



# Employee Benefits Report

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## Administration

### Tripledemic Presents More Challenges for Employers

*Employers across various industries face unprecedented challenges as they deal with the surge in employee absences caused by the simultaneous spread of COVID-19, flu, and respiratory syncytial virus (RSV).*

This triple threat has been dubbed the "triple-demic," and it is testing the capacity of organizations to maintain productivity and employee morale.

Some employers have tried to mitigate the situation by curtailing sick leave policies to discourage staff from taking time off. However, this can have unintended consequences, negatively impacting productivity, engagement, and talent retention within the organization. When employees feel pressured to work while unwell, their capacity to perform tasks efficiently and effectively is likely to



*continued on next page - 2*

### Biden's Proposed Federal Paid Family Leave Program Likely to Face Challenges

President Joe Biden recently proposed a \$325 billion federal paid family and medical leave program as part of his \$6.8tn budget plan for the fiscal year 2024. Despite the president's push for extended family support and paid time off, the program's passage faces uncertainty due to anticipated opposition from Republican lawmakers. Nonetheless, the proposal is expected to spark broader discussions about providing employees with paid leave.

Although the Family and Medical Leave Act (FMLA), passed in 1993, already allows unpaid, job-protected leave to most workers, the proposal would be an expansion of that program, and would allow workers to take up to 12 weeks of paid leave to bond with a new child, care for a family member, or recover from a severe illness. It would



be compromised, resulting in reduced productivity. Moreover, insisting that sick employees report to work heightens the risk of spreading illnesses to colleagues, potentially exacerbating absenteeism.

Limiting sick leave policies can also erode employee engagement, as such measures may give the impression that employee well-being is not a priority, leading to dissatisfaction and diminished motivation.

Additionally, talent retention is jeopardized when employees perceive their workplace as unsupportive or indifferent. As a result, top-performing employees may look for opportunities with employers who prioritize their health and well-being.

### Strategies for Effective Management and Mitigation

To address the challenges posed by the triple-demic, employers should consider developing and implementing practical management and mitigation strategies to reduce the spread of infections, foster a healthier work environment, and ensure essential tasks are executed.

Permitting employees with mild or asymptomatic cases to work remotely can be an effective strategy to decrease workplace infection risk. It may be necessary to have other employees or management step in to cover a sick employee's shift on a short-term basis.

In some cases, employers might want to consider short-term closures to tackle the immediate health hazards of the tripledemic. While this may disrupt operations, it can prevent more

severe, long-term complications. In addition, a temporary closure allows organizations to thoroughly clean the premises, implement new safety protocols, and allow employees time to recover.

Furthermore, employers and managers must create and execute a well-structured plan to manage employee absences due to illness. This plan should include clear communication channels, designated contact points, and a strategy for redistributing work responsibilities. This approach should enable employers to significantly reduce absenteeism and maintain continuity within teams.

### Health Expert Recommendations and the Importance of Empathy

Health experts underscore the significance of mitigation measures such as mask-wearing and proper indoor ventilation to reduce infection risks. Companies can demonstrate their commitment to employee health and well-being by adopting these practices.

Empathy and understanding are critical during these challenging times. Rather than reflexively assume employees have ulterior motives, employers should approach requests for sick leave and time off with compassion. Cultivating an empathetic work culture allows organizations to sustain a positive work environment while retaining and attracting top talent. ■

also provide up to three days of paid bereavement leave. Biden pointed out that the U.S. remains one of the few wealthy countries without a national paid leave policy. Some states and cities, however, have implemented their own family and medical leave laws.

The Society for Human Resource Management (SHRM) advocates modernizing the Family and Medical Leave Act to expand access to paid leave and provide employers with increased flexibility in program design. SHRM has also proposed a voluntary federal insurance market, allowing employers to fund paid leave benefits through pooled resources, reducing employer risk while granting employees access to paid leave.

Recent SHRM data reveals that in 2022, only 33% of employers offered paid parental leave, down from 39% in 2020. Additionally, 31% of employers provided paid leave for employees to care for an immediate family member.

Implementation of the proposed federal paid family leave program faces significant challenges due to expected Republican resistance to Biden's federal budget plan. However, the proposal may still prompt meaningful conversations and drive concerted efforts to address paid leave issues at both state and federal levels.



