



## Focus on Hearing Benefits

Hearing loss is fairly pervasive in the United States. How many of your employees are among those with an auditory impairment? Many people who are hard of hearing know it but cannot afford to take remedial action. Many others deny their hearing impairment or don't yet recognize it.

Consider offering your employees assistance to uncover their true hearing abilities and to mitigate any problems.

- Set up free hearing screening exams either onsite or at a local retail establishment.
- Perform a safety engineering review of your current workplace noise levels and deter-

mine what can be done to improve them.

- Review your job descriptions with an eye toward positions where a hearing impairment may be problematic. Be sure to also note

positions where such an impairment either will make little difference or can easily be overcome with certain accommodations.

- Review with your benefits provider how your current benefits package addresses hearing impairment needs. There may be modifications available if you desire broader coverages.



The bottom line is clear: You'll not only help your employees live better lives, but you'll enhance productivity on the job as well.

## Bundling Benefits for Smaller Employers

There's good news if you are a smaller employer who still dreams of offering large employer benefits to your employees! Many voluntary benefit providers are now bundling group life, disability, critical-illness, accident and other supplemental policies as well as sweetening coverage to help smaller businesses control costs while still being able to offer a broad range of benefits to compete for talent.

Although the advantages and benefits offered by various providers vary, common threads include online benefits delivery

and billing, flexibility in determining employer/employee share of benefit costs, and multi-year rate guarantees on life and disability coverages. Financial planning and complimentary will-preparation services are also proving to be popular.

The number of employees qualifying as "small" can vary widely, with some plans capping rolls at 100 and others going as high as 500. If you are a smaller employer interested in what "bundling" benefit plans may offer you, check with your provider for rates, eligibility and other details applicable to your area.

## Obesity Is Still Driving Costs



The severe impact of obesity in our society on numerous health issues has been extensively noted, discussed and lamented. Now we can add increased workers compensation expenses to the list.

According to a recently released study from the National Council on Compensation Insurance (NCCI), injuries to obese employees are not only more expensive to treat, but are also far more likely to result in permanent disabilities. Over a 10-year period, the study tracked and compared the treatments and outcome of 7,000 claims involving a secondary diagnosis of obesity with 20,000 characteristically identical claims scenarios involving employees with no obesity diagnosis.

While the data reveal that individual cases can vary widely, the overall results and trend appear to be clear: Obesity, especially in employees diagnosed as “morbidly obese” by attending physicians, is a workplace injury risk factor that employers can no longer dismiss when considering benefit and wellness strategies.

Your company can take measures to lighten the burden, though. Weight-loss programs offered as a voluntary benefit can reduce numerous loss costs in the workplace, including workers compensation risks and claims. Consider offering one this year.

## Separation Benefits Build Your Brand

Separation benefits provided to departing employees—whether leaving by choice or because of management decisions—yield positive results far beyond just those receiving them. They impact the morale of remaining employees and play a role in your company’s reputation in the marketplace, according to a new study, “Global Trends in Separation Practices.”

Key findings include:

- Companies think of separation practices as part of an overall strategy to preserve and strengthen the relationship between the organization and its disparate constituents.
- Most organizations provide severance to at least some of their employees, with

almost half offering severance to all of their employees, including part-timers.

- Most organizations with 100 or more employees provide outplacement to some terminated employees.

“Separation policies are now viewed as integral to business strategy, helping to safeguard the company brand and reinforce relationships with employees, consumers and stockholders,” the publisher of the study says.

Ex-employees can become excellent references and potential clients, or they can become embittered brand-killers. A good termination benefits package can help both the employee and the company.

## Web Use Up for Benefits Info

With annual updates, plan revisions, implementing the Patient Protection and Affordable Care Act and all that falls in between, benefits communication between employers and employees is a critical function.

According to a recent survey by Towers Watson, those critical communications are steadily moving from paper to digital.

The survey found that 84% of employers used e-mails to communicate benefit plan choices in 2010, up from 76% in 2009. Thirty-three percent used podcasts, Web-based videos or online chats to communicate enrollment information in 2010, up from 27% in 2009. Although the use of social media is small—just 4% in 2010—it doubled in a year from just 2% of employers using Web communication,

such as blogs; a “wiki,” or user-created website; text messages; and RSS feeds. Just 9% of employers used paper-based enrollment last year, down from 14% in 2009.

