

THE “BENEFITS” OF LONG-TERM BENEFIT PLANNING

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As a business owner you work on your business by planning, budgeting, and goal setting. Yet you also work in your business - managing your expenses, payroll, benefits, equipment, technology, and PEOPLE! Have you asked yourself, what helps attract and retain the right people to meet your business’ current and future goals?

Consider that part of the answer is the benefits that you offer to your current and prospective employees. Providing a robust benefits program including 401K plans, health insurance, paid time off, bonuses, disability income protection and other ancillary programs, goes a long way toward creating a culture that says we care about you and your financial security.

Consider these “Rules for the Road” for your long-term benefit planning:

Do	Don't
Be proactive	Be reactive
Know your claims through monthly claims reporting	Wait for the bombshell
Educate employees	Expect them to understand their benefits on their own
Consider the Private Exchange model	Assume one size fits all
Offer multiple plan designs	Over insure some and underinsure others
Design a customized wellness program and please bring cake to celebrate birthdays	Treat every meal offered in the office as a celebration
Negotiate fees / commissions with your broker	Be in the dark about broker compensation
Negotiate with insurance company partners through marketing	Settle for the first renewal numbers offered
Ask for a stewardship report from your broker	Think your broker is working hard for you
Consider a fully insured v. self-funding feasibility study	Stay fully insured when self-funding may be your best option
Become educated on Healthcare Reform and the impacts on your business	Let a penalty sneak up on you
Plan and schedule a pre-renewal meeting	Wait for your broker to deliver the annual renewal “surprise!” (with donuts)
Plan and schedule a post open enrollment meeting	Miss an opportunity to better the process next year
Build a recruitment tool and begin exposure to your benefits message before hiring	Hand new hires a package of information without a consistent message
Model various contribution strategies	Don’t guess at your employer/employee contribution amounts, build a strategy behind them
File Form 5500 on time	Be a part of the delinquent filer voluntary compliance program
Budget for renewals for the next 3-5 years	Hope for a “low” renewal offer
Complete an actuarial study and use the results to arm yourself for future decisions – contributions, budgets, predictive modeling	Don’t settle for a renewal that is based on your carrier’s best estimate.

