

Voluntary benefits – a financial safety net

By Matthew McCarthy



According to MetLife's 13th Annual *Study of Employee Benefit Trends*, 71 percent of employees consider work to be the foundation of their financial safety net and 62 percent of employees are looking to employers for more help in achieving financial security through employee benefits.

What a responsibility for employers!



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That same study found that:

- ▶ 74 percent of employees agreed that their employers offered a range of benefits that met their personal and household needs;
- ▶ 43 percent believed having insurance/benefits gave them peace of mind for the unexpected;
- ▶ 43 percent believe the employers have a responsibility for the financial well-being of their employees; and
- ▶ 37 percent believe the employers have a responsibility to help employees ensure they have enough money in retirement.

Concerns about uncertainty in the economy and federal legislation of healthcare are having a direct, negative impact to employee morale, and thus employee productivity can suffer. The study also found that 55 percent of employees are concerned with having enough money to pay out-of-pocket medical costs not covered by traditional health insurance.

Employee benefits are near the top of the list when it comes to recruiting and retaining good employees, as well as keeping those employees loyal and satisfied with the company they are working for.





However, most business owners find that paying for and maintaining a comprehensive benefits portfolio is a daunting task. But with the help of a trusted advisor, these plans can pay dividends when it comes to finding and hiring the right people for your business and keeping those people for the long term.

And traditional products are not the only benefits employees are looking for. Employees value benefits that are geared to their individual circumstances and voluntary benefits can satisfy this desire for additional financial need and show value to employees.

Voluntary benefits can include supplemental life and disability insurance, payroll-deducted auto and home insurance, and the increasingly popular critical illness and pet insurance.

Benefits considered “must haves” by employees include:

- ▶ life insurance - 61 percent
- ▶ dental insurance - 68 percent
- ▶ accident insurance - 44 percent
- ▶ prescription drug coverage - 71 percent
- ▶ long-term disability - 43 percent
- ▶ short-term disability - 41 percent

Companies that have a benefits education strategy coupled with a voluntary benefits offering are highlighting the company’s investment to their employees. At the same time, they are protecting their business by securing their employees’ financial security, resulting in a more loyal and productive workforce.

Talented employees are at a premium and once on board, employers want to make sure they stay there. With the right mix of benefit choice, value and communication, employers will be well on their way to a talented and productive workforce.

**No cost to employer +
value for the employee =
voluntary benefits**

Voluntary Benefits are offerings that are paid for by the employee through simple payroll deductions. Employees are able to take advantage of limited underwriting requirements and gain access to offerings traditionally reserved for the workplace. At no cost to the employer, these benefits are a great way to enhance an employer’s benefits package.

Voluntary benefit options:

- ▶ supplemental life insurance
- ▶ disability insurance
- ▶ payroll-deducted auto, home and renter’s insurance
- ▶ critical illness insurance
- ▶ vision insurance and more...