“With health benefit costs continuing to increase and benefit plans and choices becoming more complex, communicating with employees has never been more important,” says Towers Watson. “Employers are taking advantage of both the technology and decision-support tools available to them to make the open enrollment process as efficient as possible. At the same time, they are arming their employees with information needed to make educated decisions about their benefits for the coming year.”

To see the full results, The Towers Watson survey, “Annual Benefit Enrollment 2011,” is available at [www.towerswatson.com/research/3721](http://www.towerswatson.com/research/3721).



## Dependent Care Benefits

According to recent studies, more than 25% of American families are now involved in elder/parent care at some level.

While dependent care affects home life and personal stress levels, it can also affect work performance. Estimates of such impact include:

- \$34 billion a year is lost in employee productivity because of elder care responsibilities, more than what's lost in childcare absences.
- The cost to industry to replace experienced workers who leave their jobs to take care of a sick loved one is more than \$7 billion a year.
- Of full-time employees who are



caregivers, 52% are men and 48% are women. This is a dramatic shift in the caregiver picture because of the high rate of divorce and of family being

geographically scattered.

- 77% of caregivers report they work less effectively.

- More employees develop health problems from the stress of elder care than from childcare.

Have you taken the considerable burden of dependent care into account in your workplace procedures and benefit plans? Tailor your ideas to your unique workforce and abilities.

Be creative. Talk to your people about what will mean the most to them and see if your firm can tweak its benefits model to help.

## Executive Benefit Plans

Most companies that provide retirement planning do so with a 401(k) plan, with or without matching or profit-sharing benefits.

While these plans are great for the majority of employees, there may be unwelcome limitations for highly compensated individuals. For starters, in a 401(k), statutory contribution limits may hinder highly compensated people from socking away enough money to reach their retirement goals. Additionally, standardized qualified plans may be too inflexible. Since ERISA indicates that these plans must cover all eligible employees, business owners cannot use these plans as special perks for highly valued execs. Last, qualified plans may simply not allow executives to save enough of their pre-tax income.

If any of these are of concern to you

as an employer, consider executive benefit plans. These non-qualified plans help close the “retirement gap” by allowing executives to put away the amount they will need for a retirement compatible with their current lifestyle. Business owners can also pick and choose who participates in the plan; better yet, they can customize a specific plan for each executive. Non-qualified plans also provide tax advantages, both for employees and businesses. Often, plans can be designed with minimal or no impact to the company balance sheet—and over time can actually improve it.

According to Forbes magazine, there are three general types:

- **SERP** A Selective Executive Retirement Plan targets key personnel and allows the company to mete out a percentage of an employee’s

pay at the time of retirement over a number of years, like an annuity or pension. SERPs are partially funded by the company, like a 401(k)-matching benefit or a defined-benefit plan. The downside: Unlike 401(k) plans, SERPs are not portable.

- **Deferred Compensation Plan** These plans allow key employees to defer income and, therefore, current taxes. Unlike SERPs, these plans are not company-funded; execs sock away their own pre-tax dollars.

- **A-la-Carte Plans** Non-qualified plans can also include benefits like life insurance, disability insurance and long-term care insurance, according to the needs of the executive and the business. This allows for total customization.

To begin looking at your executive benefits options, call today.

Thank you for  
your referral.

If you're pleased with us,  
spread the word! We'll be  
happy to give the same great  
service to all of your friends  
and business associates

## Get Up and Move

Adult Americans spend most of their waking hours at work. For far too many, those hours are spent sitting at a desk. This makes them vulnerable to health risks associated with inactive lifestyles. For years, studies have suggested that, by starting a worksite physical activity program and promoting a culture of activity, employers can increase productivity, reduce absenteeism, lower turnover, and reduce healthcare costs.

Besides benefiting companies, a workplace that encourages movement helps employees live healthier, longer lives.

Yet while many employers recognize this value, they aren't sure where to start. The American Heart Association would love to help. Stepping in with a program appropriately titled "Start," the association provides lists of activities, suggestions for implementation and even a recognition program in which participating employers can aspire for Platinum or Gold certification and awards for innovation.

All of the information, as well as the application process, is available at [www.startwalkingnow.org/Fit-FriendlyCompaniesProgram.jsp](http://www.startwalkingnow.org/Fit-FriendlyCompaniesProgram.jsp). Check it out today!