

From Baby Boomers to Gen Z: Crafting the Perfect Benefits Package for a Multi-Generational Workforce.

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Optical illusions have captivated popular culture and sparked heated debates for decades. When you set these debates aside (Is the drawing a rabbit or a duck? Is the dress blue and black, or white and gold?), you realize the underlying point: the same thing can appear different depending on your perspective.

Similarly, employee benefits can hold different value to different people depending on their life stage or experience. This becomes a significant challenge for employers when designing benefits packages for [five generations of employees](#). The values and preferences of Gen Z differ significantly from those of Baby Boomers, making it difficult to create a one-size-fits-all solution.

However, offering distinct packages for each generation isn't always necessary. By strategically communicating the value of certain benefits, employers can appeal to a wide range of employees.

Let's delve into five benefits that can help you craft the perfect benefits package for a multi-generational workforce.

1. Health Savings Accounts (HSAs)

HSAs offer flexibility and tax advantages that appeal to all generations. For employees 55 years or older, HSAs provide opportunities for additional "catch-up" contributions (\$1,000 per year) and can be used to pay for Medicare premiums and long-term care insurance premiums.

Healthcare costs are often lower for younger employees, so HSAs can help them save for future or emergency medical expenses. HSAs can also be used for other over-the-counter products and can help serve as a financial cushion during job transitions. HSAs are portable, which means they stay with employees after they leave a company or retire.

2. Individual Coverage Health Reimbursement Arrangements (ICHRAs)

ICHRAs allow employees to purchase their own health insurance on the individual market and get reimbursed for premiums and qualified medical expenses. For younger employees, ICHRAs offer the flexibility to choose plans that fit their personal health and financial needs. Their portability ensures continuity in coverage during job transitions, reducing stress. Additionally, ICHRAs can reimburse premiums for high-deductible health plans (HDHPs), maximizing savings.

For older employees, ICHRAs provide significant benefits by reimbursing Medicare premiums and other out-of-pocket expenses, making them attractive for older employees who wish to remain in the workforce, and ensuring financial security as they approach retirement. They can select plans offering comprehensive coverage for chronic conditions and specialist care, addressing their more complex health needs.

3. Family Leave Programs

Modern family leave programs extend beyond maternity leave, now including paid extended family leave and [elder care benefits](#). As Baby Boomers live longer and become part of the "Eldercare Generation," these programs are increasingly beneficial for employees [balancing professional responsibilities with caring for aging parents](#). This strategic move supports younger employees needing childcare as well as older employees with elder care responsibilities, enhancing overall employee well-being and productivity.

4. Financial Wellness Programs

Financial wellness programs are designed to educate employees on managing their finances and alleviating financial stress. For younger employees, this often means managing student loan debt or saving for a first home. Older employees might be more concerned with retirement planning or [supporting their grown children](#). These initiatives can include financial planning resources or budgeting tools, personalized financial coaching, credit resources or education on topics including navigating Medicare and Social Security.

5. Lifestyle Spending Accounts (LSAs)

LSAs are employer-sponsored and reimburse employees for expenses that promote physical, financial and emotional well-being. Unlike traditional benefits accounts, LSAs offer flexibility without tax advantages or strict rules. This broad benefit can accommodate the varied needs of both younger and older generations, whether it's yoga classes, fertility treatments or orthopedic shoes.

Finding the Perfect Mix

Crafting the perfect benefits package for a multi-generational workforce involves understanding and addressing the unique needs of each generation. By offering a mix of traditional and innovative benefits and communicating their value effectively, employers can create a comprehensive benefits package that appeals to employees of all ages. ■

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