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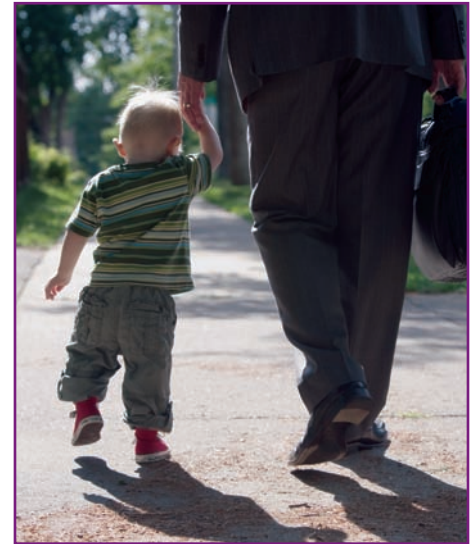
Term Life Benefit Is Most Popular

The most popular product offered by employers as a voluntary benefit continues to be term life insurance, according to the International Foundation of Employee Benefits Plans. The organization reports that 73% of employers offering voluntary benefits offer term life insurance.

Access to term life insurance through an employer could result in higher coverage limits for less money, as well as less restrictive underwriting.

Term life offers coverage that is particularly appealing to those who want to protect family members from the loss of a breadwinner's income due to premature death. In some cases, insureds can designate a trust as the beneficiary for the care of minor children. In other cases, proceeds of the policy can be used to pay mortgages or other bills left unfunded by the early death of the primary income earner in a household.

Are you offering term life insurance as a voluntary benefit to your employees? If not, consider starting today.



Voluntary Benefits for Your Workers

Many employers that wish to offer lower-cost benefits to employees but are unable to afford traditional benefit plans look to the voluntary benefits marketplace. These are plans that cover short- and long-term disability, long-term care, dental, vision and other needed services at lower rates than employees could find if they bought those services on the individual market. Some of the health plan offerings, such as health reimbursement and health savings accounts affiliated with high-deductible medical plans, are very attractive to employees who are and expect to remain healthy overall.

There are even benefits that apply outside the health field, such as discount plans for major consumer purchases, transportation, legal aid and wellness activities. Group rates for life insurance are also available. Based on your employee demographics, one or more of these programs could be attractive.

Give us a call for help in designing a benefits package that appeals to your current and prospective employees.

Health Costs Remain On Rise



The annual health plan premium for the average family was \$13,770 in 2010, according to the Kaiser Family Foundation and the Health Research and Educational Trust. The average cost of single coverage was \$5,049.

According to Hewitt Associates, employers can expect to pay 8.8% more for employee healthcare costs in 2011. That's resulting in an increase in the percentage of employers—30% up from 27%—shifting health costs to employees, says Kaiser.

Projected costs per employee will average \$9,821 in 2011, and Hewitt says another 12% of those costs will likely be shifted to employees this year. That will put the average employee contribution to healthcare costs at 22.5%.

If your company is looking for ways to offer employee healthcare without breaking the bank, give us a call. There are many alternatives to traditional plans. We'd like to show you your options.

Who Is On Your Health Plan?

Employers seeking to rein in healthcare outlays on behalf of employees should consider auditing their plan rolls.

In its National Survey of Employer-Sponsored Health Plans, Mercer reports that employers pay an average of \$2,100 annually to cover a single dependent of an employee plan participant. The report also estimates that 3%-8% of those dependents could not produce valid verification of eligibility during a plan audit. This means employers could be shelling out thousands of dollars annually to cover people who are not currently eligible for coverage.

“We believe that, even without dependent eligibility expansion, dependent audits just make good business sense,” said Rich VanThournout, Health and Benefits Business leader for Mercer's U.S. outsourcing business, in a company news release. “Not only do they almost always lower total plan costs, they also give plan sponsors some much needed clarity as to the demographics of their participant community, which empowers both sound cost forecasts and strategic plan design.”

For more information on steps you can take to audit your current plan, call our service team today.

Wellness Programs Are Up

The number of employers offering access to a wellness program continues to increase.

According to a national insurer, 57% of employees who participate in wellness programs say they are very effective at improving personal productivity, and 71% say they greatly value the offering. While many employers offer incentives to employees to join the programs, 70% of employees say it is the desire for good health that motivates them to participate.

Following are a few suggestions for cost-conscious employers that would like to offer a program:

- **Discounts on health club/gym memberships**

Many health clubs offer discounts to employers who purchase for a group.

- **Weight loss centers and programs**

Like health clubs, many of these programs offer discounts to employers who purchase for a group.

- **Smoking cessation programs**

Assistance is often available at low or no cost through community health centers and hospitals.

- **Nutrition counseling**

Local nutrition experts, some private, some based in hospitals, often offer periodic educational sessions and newsletters for groups.



Long-Term Care Alternative

Among the changes that came with the 2010 federal healthcare law is the CLASS (Community Living Assistance Services and Support) Act, which is a voluntary, federally administered insurance plan paid for by the consumer. It is intended to give participants help in paying for home-based or facility-based assistance if they become disabled or handicapped.

The details of the provision are not due from the Department of Health and Human Services until late 2012, so you have some time to consider offering it to your employees through work. The plan will be available to active workers age 18 and older who are not living in a nursing home or other institution. Part-time employees are eligible.



of the applicant's need for help and a payment schedule, still to be developed by HHS. There is no lifetime limit on benefits, and there will be an inflation component built in. However, participants must pay premiums for five years after enrolling and be actively at work for three of those years before they are eligible to receive benefits. Premiums are still not set, but they likely will be lower for younger enrollees and those below the poverty line.

If an employer chooses to participate, it will enroll employees automatically, with premiums paid through a payroll deduction. Employers will have the option to finance all or some of the premiums.

As it stands now, the plan will pay no less than \$50 per day. The actual payout will be based on an assessment

This CLASS Act plan is somewhat of an alternative to long-term care insurance, which is something your company might want to consider offering as well. Contact us for more information on your options and a comparison of premiums and benefits.



Obesity Costs More

Medical spending costs \$1,400 more annually for obese employees than those of average weight. Additionally, obese workers cost employers millions in lost productivity each year.

Studies show that two-thirds of Americans are either overweight or obese and nearly 18% of adolescents are obese. This condition subjects these future members of the workforce to the early development of diabetes, heart disease and other ailments.

There's no question that obesity contributes to a less productive workforce and increases medical costs. What can you as an employer do to curb the effects of this condition on your staff and your expenditures?

The first step is education for both your benefits staff and your other employees. Resources are available from most community health centers and hospitals. The second step is motivating your workforce to improve weight and overall health. The third step is using a combination of rewards for participation and success and—sometimes, as allowable by law—penalties for refusal to address health-risk behaviors.

There are many providers of wellness programs and an abundance of online tools. Our team can help you find voluntary plans that you can provide through work to address weight and fitness. We can also assist you in learning about your options when it comes to rewards and penalties. Call us for more information.

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

Integration of Benefits

Your firm may save money by paying for "bundled" services from a single provider, such as Internet and phone. Why should employee benefits offerings be any different?

A growing number of benefits providers are offering product integration to employers looking to simplify voluntary benefits purchasing across a diverse demographic of employees.

The Integrated Benefits Institute says employers that integrate their benefits offerings typically experience a cost savings between 5% and 25%. This method of selling voluntary benefits can help simplify enrollment and premium payments and allows employees the option to communicate with a single provider for all of their benefits products.