Retirement, savings and health plans are attractive targets for cybercriminals seeking access to plan assets and the personal information of participants and beneficiaries. Sensitive information is valuable information when it comes to cyberattacks.

Some examples of cyberthreats include phishing, malware and ransomware attacks. Lost or stolen mobile devices, laptops and flash drives that hold personal information are additional tangible threats to benefits plans.

Organizations must always be ready for the worst to happen. In the unfortunate event of a security breach, it's important to be prepared with a basic communication and action plan. Even better, employers can incorporate security breaches into their comprehensive reputation management plans. Internal and external audiences should be kept in mind as well as appropriate actions to protect information and restore overall system integrity. If not handled quickly and appropriately, reputational damage could be an additional threat to all parties involved in employee benefits plans.

Health-related Productivity Costs

While offering health coverage and benefits for employees and dependents is a major business expense, lost productivity due to physical and emotional health problems can be much more expensive for employers. To combat lost productivity, employers can consider:

- Offering health fairs, screenings and health risk assessments
- Addressing conditions that affect many employees
- Integrating health benefit strategies with wellness initiatives
- Designing a benefits package to support ideal behaviors

If an employer doesn't address employee health care needs, the workplace is far more likely to experience the negative effects of diminished productivity. However, if the organization can commit time and funds to help employees get and stay healthy, it can reduce medical and pharmacy costs and increase worker productivity.

