

Sometimes Just Offering Is Enough



with Mary Drueke-Collins

Most of us are lucky to be able to purchase our health insurance through our employer. But, did you know a lot of other 'benefits' are also available to purchase through your employer?

If you are a business owner, offering a variety of employee benefits helps you attract and retain employees. In a low unemployment environment, your employee benefit offering might be the difference between getting that 'dream' employee or losing them to a competitor. Knowing what your employees need and want is key!

If you are an employee, you rely on your employer for most of your insurance purchases. But, do those benefits offered meet all of your needs? And do you truly understand the benefits that are offered to you? We often see employees make job changes because of a perceived better employee benefit package at a different employer.

Whether you are a decision maker or a purchaser, communicating about employee insurance needs is very important in today's world. As an employer, don't be afraid to ask your employees what kind of benefits they would like to see! And it's ok for employees to recommend new benefits – you might not be the only employee with that request. Employers would prefer you ask questions and voice your opinions rather than lose a valuable employee.

Because of the high cost of health insurance, many employers don't have the budget to contribute to the cost of any 'extras.' However, that doesn't mean an employer should forget about those extra benefits. Even if the employer does not contribute to the cost of the coverage, the act of simply offering the coverage to the employee for purchase on a 'group' contract through the employer can be beneficial for many reasons:

- Many benefit plans, like dental and vision, can be pre-taxed through payroll. The simple act of pre-taxing employee costs toward insurance can save both the employee and the employer money! Some coverages, like disability and life insurance cannot or should not be pre-taxed so the benefits received under the policy are tax-free. Even if you are not pre-taxing a benefit, having it deducted right out of your paycheck helps keep the coverage current and is much more convenient!
- Policies offered through an employer are often less costly than if the same policy is purchased on an individual basis. It may also offer better benefits than plans sold to individuals.
- A group policy usually has a guarantee issue amount if you sign up when you are first eligible. That means you can enroll in a certain amount of coverage without answering health questions. This can be very important if you have a health condition and need life or disability insurance.

Employee benefits are also not just limited to insurance anymore. Most of us are familiar with purchasing health, dental, vision, disability and life insurance through our employers. Employer sponsored coverages now include all sorts of benefits, like legal plans, identity theft coverage, employee discount programs, employee purchasing programs for major purchases like household appliances, pet insurance, critical illness, accident policies and home and auto insurance.

The world of employee benefits isn't just about insurance anymore. The key to any successful employee benefit plan is knowing what people need and making sure those needs are met. Often times, just offering the ability to purchase a coverage is all the employee needs.

For more information, please contact your trusted advisor at Swartzbaugh-Farber – 'Client Centered – Client Advocates™'.