

5 MISTAKES CANADIAN COMPANIES MAKE WHILE CHOOSING AN EMPLOYEE BENEFITS PLAN

Different types and sizes of businesses require different Benefit Plans to protect their owners, employees, company assets, productivity, and longevity. Choosing the right plan isn't an easy process, but there are some very simple dos and don'ts you can follow to ensure you'll get the very best value.

Here are five mistakes to avoid when you are investigating benefit plans:

1. NOT KNOWING HOW A PLAN SHOULD BE MANAGED

Don't be confused, this doesn't mean a lack of management within the company seeking insurance. We're actually referring to how the insurance company manages the plan. It's a set and forget policy, meaning once a business puts its plan in place, there's no actual plan management, guidance, or resources relevant to your unique needs. It's not the insurance company's job to oversee this program. Their job is to pay out when required. It is imperative that you **choose a Specialized Benefits Broker** who is committed to partnering with your business! You should be able to trust in your Benefits Partner to manage your new plan with longevity and sustainability in mind.

2. NOT CHOOSING A SPECIALIZED BENEFIT BROKER

Did you know 50% of all benefit plans sold to businesses in Canada every year are sold by individuals or companies that only sell one or fewer plans per year? This figure from the Canadian Group Insurance Brokers (CGIB) shows us that the insurance industry is full of generalists. Would you want to undergo a critical brain surgery performed by your General Practitioner OR would you choose the Neurosurgeon? **Your company deserves better!** You deserve to have a plan which is tailored and managed to your organization's unique needs.

3. NOT REALIZING THE CONSEQUENCES OF NON-MANDATORY EMPLOYEE PARTICIPATION

Businesses are vulnerable by not requiring all employees to sign up to a plan. It is absolutely necessary that a business understands the rules surrounding mandatory coverage. Remember, as soon as you hire one employee, you are exposed to potential employee liability. There have been several court cases where employees have been allowed to opt out of the benefit plan. When these employees incurred either a death, sickness or accident which would have been covered under the company benefits plan had they been enrolled, the employee was successfully able to sue the employer. **This can sink your organization!**

4. KNOWING NOT ALL PLANS ARE CREATED EQUALLY

The insurance industry is excellent at marketing what they believe businesses should have as part of their compensation plan. **Not all of their plans will suit your business.** Most employers feel that they are being restricted to the “square box model” as opposed to them being able to truly customize and tailor their plan to the needs of their individual organization. So, for example, not all benefit plans should require insurance such as the Life and Disability. This can generate significant premiums savings. You could also use those additional premium dollars to enhance other benefits such as your Health and Wellness initiatives or the add on of Personal Spending Accounts. **Know what you need and know what you don't!**

5. NOT CHOOSING A TRANSPARENT SERVICE

The insurance industry is inherently ambiguous. Year after year, the renewals come back with increases that do not necessarily reflect a plan's performance. There is no transparency of what these layers of costs are for the average business. [Our self-funded model at Health Risk](#) is designed to provide TOTAL transparency for the client. Transparency means knowing where your dollars are being spent, how they are being spent and how your unused dollars can be retained to grow over time. **Choose a Health Risk plan that is transparent - no hidden shocks!** Our model is unique, allowing you to build from the ground up and give your employees exactly what they need.

Health Risk Services is a Calgary-based, full-service Insurance Brokerage and a Third-Party Administrator. We create, implement, and manage innovative Insurance Plans and customized Employee Health Benefits Plans. We provide flexible, cost-effective alternatives to the basic one-size-fits-all industry products. And we do this one client at a time.

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