



Employees Burdened by Student Loans? Offering This Benefit Could Help.

The rise of student debt is among the nation's most challenging economic issues.

According to the Federal Reserve, more than 44 million people in the U.S. collectively owe \$1.5 trillion in student loans, with 65 percent of that debt belonging to people under age 40.¹

And there's no end to the problem in sight: Seven out of 10 new college graduates owe an average of over \$37,000, and the Congressional Budget Office estimates that \$1.27 trillion in new federal student loans will be added between 2018 and 2028.¹

Offering a student loan repayment benefit can help employers attract top talent and retain existing employees, and more employers are catching on. Data from the Society for Human Resources Management (SHMR) shows that the number of companies offering student loan repayment doubled from 4 percent to 8 percent between 2018 and 2019.²

Longtime ADP® client Medix, which provides workforce services staffing to the health care, life sciences and information technology industries, followed that path when it partnered with Peanut Butter, a student loan assistance provider, to help Medix employees pay off their college loans. Medix has about 420 employees spread across 18 locations nationwide.

According to Mike Ceretto, VP of people and performance at the award-winning Chicago-based company, Medix chose Peanut Butter's student loan repayment solution because it wants to ensure it continues to innovate and offer a competitive benefits package. According to Peanut Butter, candidates are willing to accept a job offer 85 percent of the time when student loan repayment is part of the benefit package.³

Company: Medix

Location: Chicago, IL

Industry: Professional services

Employees: 420

ADP Marketplace Partner: Peanut Butter

Learn more about Peanut Butter:
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Medix

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According to Peanut Butter, candidates are willing to accept a job offer 85 percent of the time when student loan repayment is part of the benefit package.

Peanut Butter works with employers to structure a student loan assistance program that makes the most sense for their company. It also manages the enrollment process for employees and facilitates the relationship between employers and loan servicers. Employers working with Peanut Butter can choose to simply provide employees with student loan resources, or complement loan resources with contributions toward the repayment of employee loans. Medix offers a \$50-per-month contribution toward student loans that can ultimately help a borrower get out of debt years faster than they would on their own.

"As an organization that hires people throughout the country, we're always looking for a way to differentiate ourselves, and at the same time ensure we're putting ourselves in a position to support our teammates in a multitude of ways," Ceretto explains. "As student loans have become a hotter topic, it's certainly top of mind for us as an employer that it's a burden on a vast majority of our teammates. We want to help them lift that burden."

Ceretto is involved in quarterly reviews of Medix's results with Peanut Butter. He says it's been "a collaborative effort with Peanut Butter from the get-go," citing outstanding customer service as working at a "very high level." As for ADP, he says Medix has been with it for a long time for a reason — ADP has been a great partner.

He reiterates that in today's economic environment, Peanut Butter's benefit allows employers to show prospective and internal employees alike that Medix understands their financial challenges and wants to be a true partner with them so both company and employee can succeed.

Ceretto notes that Medix, currently an ADP Vantage HCM® client, values its 16-year relationship with ADP.

He also is positive about the news that Peanut Butter is now available on ADP Marketplace, the company's digital HR storefront that allows clients to customize their HCM ecosystem. ADP clients can easily purchase Peanut Butter from the storefront and set up an instant integration that automates payroll deductions and helps eliminate manual errors. Peanut Butter is compatible with ADP Vantage HCM, ADP Workforce Now® and RUN Powered by ADP®.

Companies like Medix, that already use Peanut Butter and ADP, can now easily connect and share data between the two platforms.

"I think Peanut Butter is a major positive for employers looking for this type of solution," Ceretto says. "We're very happy to have Peanut Butter and ADP helping make Medix a great place to work."

Build and manage a better workforce with integrated HR solutions from ADP Marketplace partners like Peanut Butter.

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Each ADP Marketplace solution has passed a world-class security assessment to help safeguard the confidentiality and integrity of your employee data. Security Magazine ranked ADP's security program in the top five in 2017 and 2018.



1 "Employers Explore Repaying Student Loan Debt," Society for Human Resource Management, 2018.

2 2019 Employment Benefits Survey, Society for Human Resource Management

3 The Millennial Benefits Preferences survey, Peanut Butter