# Harnessing AI and Data Science to Revolutionize Workplace Safety

*Artificial intelligence (AI) and data science are having a transformative impact on workplace safety.*

By utilizing cutting-edge technology, companies can analyze their operations and workforce to identify risks specific to their organization, creating tailored solutions that go beyond general safety measures.

This proactive approach to workplace safety addresses the alarming fact that of the \$55 billion spent on workers' compensation in the U.S., just 2% of premiums are invested in safety, while a staggering 71% is spent on claims.

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Through AI and data science, 22 causal risk factors have been identified that drive 90% of workplace injuries, including ergonomics, being struck by equipment or objects, slip, trip, and fall incidents, being caught in

various hazards, and product damage from accidents or mishaps.

## Improving Operational Efficiency with High-Tech Safety Tools

Traditional safety programs tend to be reactive, with improvements often made only after accidents occur. AI, however, can process video data to generate objective metrics that benchmark various risk factors within a facility, enabling employers to proactively address potential hazards before they lead to injuries.

Companies can better protect their employees from the constant pain associated with heavy lifting or repetitive movements by employing AI-driven solutions to eliminate stress and improve ergonomics. For instance, AI can recommend strategies such as using tools to improve reach and avoid hunching over, which can help reduce the long-term risk of disability.

## Employee Benefits: Enhanced Well-Being and Quality of Life

Integrating AI and data science in workplace safety offers numerous advantages to employees, contributing to their overall well-being, job satisfaction, and quality of life. By reducing the risk of living with constant pain and decreasing the likelihood of long-term disability, employees can enjoy a healthier and more comfortable work experience.

A safer work environment reduces employee stress and anxiety and encourages collaboration and communication as employees are more like-





ly to openly discuss safety concerns and share ideas for improvements.

Furthermore, a strong safety culture can lead to better work-life balance, increased professional development opportunities, and enhanced workplace morale, fostering a more positive and cohesive work environment.

### **Employer Benefits: Increased Productivity and Lower Insurance Costs**

For employers, AI-driven workplace safety measures offer many benefits beyond the immediate advantages of increased productivity and lower insurance costs. By creating a safer work environment, businesses can foster a sense of trust and loyalty among their employees, contributing to improved talent acquisition and retention. In addition, companies that prioritize workplace safety are often seen as more attractive to prospective employees, giving them a competitive edge in the job market.

A strong safety culture can also lead to a more positive brand image and reputation, as customers and business partners are more likely to engage with organizations that demonstrate a commitment to employee well-being. This positive image can also result in better public relations and potentially higher customer satisfaction, as consumers increasingly consider a company's ethical and social responsibilities when making purchasing decisions.

Moreover, by using AI and data science to proactively identify and address potential hazards, companies can significantly reduce the frequency and severity of workplace accidents, which in turn can lead to fewer legal issues and regulatory penalties. As a result, businesses can avoid costly liti-

gation, fines, and potential damage to their reputation, ultimately saving time and resources that can be better allocated elsewhere.

Lastly, when businesses invest in advanced safety technology and prioritize employee well-being, they may also experience increased innovation and creativity within the workplace. A safer and more supportive work environment allows employees to focus on tasks and collaborate more effectively, fostering an atmosphere where innovative ideas can flourish.

### **The Future of AI-Driven Workplace Safety: Expanding Horizons**

As advancements in artificial intelligence (AI) and data science continue to unfold, the potential for further improvements in workplace safety is evident. Furthermore, integrating these cutting-edge technologies allows businesses to enhance current safety measures and explore new solutions to protect employees across various industries.

Future AI-driven safety solutions may include AI-powered wearables that monitor employees' vital signs, detecting fatigue, stress, or other health concerns before they lead to accidents or injuries. Additionally, AI could predict and prevent equipment malfunctions or optimize emergency response plans, minimizing workplace accident risks.

The intersection of AI with augmented reality (AR) and virtual reality (VR) technologies presents another promising avenue for growth. These immersive platforms could revolutionize safety training, offering realistic, hands-on experiences without the risk of injury while quickly adapting to new risks or evolving industry standards. ■

## **How to Provide Benefits Equitably for Both Remote and Onsite Employees**

*The COVID-19 pandemic has had far-reaching effects on the world of work, including a rapid shift in employee benefits needs and preferences.*

Employers are now recognizing the importance of reconsidering their offerings to accommodate both onsite and remote employees. By providing varied, flexible, and accessible options, companies can ensure their employees are well-supported regardless of their work location.

