

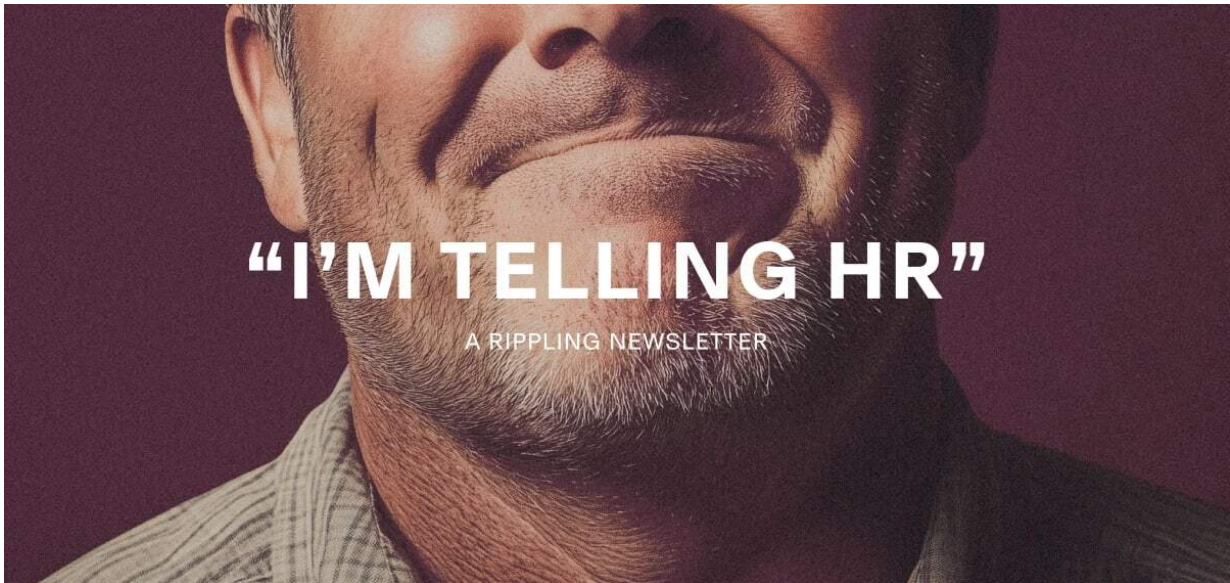
**From:**  
**Subject:** Fwd: Don't let premiums eat payroll  
**Date:** August 27, 2025 at 12:43 PM  
**To:**



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From: I'm Telling HR by Rippling  
Date: Tue, Aug 26, 2025 at 1:27 PM  
Subject: Don't let premiums eat payroll  
To:



August 2025

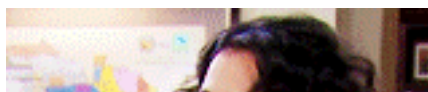


**Christina Marfice**

Editor

Raises are good. Take-home is better.

This week, we dive into how raises are getting eaten alive by inflation—and what HR needs to do to make sure those investments actually land in employees' pockets.





You want ROI on every dollar you put into people. We've got the CFO-proof strategies to help you get it.

**In this issue, you'll find...**

💰 **Raises ≠ take-home.** Why inflation + rising benefits costs = disappearing comp—and how to stop it

💬 **Boardroom ammo.** Explain ballooning benefits costs without sounding like you're making excuses

🦸 **Brightwheel's one-hub fix.** Sequoia's strategy + Rippling's system = zero portal fatigue

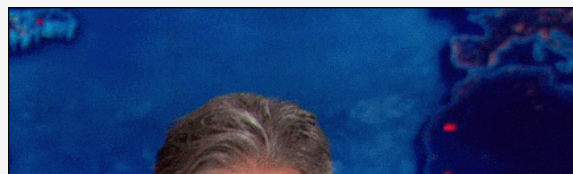
🏁 **System switch countdown:** Why now (yes, August) is your window to hit Jan. 1 cleanly

## Give with one hand, don't take with the other

Our **State of HR survey** from earlier this year showed that in a competitive talent market, only 5% of HR teams expanded benefits, but 70% raised salaries (40% made moderate cost-of-living increases, while 30% handed out significant raises). In a vacuum, that's smart.

Outside the vacuum?

Employees live in the cost-of-everything world.





Yes, salary increases are essential—especially after years of inflation. The CPI-U “all items” index rose from 257.971 in Jan. 2020 to 323.048 in July 2025, a 25% surge in the overall price level. But you don’t need an economist to tell you that. You shop. You’ve seen the price of nearly everything rise.

And when we say “everything,” that includes benefits. A recent PwC report projects employer medical costs will jump another 8.5% next year. In many organizations, healthcare already consumes 79% of the total benefits budget. So it’s a little concerning when the State of HR survey shows just a single-digit increase in benefits investment. If companies are absorbing higher costs by shifting more to employees, even meaningful raises can quickly vanish through higher premiums and deductibles.

**The net result at the kitchen table:** “My paycheck went up, my take-home didn’t.” And employee morale doesn’t care that comp and benefits are in different buckets on the P&L.

So how can you preserve comp ROI in the face of these rising costs of... well, everything? It starts with absorbing benefits inflation without passing it on to your team. That usually means making the case to your leadership for a bigger benefits budget (again). To do that, you need to:

- 01 Know why costs are rising.** Know the macro forces behind benefit cost growth (like drug shortages, GLP-1 claims, and pricey gene therapy treatments) and be ready to explain to your C-suite that the pressure isn’t unique to your company—it’s systemic.
- 02 Understand executive priorities.** Frame your budget in terms of what execs care about: revenue growth, talent retention, and risk mitigation.

