

The Advisor

OPEN ENROLLMENT 2025

For talent attraction and retention, consider ancillary benefits

Ancillary benefits – or additional benefits that supplement a group health care plan – are an affordable way to bolster your benefits offerings and support your organization's talent attraction and retention efforts.

These benefits can cover everything from identity theft protection to long-term care costs to mental health support. And unlike traditional health plans, employers have more flexibility in determining the amount they want to contribute toward the benefit and how much they'd like to pass on to employees.

Some of the most popular ancillary benefits include:

Dental insurance

Dental insurance is one of the most common ancillary benefits employers offer. With many plans, preventive care – such as cleanings and x-rays – is offered at no cost to employees, and a portion of the cost of basic and major care services also is covered.

Vision insurance

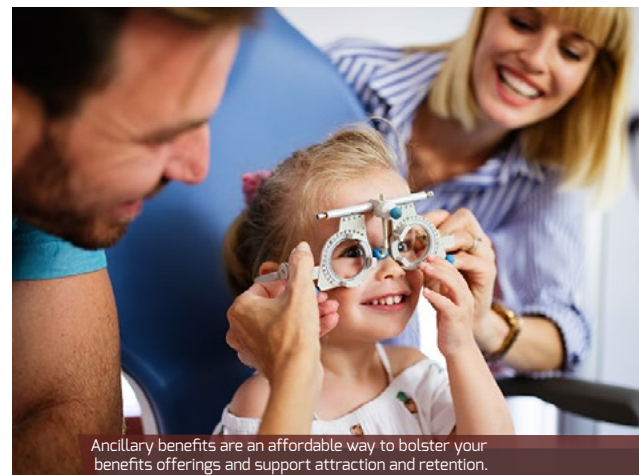
Like dental insurance, vision insurance helps cover the cost of routine exams. For employees who wear glasses or contacts, vision insurance often covers a portion of these costs and can provide access to special discounts to reduce out-of-pocket spend.

Accident insurance

Accident insurance provides financial protection for employees if they suffer a debilitating injury. They receive a lump-sum payment that can be used to cover a wide variety of costs, such as transportation, groceries, home health care or child care.

Disability insurance

Similar to accident insurance, disability insurance provides financial compensation if an employee has to miss an extended period of work because of illness or injury. After a waiting period, the employee is paid a portion of their income while they are recovering.



Ancillary benefits are an affordable way to bolster your benefits offerings and support attraction and retention.



Flexible Spending Account (FSA)

A flexible spending account allows employees to set aside pre-tax dollars to pay for eligible health care expenses or, sometimes, dependent care expenses, such as day care. Unlike a Health Savings Account, the funds in an FSA belong to the employer, and employees have limited ability to roll unused funds over to the following year.

Long-term care insurance

Long-term care insurance gives your employees additional funds for care expenses in retirement, such as the costs of hiring someone to assist with daily activities or paying for a nursing home. These plans often can be expensive if they're purchased independently, but with an employer-sponsored plan, employees can get discounted rates and increased access to coverage.

Life insurance

Companies can purchase a group life insurance policy to help their employees secure their own life insurance at a lower rate. These plans also include a tax-deferred savings component, and the money can be accessed at any time.

Key person insurance

Key person insurance is also a form of life insurance, but it's purchased by a company and covers losses associated with the death of a critical employee. The coverage is intended to either ensure business operations can continue or to pay for the cost of shutting down the business.

Executive benefits

Traditional ancillary benefits plans don't always provide adequate insurance for highly-compensated individuals, and executive benefits can help bridge that gap. Some of the most popular executive benefits strategies include deferred compensation, supplemental retirement plans, and additional life insurance or disability insurance coverages.

Identity theft protection

With identity theft protection, your employees are alerted if suspicious activity related to their personal data or accounts is detected. If a breach has occurred, this benefit also provides restoration services and, in some cases, funds to cover lost costs.

Legal benefits

Legal insurance gives your employees access to a network of attorneys who can draft documents, provide representation, and give advice at a reduced cost. Typically, their services cover a wide variety of legal needs, including marriage and divorce, family law, real estate and elder care.

Mental health benefits

There are several options for offering your employees mental health support, including selecting a medical benefits plan that includes some amount of coverage for these services. This coverage can be supplemented with access to telehealth therapy sessions or even subscriptions to mental health apps to provide increased access to care.

Employee Assistance Programs

Another way to offer mental health benefits is via an Employee Assistance Program. Typically, EAPs provide employees with free short-term therapy, referral services, and follow-up plans. In some cases, they even can provide critical incident response, business coaching, and financial counseling.

Wellness benefits

Wellness benefits are an additional way to support the overall wellbeing of your employees. They can include a wide range of options – from discounted gym memberships and fitness classes to nutrition coaching to personalized health and wellness recommendations.

If you're interested in designing an ancillary benefits package for your organization, the team at Schauer Group can help. **Please reach out to us [here](#), or contact your advisor to discuss further.**

About Schauer Group

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SOURCES

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