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DENTAL • VISION • LIFE • DISABILITY

Simple Steps to a Cost-Effective Employee Benefits Program

A guide to investing your benefits budget wisely
in an uncertain economy



Balancing Priorities

For many employers, the central theme of the past few years has been balancing priorities. The increased emphasis on recruitment and retention that began in the wake of the COVID-19 pandemic is here to stay. And as businesses feel the increasing need to support their employees, employer-sponsored benefits continue to be a non-negotiable piece of the employee value proposition.^{1,2}

At the same time, many factors, including inflation, economic instability and increased healthcare utilization as a result of the pandemic are driving up healthcare costs and forcing many businesses to reevaluate their budgets.¹

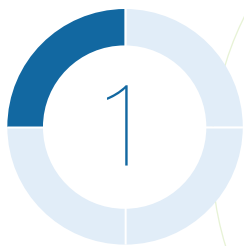
This challenging world requires a new approach. Employers must balance the need to offer competitive benefits with what they can afford, investing their benefits budgets carefully.

So how can you control costs while providing an attractive benefits program that keeps your employees happy, healthy and more financially secure?



Compensation and benefits remain top priorities for job seekers — second to work-life balance.³



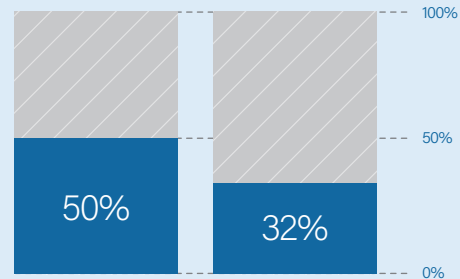


Give Employees What They Want

Are your benefit offerings aligned with what your employees value most? Research shows that employer priorities may not always align with what employees really want from their benefits. For example, a recent survey found that 95 percent of employers plan to focus their investment on physical well-being initiatives, but many employees say they need programs that support their financial well-being, too.⁶

Today's employees increasingly value benefit offerings that provide income protection. Another survey reported that interest in disability insurance almost doubled (from 18% to 34%) and interest in life insurance tripled (30% combined for group and whole life, up from 10%); while pet insurance and legal protection saw declines as compared to the 2022 survey.⁷

Financial well-being matters to employees.



More than 1/2 of employees feel that they live paycheck to paycheck.⁶

About 1/3 of employees are unsure of how well they are managing their money.⁶



PRO TIP: Align your benefits priorities with those of your workforce to help ensure every dollar is money well spent. Focus your efforts on providing fundamental voluntary benefits like disability and life insurance, which help provide your employees with valuable income protection and financial security.



Do More (For Less) With Voluntary Benefits

As healthcare costs per employee continue to rise, employers must find innovative ways to balance cost and coverage. Offering voluntary benefits like dental, vision, life and disability insurance can help you design a more attractive benefits package while maintaining your budget.

For employees, voluntary benefits can provide income protection in an uncertain economy and help fill in gaps that are not covered by their core health insurance plan. Voluntary benefits are also typically more affordable for employees than similar coverage purchased on an individual basis since employers get the advantage of a group rate.⁸



Voluntary benefits are typically partially or 100 percent employee-paid, so they can make a positive impact at little to no cost to your organization.



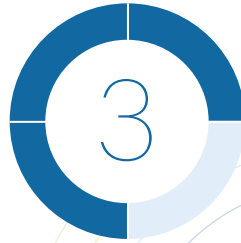
Certain voluntary benefits can be paid using pre-tax income, which may lower your taxable payroll.⁸



In a tight labor market, enhancing your benefits package with voluntary benefits can help you attract and retain top talent. It can also help small businesses compete with larger companies that have bigger budgets for salaries.⁹



PRO TIP: Add voluntary benefits to your overall benefits package to help keep employees happy and attract new talent without adding to your bottom line.



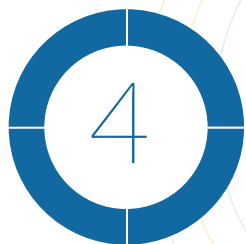
Manage Long-Term Health Risks

One in three employees report not being in good health or being in fair health, and one in five has a chronic health condition.¹⁰ Employers may be able to decrease future healthcare costs by providing employees and their families with the support to stay well.

- **Employees with high well-being are 41 percent less likely to miss work due to poor health.¹¹**
- **Preventive eye and dental exams can help detect early signs of certain chronic conditions like heart disease and diabetes, which may drive high-cost medical claims.^{12, 13}**



PRO TIP: Adopt a culture of preventive healthcare and health education by offering benefits that support all four facets of employee well-being: physical, emotional, financial and social. Consider adding voluntary benefits like dental and vision coverage to encourage preventive health exams.



Prioritize Communication

If your employees don't use their benefits, all the effort and budget you have invested in your benefits program will be for naught. That is why a strong communications strategy is critical.



Communicate value, not just options

Help employees understand what is in it for them, i.e., how can the benefits help them and their family? Why are these benefits important to the employees and the company?



Streamline information

To keep messaging consistent and organized, consider creating an internal hub (such as an online portal or landing page) where employees can easily access benefits information. Ensure all communication links back to the hub for additional content.



Empower leaders to reinforce value

Make sure your managers and leadership teams feel confident talking about your company's benefits and can offer support to employees during coaching conversations.



Make benefits an ongoing conversation

Benefits discussions should happen year-round, not just at open enrollment. Find creative ways to keep the benefits conversation going, such as sending out a quarterly email that highlights certain benefits with engaging ideas and stories.



PRO TIP: Implement a multichannel communication strategy that explains how voluntary benefits can meet employee needs during every life stage.

