

FALL RIVER EMPLOYEE BENEFITS



Overcoming Employee Entitlement

Background

A Denver non-profit needed great benefits to retain employees, but couldn't afford the rising costs of their plan. The executive director was adamant about continuing to provide a very rich employee benefits program, but faced increasing financial suffocation to their bottom line in doing so.

At the heart of the problem lay this very rich medical plan, intended to reward and protect the non-profit's valuable employees. Instead, employees developed a sense of entitlement and loudly protested any out-of-pocket expenses on their non-profit salaries. Meanwhile, these same employees had no comprehension of their actual plan costs to the company or how their spending demands were locking the organization into an unsustainable renewal pattern. The employer feared that unless things changed their budget would soon be exceeded, yet a slash in benefits would only result in angering the very people they were trying to reward.

Realizing that something had to give, they turned to Fall River Employee Benefits for help.

Our Approach

During the intake process, Fall River discovered and immediately corrected a compliance misstep and avoided potential audit liability for the client. Next, we benchmarked the organization against similar employers and guided the executive team through a rework of their contribution structure competitive with the local marketplace. We also immediately engaged the executive team in a strategy discussion that would solve the company's cost-containment concerns while simultaneously driving a new culture of employee engagement and an actual increase in the total compensation package being offered.

End Result

We achieved 9.6% savings plus all of the following results:

- ✿ Employees' out-of-pocket expenses are now capped at a much lower level. Further, they are not only spending fewer dollars on their healthcare, but making more educated consumer choices while doing so.
- ✿ By engaging employees directly in education and advocating on the employer's behalf, the employees better appreciate what is provided for them and how their spending choices directly influence their employer's ability to continue this moving forward.
- ✿ Fall River negotiated better dental and vision coverage for the organization, increased their life insurance coverage and added long-term disability coverage to their group health insurance package.

Utilizing Fall River's partnership, this non-profit organization:

- ✓ Expanded their employee benefits program;
- ✓ Tackled their entitlement culture, developing consumer education along the way; and
- ✓ They secured a long-term strategy of budget savings.