A **CLOSER LOOK** AT VOLUNTARY BENEFITS

BY ED GAELICK

Attracting and retaining quality employees can be a difficult task. One way a company looks to set themselves apart from their competitors is by offering an array of insurance options. But how can a company build a robust employee benefit program without adding a direct cost to the organization? Voluntary plans, that's how. Voluntary policies are 100 percent paid by the employee, but take advantage of group rates through their employer.

Some popular products include dental, vision, disability and life insurance. Like medical, dental and vision plans can offer network benefits only or cover services rendered by both participating and non-participating providers. They may be fee-for-service whereby each procedure is assigned a dollar amount for reimbursement or subject to cost sharing (copayment, deductible, coinsurance, etc.). Disability and life insurance policies may include a guaranteed issue amount; therefore the carrier cannot single out high risk individuals and deny them coverage. In addition, coverage for a spouse or child may also be available.

Other policies pay cash benefits directly to employees to cover living expenses, lost wages, copayments and deductibles. There are even products which are available for specific circumstances such as hospitalizations, critical illnesses and accidents.

While many employers have recently become more familiar with voluntary coverages, non-traditional benefits such as identity protection and pet insurance are being offered more frequently as well. Other lesser known benefits include group legal policies, financial planning and educational services.

Some voluntary programs are portable. So if a worker's employment comes to an end, they may be able to keep their coverage with no increase in premium and no reduction of benefits - even when they retire. Other coverages are portable at a much higher cost.

There are many reasons why companies are embracing voluntary benefits for their employees. Employers can offer a benefits package without affecting their bottom line. Providing more choices to employees enables them to customize all of their benefits to fit their family's lifestyle. Having access to professionals as well as educational tools will also help employees build a financial safety net. Consequently, an employer can win employees' loyalty, increase their productivity and improve job satisfaction and morale.

The benefits landscape is changing significantly due to economic challenges, rising health care costs and heath care reform. Voluntary plans allow employers to meet the diverse needs of their employees with a wide range of products that complement the coverage already being offered. Employers, reach out to your broker. Employees, talk to your boss. Explore the value of voluntary benefits together.

In 1985, Ed Gaelick established PSI Consultants, LLC where he specializes in company sponsored employee benefits, business planning and personal insurance. Throughout his career, Ed has received many of the highest professional honors awarded in the insurance industry. His dedication, integrity and fortitude have earned him great respect from his clients, staff and peers.

Disclaimer: This article is intended to provide guidance only. PSI Consultants, LLC is located in New Jersey. Regulations may vary by State and/or size of company.

www.psi-consultants.com