Voluntary Benefits: Impacting Recruitment and Retention

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What Are "Voluntary Benefits"

- Accident
- Critical Illness
- Hospital Indemnity
- Cancer
- Permanent Life + "Long-Term Care"
- ID Theft
- Etc.

Voluntary Benefits Pre-COVID

- Commodity-based
- Secondary perceived value (ER and EE)
- Fear-based selling
- Little carrier contract differentiation
- Technological lethargy

Then COVID…

- Work changed
- Family financial risk changed
- Employee expectations of benefits changed
- Employer talent/labor needs changed

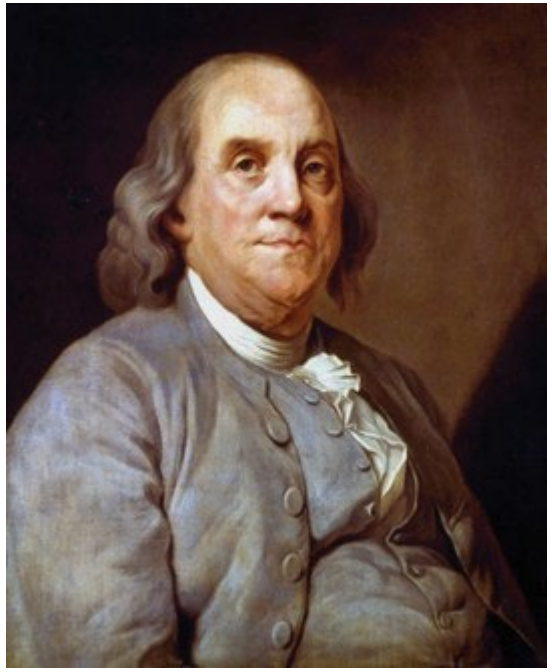
Insurance carriers noticed, and they…
evolved (some of them)

Voluntary Benefits Post-COVID

- Industry-based
- **Primary perceived value (ER and EE)**
- Value-based selling
- **Significant carrier contract differentiation**
- Technological genesis

Legendary Insurance Broker Quotes

"In this post-COVID world where we are all a little more aware of our mortality, and the impact of that mortality on our families' standard of living, purposefully built Voluntary Benefits are a key tool for recruitment and retention. They can no longer be an after-thought."



Examples: Accident

Accident	Pre-COVID	Post-COVID Best Practices
24-Hour Coverage	Maybe	Yes
Parental Caregiver Benefit	No	Yes
Workplace Death	No	Yes
Natural Disaster Death	No	Yes
Mass Shooting Death	No	Yes
Gunshot Benefit	No	Yes
First Responder - Line of Duty Loss of Life	No	Yes
First Responder - Occ HIV/HEP/TB Exposure	No	Yes
First Responder - Occ HIV/HEP/TB Diagnosis	No	Yes
First Responder - Workplace Aggravated Assault	No	Yes
Initial Treatment Window Requirement (OV/UC, ER)	4 Days	30 Days
#1 Utilized Benefit: Office Follow Up Visit	$50	$125
#2 Utilized Benefit: Initial Office Visit/Urgent Care	$50	$250
#3 Utilized Benefit: X-Ray	$75	$200
#4 Utilized Benefit: Emergency Room	$75	$350
#5 Utilized Benefit: Physical Therapy Visit	$50	$125
#6 Utilized Benefit: Major Diagnostic Scan	$200	$400
#7 Utilized Benefit: Fractures	Up to $7,500	Up to $12,000
#8 Utilized Benefit: Open Surgery (Abdominal / Thoracic)	$1,000	$200
#9 Utilized Benefit: Chiropractic Visit	$30	$125
#10 Utilized Benefit: Hospital Admission	$1,000	$2,000

Examples: Critical Illness

Critical Illness	Pre-COVID	Post-COVID Best Practices
Wellness Benefit	$50	$50
Wellness Benefit Functionality for Children	No	Yes
Spouse Benefits at 50% or 100%	50%	100%
Children Covered Automatically	No	Yes
Children Covered at 50% or 100%	50%	100%
Invasive Cancer	100%	100%
Is All Breast Cancer considered Invasive/Paid at 100%?	No	Yes
Skin Cancer Reoccurrence	None	Annual
Carcinoma in Situ	25%	50%
Heart Attack (Myocardial Infarction)	100%	100%
Sudden Cardiac Arrest	Not Covered	100%
Coronary Artery Bypass	25%	50%
Stroke (10% of Claims)	100%	100%
TIA Stroke	Not Covered	25%
Aneurysm	Not Covered	25%
Advanced Alzheimer's Disease	25%	100%
Advanced ALS	25%	100%
Advanced Parkinson's Disease	25%	100%
Advanced Multiple Sclerosis	Not Covered	100%
Total Specific Childhood Conditions Covered	0	8+

Cost Impact

A couple of dollars per paycheck

Legendary Insurance Broker Quotes

“Our industry is trained to win on the rate, but if you lose on the claim, you’ve burned bridges – and burned lives.”



Examples: Hospital Indemnity

Hospital Indemnity	Pre-COVID	Post-COVID Best Practices
H.S.A. Compliant (Yes/No)	No	Yes
Annual Admission Limits	One	Five +
Pregnancy Limitations	Yes	No
Pre-X	Yes	No
Annual Admission Benefit	$1,500	$1,500
Per Day Benefit	$150	$150
ICU Admission Benefit	$1,500	$1,500
ICU Per Day Benefit	$150	$150
Rehab Benefits - 30 Days	NA	$100
Healthy Childbirth Benefits	NA	$1,000

Legendary Insurance Broker Quotes

"It is a terrible waste of money to overpay for Voluntary Benefits – but an even greater waste to underpay for them."



Top Ten Signs Your Voluntary Benefits Program May Be Lagging Behind "*Best Practices*"

#10

You still conduct a Benefits Fair each year

#9

Your Accident Plan does not offer a "mass violence event" provision

#8

You didn't realize Pitbull's hit song *"Don't Stop the Party"* was written about his Open Enrollment experience

#7

Your Critical Illness Plan only covers Skin Cancer “once per lifetime”

#6

Your Hospital Indemnity Plan includes a Pre-X and/or Pregnancy Limitations

#5

Taylor Swift has NOT written a song about your Benefits Plan yet

- *Love Story*
- *Look What You Made Me Do*
- *Shake It Off*

#4

You have more than one insurance carrier offering the same type of product to employees

#3

Your Critical Illness Plan doesn't cover Spouses or Children at 100%

#2

You have not conducted a “VB Diagnostic” in the past three years





What is a “VB Diagnostic”

- **Not an RFP/RFQ**
- **300+ Point Contract Review**
- **Future-State Best Practice Analysis**

#1

You have not updated your "Long-Term Care" style of benefits in three or more years

Legendary Insurance Broker Quotes

"Life with Long-Term Care is hot – its complex but its hot – that's hot."



ALL benefits have become more complex – not just Voluntary Benefits.

Increased employee understanding leads to decreased:

- **Turnover**
- **Wasteful Spend**
- **Redundancy**
- **Over-Insuring**

Optimal Employee Benefit Education Schedule

- **Annual Open Enrollments**
- **Monthly New Hires**
- **Additional Re-Orientations Each Year**

Legendary Insurance Broker Quotes

"The most innovative Benefits are of little value if employees don't understand and appreciate them. Enrollment in a private one-on-one session creates a safe environment for employees to ask personal questions and be given the time to understand and choose what is best for their families."

