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Vision Care: A Clear Choice



According to the most recent U.S. Department of Labor National Compensation Survey, just 26 percent of workers in private industry had access to employer-provided vision care benefits. In comparison, 70 percent had access to healthcare benefits, 68 percent had access to outpatient prescription drug benefits and 45 percent had access to dental benefits.

Companies that don't offer vision benefits may want to rethink their strategy. Vision disorders carry a hefty price tag for employers. They can result in a marked decrease in productivity, costing businesses an estimated \$8 billion annually, according to a report by the Vision Council of America (VCA).

"Uncorrected vision problems are costing employers billions of dollars," said Ed Greene, CEO of VCA. "Direct medical costs associated with vision dis-

orders exceed similar medical expenditures for breast cancer, lung cancer and HIV, yet few Americans get regular eye exams or have vision coverage in their health plans," said Greene.

The employees most at risk for developing vision problems that affect their work performance include engineers, construction workers, stockbrokers, software developers, accountants and administrative assistants. The VCA report found that an estimated 11 million Americans have uncorrected vision prob-

lems, ranging from refractive errors (near- or far-sightedness) to sight-threatening diseases such as glaucoma or age-related macular degeneration. Nearly 90 percent of those who use a computer at least three hours a day suffer vision problems associated with computer-related eye strain.

Another study cited in the *Journal of the American Optometric Association* found that in the presence of very little visual degradation, such as glare on a monitor, employees show an ef-

This Just In

Critical illness can occur at any age—in fact, nearly half of all new critical illness insurance claims in 2011 started before the policyholder turned age 55. Using data from 10 leading critical illness insurers, the American Association for Critical Illness Insurance (AACII) and General Re Life Corporation also found that 13 percent of male policyholders and 12 percent of female policyholders who received benefits were younger than 45.

These figures mark a significant increase in claims by younger policyholders compared to the prior year's analysis. Some 8 percent of new claims by men and 10 percent by women occurred between the ages of 35 and 44 in 2011, versus four percent in 2010. The greatest decline in claims occurred after age 55.

Jesse Slome, executive director of AACII, attributed this to an increase in younger buyers of critical illness coverage. "With higher health insurance deductibles and more restrictive plans, critical illness insurance is starting to gain traction among buyers in their 30s and 40s."

Cancer led the causes of new claims in both 2011 and 2010, accounting for 61 percent of new claims. Heart attacks accounted for 11 percent and stroke for 18 percent of new claims.



How Voluntary Benefits Can Help Employees Stress Less

“Money, work and the economy continue to be the most frequently cited causes of stress for Americans, as they have every year for the past 5 years.” So reported the American Psychological Association (APA) in a survey study titled *Stress in America: Our Health at Risk*.

Stagnating wages play a significant role in increasing employee stress levels; adjusted for inflation, the median hourly wage in 2011 is lower than it was a decade earlier, according to the Economic Policy Institute. Americans are also working more hours, on average. Families at the median income worked an average of 3,500 hours per year in 2009, versus 2,800 hours in 1975. Increased hours of work outside the home among women accounts for most of this 26 percent increase in hours worked.

As a benefits manager, then, you are probably dealing with a lot of employees who are juggling competing responsibilities of work, family, finances and health. Voluntary benefits can help employees reduce some of the stresses of their lives at no cost to the employer. Here's how:

1 Voluntary benefits save money. Insurers will often write the “traditional” voluntary benefit plans—life insurance, accident insurance, critical illness insurance, disability insurance and long-term care insurance—on a group basis for groups that meet participation requirements. Group coverage almost always costs less than individual coverage.

Even if your employees don't qualify for group coverage, insurers can discount insurance plans bought through an employer group because they achieve efficiencies through group sales and payroll deduction payment. Employees can take advantage of these discounts on the health coverages mentioned above. They can also enjoy discounts on other important coverages they might not even have considered buying through their employer, such as homeowners and auto insurance.

2 Voluntary benefits provide financial security. Voluntary benefits can fill the gaps in employer-paid coverage. Employees who need additional life insurance coverage, for example, can buy it inexpensively through a voluntary plan. Coverages such as critical illness insurance, accident insurance or accidental death and disability (AD&D) insurance can supplement benefits under the employer's medical and life plans. These supplemental coverages often cost only pennies per day. Yet the benefits under these plans could mean the difference between financial stress and being able to maintain the family's standard of living if a covered individual needs to file a claim.

3 Voluntary benefits save time. When you work with a broker who's knowledgeable about voluntary benefits and the wide range of products available, your broker can shop to find quality programs through reputable providers, tailored to your group's needs. This saves your employees time and worry. And with convenient payroll deduction payment, your employees don't have to worry about their coverage lapsing because they forget to pay a bill.

4 Voluntary benefits can improve health. The APA survey found that most Americans realize the negative health effects of stress, but “...they do not necessarily take action to prevent stress or manage it well.” Employers can offer wellness and employee assistance programs (EAPs) on a voluntary basis, to help employees better manage their own physical and mental health. For more information on EAPs, please see the article on P. 4. ■





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efficiency decline of four percent to 19 percent in accomplishing standard tasks. Translating that percentage into dollars, just a four percent productivity increase for an employee earning \$30,000 per year would be worth \$1,200. And here may be the most telling statistic of the VCA report: employers gain as much as \$7 for every \$1 spent on vision coverage.

