

Voluntary Benefits: Delivering on the Employee Benefits Promise in an Era of Change

by Antione Turner, Founder & Chief Strategist

An unprecedented amount of change has occurred in the benefits and health care industries over the last few years – and more is on the horizon.

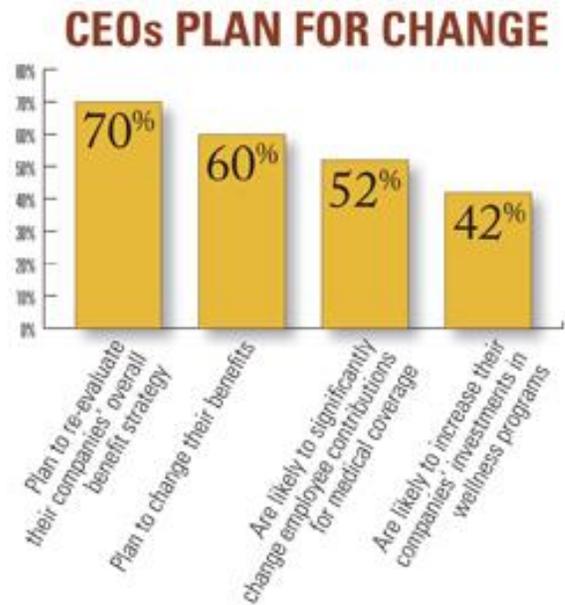
Change in laws and benefits industry framework: The passage of PPACA (The Patient Protection and Affordable Care Act) has resulted in vast reforms that are yet to be fully approved, let alone enacted or completely understood. Ultimately, could PPACA help to improve the health care delivery system in this country? It is certainly possible, but the fact is we are a long way from that reality which means uncertainty and confusion will remain with us soon.

Change in cost: Employers across the nation are expected to pay nearly 5 percent more for health care costs for their workers in 2019, the highest level in five years. The “cost curve” phraseology is an anachronism at this point. Let’s be honest, there is no “curve” in the cost of health care.

There are only one direction medical benefits costs are taking and that is consistently UP. As a result, most of management teams are looking to significantly change their benefit strategy.

Change in employee attitudes and populations: There is swift erosion occurring with

employee loyalty; currently 1 in 3 employees are hoping to be working for a new employer in the upcoming 12 months (9th Annual Met Life Study of Employee Benefit Trends, 12/10). This is a drastic departure



from a U.S. workforce that was long characterized with a “paternalistic” employer mentality and long-tenured employees making a career out of one position of increasing responsibility. Further, the characteristics of the employee population have become more diverse than ever before in history.

Many in the industry are left wondering:

How do we continue to satisfy the benefits needs of employees and meet our business objectives?

The answer is right in front of us, and it’s one that has been around for quite some time: Voluntary Benefits.

Voluntary Benefits, long known as “ancillary” or “employee paid” benefits now play a key role – one that has never been more important.

Since voluntary benefits result in little to no hard costs for the sponsoring employer, voluntary benefits are the most cost-effective way to

The fact is: Voluntary benefits enable employers to reconstruct their benefits offerings, addressing the needs of employers and employees in today’s marketplace.

enhance and expand a benefits package. From an employee’s perspective, the financial and insurance advice and counsel they receive from the voluntary benefits enrollment process is an important way for them to protect themselves and their families – and it is guidance they are generally not able to access in the marketplace.

Further, today’s employees are prepared to pay for more “personally relevant” benefits because they enable individual choice, customization to their specific needs, and flexibility to their budgetary constraints. The “one-size-fits-all” benefits program can not and does not meet the needs of today’s diverse employee population – and voluntary benefits are the best solution available in the industry today.

The key question for employers today is not *whether* to shift more cost to employees, but how to find the right blueprint to do so?

Which products are right for you and for your employees?

Which products will benefit your employees the most, and lead to an increase in their satisfaction with the benefits program and loyalty to your organization?

Do you know why Voluntary Benefits are the solution to today's problems? You may be surprised.

Voluntary Benefits and PPACA. Voluntary Benefits are accepted from reforms. Need peace of mind when it comes to PPACA compliance? Avoid it altogether and understand what voluntary products meet your needs best.

Little to no hard costs. Voluntary Benefits can be made available at little to no hard cost to you as the employer. As a result, even the most stringent benefits budgets can benefit from the inclusion of one or more voluntary products.

Diverse employee population with wide ranging needs. Do you have an employee population that is much diversified, with highly disparate personal and family needs? Voluntary benefits enable the employee to customize their benefits offering to suit their personal interests – and at a level that meets their personal budget.

Payroll deduction payment aids with budgeting. By having payments automatically deducted from their paychecks, employees can effectively manage their household budgets.

Pricing and accessibility are advantages for employees. Voluntary benefits are often provided at group discounted pricing that is not available in the direct-to-consumer marketplace. Further, these products are often provided on a “guaranteed issue” basis – meaning all applicants are eligible regardless of pre-existing conditions.

A shift in importance toward non-medical benefits. With 78% of American workers always or usually living paycheck to paycheck, few have an enough savings safety net. And with medical benefits becoming increasingly commoditized, non-medical benefits that help with income protection and security are becoming more important, and valued, by employees.

Utilize the skills of our consultants to benefit you and your employees

Knowledgeable and proven voluntary benefits partners provide an invaluable contribution to the communication of your benefits program. We offer a variety of services that can help you fulfill your strategic Human Resource goals, enhance and improve your benefits program, and ultimately be a positive force influencing change in employee behavior. Among the services you can expect to access are:

- Explanation and education on your core benefits plan design, features, options and utilization. This can be particularly useful in improving employee's ability to understand more "complex" plan designs such as high deductible health plans that utilize HSAs / HRAs
- Promotion of the value of your employee benefits program
- Introduction and explanation of new or changed benefits
- Communicating and promoting wellness initiatives
- Promotion of participation in flexible spending accounts
- Creation and production of custom designed total compensation statements to reinforce the value of the benefits program being offered
- Implementation of dependent audits which can result in significant plan cost savings
- Updating employee beneficiary designations on group life and retirement plans
- Cleansing employee data in your HRIS database which results in improved management information

A typical communication process involves professional benefits counselors meeting with your employees to provide the agreed upon service or services and then to discuss with them which voluntary benefits are being offered to help them improve their individual and/or family financial security.

In summary, health care reform and continued industry change is forcing a much-needed dialogue about the structure and delivery of health care across the nation. Voluntary benefits are relevant, proven products that are poised to fill the gap, and to successfully meet many needs facing today's employers and employees alike.

“Antione Turner ranks among the most insightful & strategic benefit consultants in the country. I consult with employee benefits firms throughout the U.S. Few benefit advisers truly understand the singular importance of strategy in managing a company’s benefits plan, usually their second largest budget line item after payroll.

Along with this in-depth strategic planning process, Antione brings an innovative & impactful toolbox of tactical solutions to reduce healthcare costs, engage employees, encourage consumerism, and eliminate many HR pain points.

Antione and The Total Rewards Agency Consultancy Team are amongst the country’s NextGeneration employee benefit firms. While benefit brokers deliver regular renewal increases; innovative advisors like Antione Turner deliver results that bend the healthcare cost curve. *Nelson L. Griswold Agency Reinvention & Growth Guru, Columnist, Keynote Speaker, Author – Do or Die: Reinventing Your Benefits Agency*



Sources and Contributors:

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