

ARE YOU SMARTER THAN A PLAN ADMINISTRATOR?

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We want our employees to make healthy choices so that they will have long and healthy lives (and also to decrease the cost of health benefits). We also want our employees to participate in the 401(k) plan so that they can build a nest egg for retirement and enjoy those long, healthy lives (and maybe also so that we don't have to refund deferrals to our HCEs). Whatever our motivations, it seems that the latest trend in encouraging desired behavior in the employee benefits arena is gamification. Think "Farmville" except the "crops" that your employees will be growing are their dreams that they want to harvest in retirement (travel, a vacation home, or just being able to continue to pay the bills). Imagine those crops wilting unless they are "watered" and "fed" by employees who earn "plant food" and "water" by correctly answering retirement-related questions. Maybe the game could even show the field of dreams wilting at current deferral levels but encourage employees to use a retirement cost calculator to determine what level of deferrals might lead to a successful harvest in retirement. For your employees who are not particularly motivated by watching crops grow, think "Angry Birds" as part of your wellness program except employees may be able to earn "birds" to fling at the infuriating "pigs" in their lives (smoking, obesity, you name it) by correctly answering health-related questions. These particular game examples would, of course, be rife with intellectual property concerns, but you get the picture.

Recent articles describe how benefit consultants and wellness plan providers have begun to design "serious games" that utilize gamification and game mechanics to help employers to educate and motivate their work force with respect to retirement benefits and wellness programs. Some of the games described in these articles provide intrinsic motivation while others allow employees to win prizes and compare scores online. Other games send employees searching through HR communications searching for embedded codes to earn points that will hopefully be found while diligently reading an SPD or other ERISA disclosure document. You may think that these strategies would be aimed primarily at the younger members of your work force but according to Adam Wootton, director of social media and games at Towers Watson in New York, the fastest-growing segment of social gamers is women over the age of 45.

Although this may well be the wave of the future and an effective way to encourage employees to become more educated and involved with their employee benefits we think that there are questions that should be answered by employers before implementing this sort of program. For example, will

game play be permitted at work? What if an employee does not have computer access or a smart phone? Will that employee be given some other way of competing for prizes, discounts or other rewards that may be offered? Rules applicable to wellness programs should be considered. In addition, employers should also be sure that they are not inadvertently providing “investment advice” that could jeopardize ERISA 404(c) relief for plan fiduciaries or otherwise result in fiduciary liability. Finally, these games should, of course supplement required ERISA disclosure documents and not try to replace them.

If you think that these strategies will appeal to your workforce and you have considered and resolved potential issues, then let the games begin!

What do you think? Could serious gaming be a missing link in curbing the obesity epidemic in our country or helping employees to prepare for retirement? Or is it for the birds? (angry or otherwise)

MEET THE TEAM



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