### **Investing in High-Quality Technology for Remote Workers**

One key aspect of supporting remote workers is providing high-quality technology. Instead of relying on employees' personal devices, companies are making significant investments in equipment such as computers, smartphones, cameras, and lighting for video calls. Additionally, they are adopting software like Slack, Zoom, and SharePoint to make remote work more efficient and effective. This approach is





still cost-effective, as organizations save on office rent and other related expenses.

### Expanding Virtual Learning and Career Development Opportunities

Employees increasingly value virtual learning and career development opportunities as key components of a desirable workplace. By offering high-quality online training options in addition to in-person sessions, employers can ensure that both onsite and remote employees have access to professional growth opportunities.

### The Importance of Flexibility for All Workers

Flexibility is a top priority for both onsite and remote employees. According to a study from Gusto, 45 percent of workers who refused their

last job offer cited a lack of flexibility or work/life balance as a critical factor in their decision. Moreover, 48 percent of respondents indicated that being able to work from home some or all of the time would be the most crucial factor in whether they accepted a job offer. Therefore, employers must prioritize flexibility in their employee benefits packages to attract and retain talent.

### Traditional Benefits and Their Impact on Retention

While employee preferences have evolved during the pandemic, many traditional benefits like health and retirement plans remain essential. Gusto's research shows that offering 401(k) plans has a significant positive impact on retention, with employees being 40 percent less likely to leave a job in their first year if provided with

retirement benefits. Employers must not overlook the value of these tried-and-true benefits.

### Creative Benefits Options for a Diverse Workforce

Employers can also offer a range of innovative benefits to cater to the diverse needs of their workforce. Some examples include caregiver benefits, in-home fitness and wellness perks, mental and physical wellness resources, meal delivery, identity-theft protection programs, Amazon Prime memberships, and pet supply delivery. Companies can set themselves apart in a competitive job market by offering unique and varied benefits.

### Ensuring Equity and Effective Communication for All Employees

Maintaining equity between onsite and remote employees when it comes to benefits offerings is crucial. A remote employee could become an onsite employee at any time and vice versa. For example, a company with an onsite fitness center should also provide remote employees with a comparable health club benefit. Effective communication is also vital in ensuring that all employees know the benefits available to them.

### Reimagining Benefits Offerings to Attract and Retain Talent

By reimagining their benefits packages and paying close attention to shifting employee preferences, employers can better position themselves to attract and retain talent in a tight labor market. In addition, by providing equitable benefits for remote and onsite employees, companies can create an inclusive and supportive work environment that fosters success and growth for all. ■





## Biden Vetoes Attempt to Overturn ESG Rule

On March 20, President Joe Biden vetoed the US Senate’s vote to overturn the Environmental, Social, and Governance (ESG) rule, which allows retirement plan fiduciaries to consider ESG factors when selecting investments. The Senate’s vote followed the US House of Representatives’ approval of an identical resolution on February 28.

The rule is firmly opposed by Republican lawmakers and state attorneys general. In late January, 25 states filed a lawsuit against the Biden administration, alleging that the ESG rule does not align with

the Employee Retirement Income Security Act (ERISA) mandate, which covers approximately 2.5 million health plans, 747,000 retirement plans, and 673,000 other welfare benefit plans. ERISA requires fiduciaries of retirement plans to act solely in the best interests of their beneficiaries.

Opponents of the ESG rule argue that it imposes undue burdens on fiduciaries and may result in suboptimal investment decisions. They contend that the rule’s focus on ESG factors may cause fiduciaries to prioritize environmental and social concerns over the financial well-being of plan beneficiaries.

The ESG rule aims to look beyond profit and loss to determine whether to make an investment. This lack of clarity makes it a rather controversial rule. As Joe McGowan says, writing in *Forbes*, “Conservatives, rightfully or wrongly, believe that ESG has become a tool for outside interests to impose their beliefs on private companies. Not just environmental concerns, but also political debates. ... This has become a significant concern within the business sector, hence the congressional override by Republicans.”

In any case, overriding the president’s veto is unlikely, as it would require a two-thirds majority in both chambers of Congress. However, even though the ERISA rule is going to stand for now, its implementation remains problematic, as the Department of Labor deals with how to write up clear guidelines on its implementation and the states continue to fight it. ■

