

PRESS RELEASE

June 24, 2020, Cranford, NJ – Bankers Cooperative Group, Inc. (BCG), the employee benefits provider for NJBankers members and associate members, has released the results of the tenth annual New Jersey Bankers Association Employee Benefits Survey. The survey is focused on NJBankers bank members and provides detailed insights into the current landscape of employee benefits. This year’s survey includes information regarding New Jersey’s Temporary Disability Benefit and takes into account the changes in that program that take effect July 1, 2020.

The results of this year’s survey include completed surveys from 45 institutions. Results are presented in both an aggregate format and further categorized into five asset categories. Key findings include the following:

Healthcare Costs – The average medical increase for respondents was 7.99%. The smallest average increase by asset category was the 2.99% average increase for banks with under \$200M in assets while the largest average increase was 14.98% for banks with \$500-\$1B in assets.

Healthcare Plan Designs – Preferred Provider Organization (PPO) plans remain the most popular plan offered by respondents with 60% of respondents offering a PPO to their employees, while Qualified High Deductible Health Plans (QHDHP) are holding steady at 27% of respondents offering this plan. Member cost sharing saw mild increase in areas such as deductibles, maximum out of pocket, and office visit copays.

Health Plan Funding Arrangements – Seeking options to reduce year over year cost increase, respondents continue to turn to alternative funding arrangements as a strategy to gain greater control over healthcare plan costs. 29% of respondents have implemented alternative funding strategies such as level funding, self-funding, and minimum premium arrangements.

NJ TDB – With recent regulatory changes to NJ TDB taking effect in 2020, this particular plan will see increased attention as its costs will increase on account of enhancements to member benefit amounts. 60% of survey respondents utilize a private plan carrier versus 40% utilizing NJ State Fund.

Enhanced Benefits – Core ancillary benefits including dental, vision, life, and long term disability are provided by 100% of survey respondents. Voluntary benefits continue to expand in their reach with supplemental life, accident, critical illness, and hospital indemnity leading in popularity across respondents. Fast rising benefits include ID theft protection, legal, pet and student loan reimbursement.

Technology – The majority of survey respondents are currently utilizing an online enrollment platform to administer their employee benefits offering. Of the 31% of survey respondents not currently using an online platform, 57% of this subset sees value in providing online capabilities in the future.

Established in 1982, Bankers Cooperative Group, Inc. (BCG) is the self-contained brokerage facility for members and associate members of the New Jersey Bankers Association (NJBankers). Today, BCG is the leading provider of employee benefit programs for New Jersey’s banking industry. As administrator of the New Jersey Bankers Association sponsored Employee Benefits Trust (EBT), BCG is able to leverage almost 8,000 industry employees and their dependents to negotiate group employee benefit programs and pricing not generally attainable on an individual employer basis. The “Cooperative” in our name is what sets BCG apart from the competition. Since 1998, BCG has returned \$3.5 million in patronage dividends to its shareholders and EBT participants. For additional information, please contact Richard Siderko, President & CEO or Matthew W. Cooney, Executive Vice President.