Types of Vision Benefits

Employers can offer vision benefits through vision insurance or a discount vision plan. Typically, vision insurance provides enrollees with eye care services in exchange for an annual premium, a yearly deductible

for each enrolled member, and a copayment each time a member accesses a service. A discount vision plan provides eye care at discounted rates after the employer pays an annual premium or membership fee. The participant pays the total bill, less the applicable discount, at the time of service. Both kinds of vision plans can be custom-designed to meet the different requirements of a wide range of customers, including small and medium-sized businesses, nonprofits, associations, school districts and unions.

Vision insurance generally covers the following basic services:

- * Annual eye examinations, including dilation
- * Eyeglass frames
- * Eyeglass lenses
- * Contact lenses
- * LASIK and PRK vision correction at discounted rates.

Group vision insurance costs vary, but typically premiums range between \$5 and \$15 per employee per month, depending on benefits selected. With a voluntary vision plan, participating employees can take advantage of group discounts and convenient payroll deduction payments. For more information, please contact us. ■

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referrals for long-term or specialized care based on assessed client need, recommended treatment, client preferences, financial and other resources.

- * Substance abuse counseling and referrals. Given its disproportionately significant impact on the workplace, EAP providers should have specific knowledge, training and experience in the assessment and treatment of chemical dependency and other addictions. A good EAP counselor should be able to identify the type of problem and make appropriate referrals, utilizing benefits covered by your employee's group medical insurance where possible.

EAP Implementation

Your employees might hesitate to sign up for an EAP, fearing for their confidentiality. However, an offsite EAP can actually protect employee confidentiality. When employees' personal problems affect job performance, the employer can refer them to the EAP. The EAP can then confidentially assess the problem and provide the appropriate counseling or referrals, eliminating the employer's involvement completely.

When considering offering an EAP to your employees, you will want ask these questions:

- * How will EAP client records remain completely confidential and protected as required by law?
- * Will providers be EA professionals, or are they behavioral health counselors with no EAP credentials?
- * Does the EAP guarantee availability of non-urgent and urgent appointments in a timely and responsive fashion?
- * How will the EAP provider track utilization of EAP services? Do the utilization figures separate employees from dependents? Do the utilization figures separate phone calls? Does the EAP track the number of employees or dependents assisted, or just the frequency of assistance?
- * Will the EAP provide annual utilization, satisfaction and client-specific return on investment (ROI) reports?
- * Does the EAP use a data collection process to collect valid and measurable client and organization satisfaction ratings?

Like other benefit plans, EAPs can vary greatly from one program to the next. Start by determining the level of service you want and can afford, then look at the options available that satisfy those levels. ■

Benefits of an EAP

- * **Increased productivity and employee satisfaction:** By assisting employees with concerns such as child or elder care, family issues and emotional problems, an EAP can help employees and their families lead healthier lives at work and at home.
- * **Decreased absenteeism and sick leave:** After implementing an EAP, organizations often report significant declines in employee absenteeism and workers' comp claims.
- * **Reduced healthcare costs:** At least 25 percent of health costs are related to emotional or mental health problems, such as stress, depression, anxiety and substance abuse. Addressing these problems effectively can control your group medical costs. ■



Why an EAP?



An employee assistance plan (EAP) can help employees deal with the personal problems that can adversely affect their work performance, health and well-being. Many group health plans include EAP services or offer an EAP as an option. If yours doesn't, you might be able to offer an EAP on a voluntary basis.

Employee assistance programs can offer a wide range of mental health-related services, as well as services that can help employees maintain a better work/life balance. Some health plans offer EAPs as an option; if yours does not, a standalone EAP program might be available in your area. EAPs can be offered on an employer-paid or voluntary basis.

Benefits managers often characterize their EAP as a “gateway” to services, rather than the traditional “gatekeeper” that limits access to services. An EAP may include a full suite of services or just a few. A full-service EAP might include many or all of these services:

- ✱ 24-hour crisis telephone response. Professional EAP counselors provide live, immediate telephone crisis counseling 24

hours/day, seven days a week.

- ✱ Confidential assessment and counseling services. Licensed, professional counselors — experienced in providing EAP services — deliver assessment and brief, solution-focused counseling in safe, private, confidential offices.
- ✱ Referral support, tracking and follow-up. An EAP can assist your employees with

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Education Benefits Help Employees with Special Needs Children

About 1 in 6 children in the U.S. had a developmental disability in 2006-2008, reported the U.S. Centers for Disease Control. These ranged from mild disabilities such as speech and language impairments to serious developmental disabilities, such as intellectual disabilities, cerebral palsy and autism.

This makes it likely that one or more of your employees is caring for a special needs child. How does this affect productivity, and what can you do about it?

More than half (53 percent) of individuals caring for a child with special needs said they were currently working, in a 2009 survey for the National Alliance for Caregiving and AARP. However, ensuring a child with developmental disabilities gets necessary care can become a second job for parents. Parents of these children report spending an average of 11 hours per week coordinating care. Some 40 percent of caregivers report that they find coordination of this care at least somewhat difficult, and many end up leaving the workforce.

Your employee assistance program (EAP) may be able to help parents of special needs children with referrals to care

providers. However, ensuring that these children receive the education services they need can present yet another challenge. Providers have just begun offering voluntary education consultation benefits, so they are not available in all areas. However, a special needs education consultant might provide some of these services:

- ✱ Consultation and assessment of need
- ✱ Crisis counseling
- ✱ Referrals to local education resources
- ✱ Review of IEPs (individual education plans) and other documents
- ✱ Monitoring the child's educational progress
- ✱ Helping parents ease their children through transitions, such as high school to college.

If a standalone education consulting service is not available in your area, an EAP might be able to provide some of the services your employees with special needs children require. For more information, please contact us. ■