



THE SOURCE

An e-Newsletter for SummaCare Employers

Pick the Ancillary Benefits that Work Best for Your Business

If you're offering employees a full package of benefits – including dental, vision and term life insurance – you'll want to look closely at all the options within each benefit category because your choices will impact your costs.

Take dental benefits as an example. Working through Guardian Dental Insurance, SummaCare offers at least six options on how to structure a plan. Employers can choose a plan that features annual maximum benefits of \$1,000 per year to \$2,000 per year, with premiums increasing as the benefits are expanded to higher benefit limits. Lower cost plans focus on preventative care, while the most comprehensive plans include orthodontics and restorative treatments.

With dental coverage, as with vision plans, it's necessary for employers to contribute at least 50 percent of the premium cost. Alternately, for higher premiums, the benefits can become voluntary versus employer-sponsored.

Here are some other things to keep in mind when considering ancillary benefits:

Vision coverage: Here's a benefit employers can offer at very little cost. Vision benefits start around \$4 per month per employee for coverage of a single person. Costs can go up to \$31 per month per employee for family coverage. Vision plans generally include limited benefits for hardware such as frames, lenses and contacts, plus discounts off lasik correction. Coverage for medically related eye care tends to be included in health insurance.

SummaCare partners with EyeMed Vision Care to offer vision plans, typically serving employers with 10 to 50 employees.

All SummaCare members - even those without vision coverage – get the advantage of discounts off eyeglasses and contact lenses at vision centers affiliated with EyeMed and this benefit comes at no extra cost to employers. Participating eye centers include, but are not limited to, Pearle Vision, Sears and Lenscrafters where SummaCare members can save up to 40 percent off of frames and lenses. Remember to make sure employees know about these discounts so they are not losing out on significant savings!

Term life insurance: Studies show that term life insurance is the most common supplemental benefit that employers offer to employees. SummaCare partners with Lincoln Financial Group to offer two options for term life insurance. Options include a policy that pays out \$15,000 at death for a cost of \$7.05 per month per employee or a policy with a payout of \$25,000 at death for a cost of \$10 per month per employee. These prices are for employers with two to 50 employees.

Flexible spending accounts: SummaCare offers two options – one for medical spending and the other for child care reimbursement. Flexible spending accounts allow employees to set aside pre-

tax money for health and childcare. Your SummaCare account manager can give you details on setting up these accounts.

According to Kevin Cavalier, SummaCare's vice president of sales, the supplemental benefit options best suited to your company depend in part on your industry.

“Employers need to decide how robust their benefit packages need to be to attract the best employees,” Cavalier said. “If you’re competing for highly skilled employees who are in short supply, you may need a deluxe plan.”

During the economic downturn, some employers have offered ancillary benefits at higher deductibles or at full cost to employees. “When the economy is tough and cutbacks are necessary, the trend is that employees pay more,” Cavalier said.

If you’d like to review your plan options in more detail, call your SummaCare account manager to set up an appointment.