



Voluntary Benefits Could Be The Key To Your Success

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April 2010 Issue

According to the *2008 Workplace Forecast* by the Society for Human Resource Management, nearly 60 percent of employees identified benefits as "very important" in a list of the most important factors in employee satisfaction.

Employers understand this need to offer comprehensive benefit packages, but in today's economy they must look at making adjustments in order to maintain economic stability. They are pulled in many directions knowing that they are in a constantly changing environment, yet wanting to continue to provide generous benefits to their employees.

Brokers have an important role in providing employers with creative alternatives and solutions in this ever-changing financial environment.

Providing voluntary benefits is one solution that can relieve the cost pressures employers face without sacrificing the benefits their employees require. Voluntary benefits open a new arena for brokers with the opportunity to begin offering a large array of products which could be the key to their success.

Voluntary benefits also have a proven positive effect on worker productivity and ultimately on a company's success. According to a survey released by the International Foundation of Employee Benefit Plans in October 2009, more than three-quarters of employers surveyed feel that offering voluntary benefits is a win-win option for their employees and their companies.

With minimal costs, easy administration, and packages that keep workers happy, it is no surprise then that as of September 2009, voluntary benefits were growing faster than health offerings—7 percent ahead of the previous year's pace (*LIMRA's U.S. Worksite Sales Survey*, third quarter 2009). Eight of 13 voluntary product lines increased sales through September 2009—the fourth consecutive year that voluntary sales have exceeded their prior year levels through September (LIMRA). This may also be attributed to more employees taking responsibility for their health and their family's well-being, increasing their participation in more voluntary benefit plans including dental, vision, life and disability.

Dental insurance was among the voluntary products that posted the largest gains in 2009 (*LIMRA's U.S. Worksite Sales Survey*, third quarter 2009). The word is out and employees are listening—regular dental visits can detect many diseases early on including oral cancer and heart disease. LIMRA reports that dental insurance is increasing faster than other health lines, making it another product to consider in 2010.

The demand for vision insurance is also growing. Today, more than 120 million people in America have vision problems (Vision Council of America). By adding vision insurance, employers gain \$7 in increased productivity for every \$1 spent by those employees who purchase the value (Vision Council of America). Adding vision insurance to employee benefit packages helps companies increase attendance and also serves as an ideal product for agents to use in solidifying their relationships with clients, especially due to the ease of explaining the need and value of this insurance.

Moreover, vision benefits are increasingly becoming one of the most requested benefit products by employees. They play a significant role in an employee's overall health. A routine eye exam performed by an optometrist can identify signs of glaucoma, diabetes, high blood pressure and even brain tumors. Early detection of diseases, in the end, saves on overall medical care and expenses.

Without a vision plan, the out-of-pocket expenses for eye exams can often leave a strain on an individual's or family's finances. Luckily, cost-effective vision plans are available and generally cover everyone in an immediate family. When employers and/or employees take the time to analyze the costs and benefits of such plans, the potential to save two dollars for every dollar spent on premium becomes clear.

Employees are more concerned than ever about protecting their family's financial stability. Brokers can assist employers with easing this burden by offering voluntary life, short term disability, and long term disability coverage. These benefits are a cost effective way for employees to obtain financial protection when the unthinkable occurs. In many cases, these benefits can be provided on a guaranteed issue basis with no health questions and a simple enrollment process.

Voluntary short term and long term disability insurance can help provide for employees should they suffer an injury or illness that leaves them unable to work. **The importance of disability insurance coverage is as vital to employers as it is to employees.** Unscheduled absences from employees who suffer a disability or extended illness result in lost productivity and increased costs to an employer. Having disability plans available to employees offer relief and peace of mind to both employers and employees.

Although it may seem counterintuitive, voluntary life insurance sales actually went up in 2009 (*LIMRA's U.S. Worksite Sales Survey*, third quarter 2009). Especially in this tough economy, people want to make sure their families are taken care of should something happen to them. In 2009, life insurance products accounted for just over \$180 million of voluntary sales between July and September, and sales approached \$700 million for the year (LIMRA).

As a way to try and prevent illness and injury in the future, many employees are focused on maintaining health now. Taking advantage of employer sponsored wellness programs is one way to work toward that goal. **Wellness programs help employees lead healthier lives, as well as limit the amount of time they are out of the office treating colds and illnesses.** In addition, some of the ancillary benefits provided by these programs can actually detect the early signs of deadly diseases such as cancer, diabetes, glaucoma and heart disease.

Life, disability, vision and dental in-surance were among the most popular products sold in 2009. Many in the industry believe they will continue to be top sellers in 2010. Brokers should capitalize on their popularity and emphasize them as part of their sales strategies in the year ahead.

There is a new economic reality today that employers are facing, and with the help of knowledgeable and versatile brokers they can continue to meet the benefit needs of their employees.

Author's Bio

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