03

**Be strategic.** There are ways to lower or offset your benefits costs, whether you **join a PEO to access more affordable healthcare**, or switch to an all-in-one HR system so you can automate benefits admin (and other HR busywork) and reinvest time into value-adding initiatives—like negotiating next year’s renewal.

Need help with all this? We’ve got you. Download our guide on **how to explain rising healthcare costs to your C-suite**. And stay tuned—we’re about to drop our ultimate HR system switch guide, complete with an RFP template and week-by-week plan to help you move to an all-in-one HR platform by Jan. 1.

If you can’t outspend medical inflation, out-communicate it and out-strategize it. That’s how a raise stays a raise.

[Get the free guide](#)

## Bye, portal fatigue. Hello, benefits that fit.

When childcare management tech company Brightwheel went fully remote across 10+ states, it needed benefits that could keep pace—without making employees juggle logins. As Lauren Anderson, Head of People Operations, put it, she wanted to avoid “portal fatigue.”

“It’s confusing when things happen in disparate spaces,” she said.

The fix was a two-partner play: Sequoia for expert benefits strategy + Rippling as the day-to-day hub.

On the ops side, Brightwheel already ran HR on Rippling (payroll, time, benefits enrollment, onboarding, reporting). “It’s the answer for everything,” Lauren said. “Whatever the issue, I always start with Rippling.” She describes it to newbies using the 🐙 emoji: “The head of the octopus is Rippling and the legs are payroll, time-tracking, benefits, and everything else it does for us.”





And now, Sequoia brings the data—and the filter. With “deep knowledge of Brightwheel-esque companies,” its analytics team is “uniquely poised to get us data and answers,” Lauren said. As a result, Lauren doesn’t need to shop around for benefits vendors from scratch.

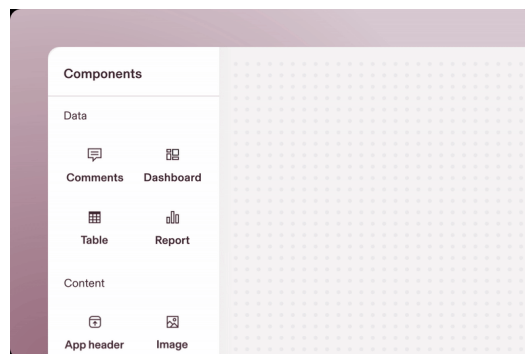
“It’s a huge time-saver for me,” she said. “I feel very confident I can put Sequoia out first to filter all the options.”

The seamless integration ties it all up: Sequoia plan data flows into Rippling, where admins track open enrollment progress and nudge only who needs it, and employees enroll and self-serve in one place. Brightwheel nets richer benchmarking, smarter benefits admin, and a better employee experience—benefits that actually match how Brightwheel works.

**Learn more** about how Brightwheel finds benefits that can keep up thanks to Rippling + Sequoia.



**That spreadsheet you hate? Replace it.**



Tired of duct-taping processes with clunky spreadsheets? Bonus tracking, license renewals, random inboxes... it’s not working.

**App Studio changes that.** You can now build internal applications that are perfectly tailored to how your company works, right in Rippling.

Join us for a live walkthrough and learn how you can create custom applications that perfectly fit your business need—no coding required.

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## Ask I'm Telling HR

**Q:** *Mid-year switch: brave or foolish? We're tempted to move now, but not sure about the timing. How do you know when to pull the trigger on something as huge as a new HR platform?*

**A:** We just learned from a pro about this—Alice Young, VP of People and Culture at \$1.4B beverage company Liquid Death, is our latest guest on the **I'm Telling HR podcast**. Make sure to **catch her full episode**, because it's *packed* with great wisdom. But one huge takeaway is this: When it comes to switching from a legacy HR system to a modern payroll platform, **timing is everything**.

"We switched mid-year and paid for it—split W-2s, duplicate records, months of employee confusion," Alice said. "Would not recommend it."

However, while right now—August—feels solidly like the middle of the year, it's actually kind of the ideal time to get this ball rolling. Switching HR systems is complicated. It takes a while. There's a ton of steps between now and when you actually cut over to the new system. Starting right now means getting everything done just in time for a clean start with a new HR system on Jan. 1, which means employees' W-2s and year-to-date tax records stay in one system for the whole year, simplifying your taxes and compliance.

If your goal is to switch by Jan. 1, here are your to-do's before the end of 2025:

**1** Get the go-ahead from your C-suite. To learn how to pitch your system switch to your CEO and other stakeholders, download our **HR Platform Buyer's Guide** and use the stakeholder messaging matrix on



page 9.

**2** Send out RFPs so you can demo platforms, evaluate vendors, and choose the right HR system for your organization. Keep an eye out—our **Ultimate RFP Template** is coming soon.

**3** Implement and test your new system, run your final payroll in the old system, and cut over by Jan. 1.

If you're planning an HR system switch, there's a lot to consider—including timing. But as the new year approaches, we'll be dropping all the **tools and resources** you need to start 2026 fresh with the modern, integrated system you deserve.

*Have a pressing people problem you aren't keen to ask your boss about?*

**Submit**



## Job Postings

### Director of Human Resources

Medallion is seeking a Director of Human Resources to oversee a high-performing HR team, own the design and execution of scalable HR processes, and serve as a key partner to leadership across the business. The Director will continue to shape a best-in-class employee experience that supports engagement, performance, and long-term growth, all while ensuring compliance and operational efficiency.

**Apply**

Hiring for an HR role? We're sourcing great HR roles to help you fill your roles or find your next step.

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Join us September 24, 2025 at 12pm EDT for Rippling Book Club featuring Lucy Adams, author of *HR Disrupted*

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