

Premium Surcharges Can Motivate Vaccination, Research Shows

Cash, however, isn't the only way to encourage employees to get vaccinated

By Stephen Miller, CEBS

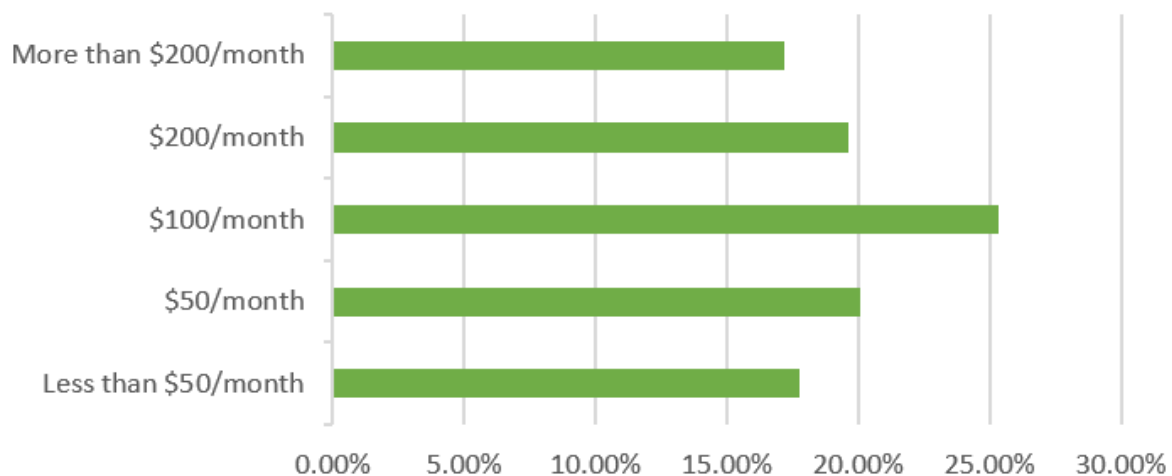
September 29, 2021

New research indicates that health insurance premium surcharges can influence a sizable number of employees who haven't been vaccinated against COVID-19 to get inoculated. But money isn't the only way to influence vaccine-hesitant employees, benefits advisors say.

A September survey of 1,000 unvaccinated workers in the U.S. found that 43 percent would get the shot if the alternative was paying an extra monthly fee (<https://www.affordablehealthinsurance.com/insurance-surcharge-would-motivate-vaccination/>) to stay on their company's health insurance. The survey was sponsored by health insurance website AffordableHealthInsurance.com.

Delta Air Lines is one example (www.shrm.org/resourcesandtools/hr-topics/benefits/pages/delta-air-lines-charges-unvaccinated-workers-premium-surcharge.aspx) of a company that has imposed a health insurance surcharge; it charges \$200 per month for unvaccinated workers who don't qualify for a health-related or religious exemption (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/vaccination-accommodation-is-that-religious-request-sincere.aspx). But most survey respondents said they would be motivated by a lesser charge: 63 percent said being charged an extra \$100 per month or less would be enough to convince them to get vaccinated. Seventeen percent, however, would need for the charge to be more than \$200 per month in order to be motivated to get the shot.

How much would the surcharge have to cost to motivate you?



Source: AffordableHealthInsurance.com, 2021.

Feedback

The responses show that "money is a pretty strong motivator," said Dr. Noor Ali, a health insurance advisor at AffordableHealthInsurance.com. "Peer pressure, social judgment and mask mandates can also be motivators," she added.

The survey findings "could mean that just a little push is enough" to increase vaccination rates, Ali said. However, she noted, "I think there is another layer under that. Most employees don't even know how much is coming out of their paychecks for their employer-subsidized health care benefits. Many even think that it's 'free' because they are not aware of the amount that is deducted from their biweekly paychecks. When considering this as the framework for making a decision, \$100 may seem like a whole lot."

Natalie M. Nathanson, a principal at law firm Jackson Lewis in Miami, recently blogged a reminder that if employers impose a premium surcharge on unvaccinated workers, health insurance coverage must still be "affordable" (<https://www.benefitslawadvisor.com/2021/09/articles/vaccination-surcharge/money-money-money-how-much-can-the-health-plan-surcharge-on-unvaccinated-employees-be>) as defined by the Affordable Care Act.

"The allowable surcharge amount will vary for every employer depending on the cost of health insurance, any other surcharges or incentives under an existing wellness program, the level at which health insurance is currently subsidized, and the rate at which employees are compensated," she wrote.

FEATURED RESOURCE CENTER

COVID-19 Vaccination Resources (www.shrm.org/hr-today/news/hr-news/Pages/COVID-19-Vaccination-Resources.aspx)

Other Motivators

Major companies are introducing other initiatives to make the workplace safer and encourage employees to receive the vaccine, Ali noted. When unvaccinated workers were asked what other restrictions would have an effect on their decision, the top motivators were:

- **Losing paid time off for quarantining** after a positive test result (cited by 56 percent).
- **A mask mandate for unvaccinated employees** (53 percent).

When participants were asked why they had chosen not to receive the vaccine yet, the most common responses were that they were waiting to see how the vaccine affected others, they were immunocompromised and therefore unable to get the vaccine, or they didn't believe that it would work.

Sending the Right Message

Jim Hoff and Joann Hall Swenson, members of the strategic advisory communications team at HR consultancy Aon, offered the following tips for motivating employees to get vaccinated (<https://www.aon.com/getmedia/ffe5ac87-c65b-47c0-966c-95cac88279c2/Six-Tips-for-Motivating-Vaccination-in-the-Workforce.aspx>):

- **Set your direction and create an integrated approach.** Determine the effort you believe is warranted for your organization (minimal, moderate or extensive), then create a communications plan that uses your most effective channels (printed mailers, text messages, e-mail or virtual meetings, for example). Leverage content from your health plans, prescription drug vendor and credible public entities.
- **Lead with care and inspiration.** Be transparent about how employees getting the vaccine helps the company economically by allowing you to reopen or return to the workplace sooner, but let care for the health and well-being of your employees and their families permeate your campaign.
- **Educate skeptics.** Solicit employee questions and answer the common ones on a webinar. Consider featuring a vaccine-skeptic-turned-advocate in a video memo and sending myth-busting postcards to homes.
- **Use plain language.** Your job isn't to be an expert or turn your people into experts. It's to help them work through any concerns about getting the vaccine. Keep your language real and simple. Address questions such as "Will it make me sick?" and "What happens if I don't get the vaccine?" Consider translating this communication for employees with limited English-language skills.
- **Stay in your lane.** Communicate with a clear theme and succinct messages, directing employees and their families to reputable resources for more information.
- **Equip your managers.** Managers are often the first people employees turn to with questions. Equip them with talking points and give them a list of the best resources to refer to when they get questions. And don't forget to thank them for all they're doing to support their employees' health and well-being.

Related SHRM Articles:

Delta Air Lines Charges Unvaccinated Workers \$200 Monthly Premium Surcharge (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/Delta-Air-Lines-charges-unvaccinated-workers-premium-surcharge.aspx), *SHRM Online*, August 2021

Health Plan Premium Surcharges for the Unvaccinated? Employer Considerations (www.shrm.org/resourcesandtools/hr-topics/benefits/pages/employers-ponder-health-plan-premium-surcharges-for-the-unvaccinated.aspx), *SHRM Online*, August 2021

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Feedback