**Memo Announcing Increase in Health Insurance Costs**

To: All Employees

RE: Increase in Health Insurance Premiums

In the next few days you will be receiving information about [Company Name]’s annual health insurance open enrollment period. As you may be aware, health care costs have been increasing substantially over the years, and though we have been able to maintain consistent levels of employee contributions for many years, at this t ime we have no other option but to share some of these costs with employees to allow [Company Name] to continue offering health insurance benefits. *[Insert information regarding the costs of health insurance. For example, “[Company Name] will spend more than $ on employee benefits and more than $ per employee this year.”]* As a result, employees participating in the [Company Name] health insurance plan will experience a *[insert percentage]* cost increase in the employee contribution requirement beginning January 1. [Company Name] will continue to offer the same benefits plans as we have in the past with the employer/employee contribution schedule outlined in the attached document. *[Attach information regarding plan options and cost sharing]*

This announcement is meant to notify employees of expected cost increases for budgeting and planning purposes. Open enrollment will begin on *[insert date]*, and all employees who wish to be covered under the [Company Name] health insurance benefits must make an affirmative election to do so. **Failure to complete an election/enrollment during this open enrollment period will result in no health insurance coverage**.

Enrollment materials and educational sessions will be provided to all employees in the upcoming days. You are encouraged to carefully review the enrollment options to ensure your health insurance selection meets your needs and your budget. Please do not hesitate to contact Human Resources for any questions regarding the plan options available to you or to request additional information.