

# Power of choice

How a voluntary employee benefit plan could help your company contain costs **Interviewed by Matt McClellan**

**V**oluntary benefit plans help employers round out their employee benefit offerings amid cutbacks in company-paid core health care, allowing employers to provide employees with additional benefits without bearing the weight of increasing cost pressures. These optional benefits can serve as value-added tools to help attract and retain top talent. Employees often pay 100 percent of the premium on these voluntary benefits through payroll deduction or directly to the insurance company by check or credit card.

"A lot of these benefits can be offered to family and friends as well," says David Jeranko, a partner with Millennium Corporate Solutions. "It's up to the employee; it's their money. It's not costing the employer anything."

*Smart Business* spoke with Jeranko about how these programs can benefit businesses.

## How can companies determine if adding a voluntary benefit program is the right choice for them?

They have to look at the true cost of running a company. Adding a voluntary benefit program can help offset those costs for them.

More and more companies are looking to ways to cut costs in the health insurance portion of their overhead. It is an extremely costly expense. Often, what these companies are doing is passing those costs on to their employees.

As an example, our voluntary benefit program will help reduce that cost to employees because of its unique premium rebate system. So if employers decide to lower their cost of mandatory benefits by passing some of that cost on to their employees, the employees can then offset those costs by participating in our auto and home insurance programs, which are included in our voluntary benefit program.

## What should companies look for in a voluntary benefit program?

Most agencies offer the standard voluntary benefits, like long-term care, cancer care, dental, vision and those types of policies. But what is unique about our voluntary benefit program is we also offer personal auto, renters', homeowners' and motorcycle insurance. Then, we shop



**David Jeranko**  
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with more than 20 different companies to find the best coverage and rates for the client. Clients save nearly \$500 per household, on average, for those policies.

After that, our unique premium rebate system takes over. Five percent of the premium is refunded back to the employee. The same program is offered to the employee's family and friends.

## What is the benefit of having several policies within the same voluntary benefit package?

The benefit is working with an agency that has a relationship with more than 20 different companies. The agency can shop your coverage all at one time, so you don't have to call 20 different companies and get 20 different quotes. And after we find the best rate and coverage for you, we rebate you 5 percent of the annual premium — for new business and renewals.

A company (employee) can use that money to offset the cost of buying their other voluntary benefits or the extra cost of buying mandatory, group health benefits. Often, employees are forced to pay these costs out of their own pocket, especially for coverage for family members. For voluntary or even mandatory benefits, the employee often pays a percentage; the employer doesn't pay 100 percent of the cost. That's money out of

your pocket. You can use the rebate money to offset that.

## How can an interested employer convince its employees that a voluntary benefit program is a good idea?

We set up a website for each specific employer explaining the program. It can be a link we add to their Web page, or it can be a Web page all by itself. It informs them about all the benefits that are offered, with both written information and short videos to educate them. Employees can visit the site at their leisure to learn about how the program works and benefits them. We call it the Advantage Plus Online (APO) program.

Employees using the site can enter their specific information for their automobile or homeowners' policy. That will send the information to our personalized department, which will shop it with more than 20 different companies and come up with the best option for that client.

As an added bonus, we also offer the employees the opportunity to shop with more than 300 top name retailers, like Wal-Mart, Best Buy, iTunes, The Home Depot, using special coupons they wouldn't otherwise get from these companies, as well as discount savings.

## How can APO integrate into a company's existing plan?

This is something they have never had before, so it would be in addition to what they are already offering. It can be incorporated with the other programs they already offer.

Alternatively, the APO program can be incorporated separately if the employer decides to stay with its current programs. Or, if the employer allows Millennium to handle its entire suite of programs, we can incorporate everything into one easy-to-use website.

They can see long-term care, cancer care, dental, vision and extra health insurance, all on one link as a full employee benefit package.

It is much easier for an employee to go to one site and see his or her entire employee benefit package, and be able to take advantage of all the additional benefits, as well. <<

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