

GOOD IDEAS FOR TOUGH TIMES

Companies Find Smart Ways to Boost Benefits

As the pressures of an economic recession mount, employers are finding innovative and inexpensive ways to strengthen their benefits and retain top talent.



Many small-business owners are adding an "à la carte-style" system of new voluntary benefits, in which employees choose what they want and can afford.

The right type of voluntary benefits can cut costs and allow small businesses to remain competitive against larger companies for top-quality workers, according to John Roberts, president and CEO of Assurant Employee Benefits. "A lot of companies have cut back their staffs, and they're down to the core group of people that are going to get them through [the recession], so they want to make sure that group of people is happy," Roberts said. "Adding new [voluntary] benefits is a way to do that."

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UBA SURVEY

Meetings, Handouts Top Employers' Preferences for Benefits Communication

A MAJORITY OF employers rely on meetings and company-wide handouts but not as much on personalized materials when communicating benefits information to their employees, according to a new survey by United Benefit Advisors (UBA).

UBA's 2009 Employer Benefit Perspectives survey found that 91 percent of U.S. employers use meetings and 85 percent distribute nonpersonalized handouts. Nearly one-third use a dedicated website for employees to access company-provided benefits information.

However, only 40 percent use any personalized benefits materials with their workers, according to the study, which gauges employer opinions on benefits communication, personal health management and scope of benefits offered.

While meetings and handouts emerged as a nationwide trend, the study uncovered some interesting regional differences in employer opinions.

For example, although the West has the highest percentage of employers who use employee meetings and dedicated websites for employees to receive and access company benefits information, it has the lowest utilization of personalized pay and benefit cost

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SWINE FLU SCARE

Outbreak Prompts Employers to Review Policies

The recent appearance of swine flu around the world serves as a reminder that employers should have plans in place for dealing with serious regional and global outbreaks, several law firms said.

The law firm of Jackson Lewis said HR departments should be proactive and keep their employees informed about the health risks of an outbreak such as swine flu. The firm recommends employers:

- Inform workers that the company is following the issue closely.
- Request that employees notify supervisors as soon as they experience any symptoms and stay home if they are ill.
- Review leave and telecommuting policies and adjust them if necessary.
- Remind employees to wash their hands frequently.
- Explore whether the company's cleaning service offers increased sanitation services.



Employers also should be aware that outbreaks can create compliance implications, according to the law firm of Haynes Boone. Companies should review the Family and Medical Leave Act (FMLA), the Occupational Safety and Health Act (OSHA), and other health- and leave-related laws, the law firm advises. ■

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The real challenge for business owners, Roberts said, is deciding which benefits to offer.

"People are most interested in benefits they can see themselves using," Roberts said. "You don't want to try to sell employees on benefits that will cost them a lot of money."

Experts said several voluntary products are hot right now. They include:

- Disability: Probably the most popular choice right now, according to Roberts.
- Life insurance: Universal life is becoming more common.
- Dental: A valued benefit that can be designed to be low cost.
- Supplemental plans: A benefit that provides a set dollar amount for a hospital stay is an example.
- Critical illness: A popular pairing with a high-deductible health plan.

Wellness programs are also fertile ground for creative cost-saving measures. Some employers are finding it doesn't take a fortune to get employees involved, according to a report in Workforce Management.

For example, an employer in Indiana offered a unique wellness challenge: a six-month "walk" from Indianapolis to the summit of Pike's Peak in Colorado (that's 1,115 miles, or more than 2 million steps). Employees counted their steps daily and applied them to the total distance of the race. At the end, participants could enter a raffle to win a gift certificate. A total of 128 workers started the program, with 18 hoofing it to the finish. Total cost: \$350.

"We wanted something that would encourage people basically to be active," said Andy Scott, the corporation's HR manager. "We didn't have much of a budget at all, so we had to do this as economically as we could." ■

statements (hidden paychecks). At the same time, the employers in the West felt their employees were the least aware of why employers are increasing benefit costs or reducing benefits.

Nationally, more than 80 percent of the employers responded that they felt employees are at least aware of the health care crisis and the reasons for increasing cost sharing or benefit reductions. However, the largest employers (those with more than 1,000 employees) felt one in five employees had little awareness of these issues – a higher number compared with responses from smaller employers.

Another concern raised by the survey data is the lack of wellness initiatives in some areas, said Bill Stafford, UBA's vice president of Member Services. The survey found that employers in the Northeast region were least likely to employ wellness techniques, such as health risk assessments and on-site mammograms. Only 12 percent of Northeast employers were using programs to identify chronic conditions within their workforce.

Certain industries also suffer from low wellness adoption rates, the study found. Those industry categories include:

- Professional, Scientific, and Technical Services
- Construction; Agriculture; Forestry, Mining and Transportation
- Information; Entertainment, Food and Accommodation Services

Most of these industries employ people who should have an intuitive understanding of the value of these programs, Stafford said.

To learn more about the survey, contact your local UBA advisor. ■

..... Bulletin Briefs.....

◆ **WAITING IN BEANTOWN:** Patients in Boston must endure the longest wait to see a specialist – 49.6 days – according to a survey by Merritt Hawkins & Associates. Philadelphia, Los Angeles and Houston followed Boston. Atlanta had the shortest wait time, the survey found.

◆ **TAX TIP:** Employers will not need to report the federal COBRA premium assistance to eligible individuals on an information return or Form W-2, the IRS has confirmed. Although there is no information-reporting requirement, companies that claim the credit must keep payment records and other supporting documentation. Insured plans should secure proof of the premium amount and coverage, as well. ■

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