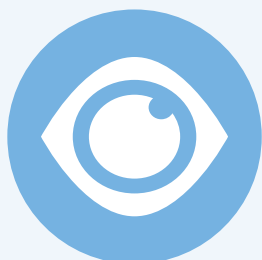
Types Of Voluntary Benefits

Voluntary benefits can help employees pay for out-of-pocket expenses that their medical and other insurance does not cover, such as dental and vision care or lost wages due to an unexpected life event.

● ● ● ● ESSENTIAL VOLUNTARY BENEFITS ● ● ● ●



Dental insurance provides benefits for routine dental exams and other dental procedures that are not covered by most health insurance plans.



Vision insurance typically helps pay for eye exams, glasses and contact lenses. Regular eye exams help maintain healthy vision and are the first line of defense in detecting more serious conditions, such as glaucoma, high blood pressure and diabetes.¹⁴



Life insurance provides income and financial support for an employee's family members in the event of the employee's death. This important coverage can help make difficult times easier to manage.



Short-term and long-term disability insurance replace a percentage of an employee's income if they are unable to work due to a non-occupational illness, accidental injury or prolonged disability.

Value-Added Benefits and Services

Some carriers also offer a variety of complimentary services and resources that employees can use as additional benefits. These value-added services are another way to enhance your benefits package and support your employees' needs. Below are examples of these types of extra offerings.



Employee Assistance Program (EAP)

An EAP offers behavioral health support for employees struggling with a variety of work and life concerns, including mental health, financial and career issues. Look for a benefits partner that provides in-person and virtual counseling, as well as 24/7 access to services.

Identity Theft Resolution

With increasing cyber security risks and the significant stress that may be associated with having one's identity stolen, employees may benefit from a resource that will help them restore their identities if they find themselves to be victims of identity theft.

Travel Assistance

Travel Assistance Services provide employees with access to emergency transportation, travel support, personal and security assistance and concierge services while traveling.

Beneficiary Companion Assistance

At a time of loss, many survivors may not want to make phone calls and handle paperwork. Beneficiary Companion Assistance helps take care of the administrative details involved in closing a loved one's affairs and allows beneficiaries to focus on healing.

How to Evaluate Your Voluntary Benefits Program

1. Determine employee needs

Understanding workforce demographics such as age, gender, location and salary can help you identify the benefits that best match the needs of your population.

2. Identify the gaps

Benchmark your program against industry peers to ensure best-in-class offerings. Consider additional employee savings opportunities that you may be missing.

3. Prioritize integration

Ensure your core benefits and voluntary benefits work together to provide the most value for your employees.

4. Rethink communication

Take a critical look at your benefits communication strategy. Ensure benefits information is available across a variety of touchpoints and communicate often — not just at open enrollment.

5. Find the right partner

Finding a voluntary benefits partner that offers personalized service and simplifies the administration process is key. To help boost employee understanding and utilization, consider a partner that offers one-to-one benefits counseling.

Frequently Asked Questions



1

How are voluntary benefits different from other forms of insurance?

Designed to supplement health insurance and retirement savings plans, voluntary benefits are additional insurance products that employees can choose to participate in. These benefits are labeled “voluntary” because they are chosen (and often paid for) by the employee.

2

Are voluntary benefits expensive to offer?

Voluntary benefits can be partially or fully funded by employees. This allows employers to offer attractive benefit options while controlling costs.

3

Are voluntary benefits affordable for my employees?

With voluntary benefits, employees can choose the right mix of coverage for their income and lifestyle needs. Plus, they will be able to take advantage of a group/employer rate, which is typically more affordable than what they would find on the individual market.⁸

4

Can my organization offer voluntary benefits if we do not offer health insurance?

Yes, but make sure your employees understand that voluntary benefits are designed to supplement (not replace) major medical coverage.

5

Is there a minimum number of employees that must participate?

Typically, voluntary benefits programs require at least two eligible employees, and the minimum can increase based on your benefits partner and the specific benefit.

Conclusion

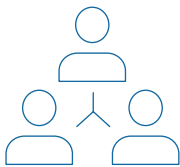


During times of economic uncertainty, you may be tempted to scale back employee benefits. But many employers are actually doing the opposite: according to a recent study, 60 percent of employers are considering adding a new insurance benefit over the next two years (about twice as much interest as there was five years ago).¹⁴ The top benefits that they are planning to add include disability insurance (both short-term and long-term), vision care benefits, dental insurance and life insurance.

It is clear that a strong employee benefits program continues to be critical for attracting talent and maintaining an engaged workforce. The good news is that, with the right strategy and smart planning, you can offer a robust benefits package that can help set you apart from your competition – all while maintaining your budget.

About Renaissance

Renaissance provides innovative dental, vision, life and disability insurance plans alongside exceptional customer service to groups nationwide. Renaissance offers customizable benefits options that can be optimized to meet the unique needs of groups of all sizes. At Renaissance, the goal is to provide customers with flexible plans that meet their needs, develop and maintain lasting relationships, and ensure customers receive strong value.



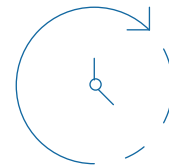
Strong Networks

400,000+ participating dental provider access points nationwide¹⁵; 120,000+ vision access points through VSP¹⁶



Outstanding Service

Our U.S.-based team anticipates needs and helps facilitate timely enrollments



Phenomenal Claims Processing

99% of dental claims processed within 10 days¹⁵



A *Stand-out* Benefits Program Is Within Your Reach

See how voluntary benefits can help you get the most value from your benefits program. Visit **RenaissanceWorksForYou.com**.



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¹⁵ Renaissance Internal Data

¹⁶ VSP Internal Data

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