



4 PAIN POINTS

AND HOW TO SOLVE FOR THEM

Addressing a client pain point can be a sure-fire way to grab their attention, show your worth, and even win new clients. This guide will walk you through **4 KEY AREAS** to add to your needs assessment and show you how to solve for these pressing issues:

COMPENSATION BUDGET

Companies don't have the budget to offer compensation hikes, but HR knows how important increased compensation is to retaining talent in this tightening labor market.

WHY?

Salary increase budgets in 2018 for U.S. employers will be stagnant from last year, **averaging 3%**.¹

Yet, **70% of HR leaders** report feeling pressure to pay higher wages due to an increasingly competitive labor market.²

WHAT YOU CAN DO

Introduce a way for them to spend less and give more with a tax-efficient benefit.* Supplemental expense reimbursed insured plans are a more financially-efficient way to compensate given their tax-advantaged* nature for both the company and employee.

HOW IT WORKS

Rather than giving a 3% salary increase that gets eaten up by taxes, clients can put the same investment into an expense reimbursed insurance solution. For example, if the salary was \$75,000, a 3% increase costs the employer \$2,500+ and nets employee \$1,350. A similar investment into supplemental expense reimbursed insured plans could mean \$4,000 or more of tax-free reimbursements into their pockets.

\$75,000 salary: 3% increase = \$2,250

Costs Company More: \$2,500+

Employee Gets Less: \$1,350 ... could be up to \$4,000 of tax-free reimbursements

HOW CAN WE HELP?

ArmadaCare offers several **expense reimbursed insured plans** that can be put in place at any time of year. In addition to the tax efficiency,* these plans provide a better way to reward. Unlike a one-time bonus that's soon forgotten, these plans offer constant reminders given throughout the year, every time the employee gets reimbursed via direct deposit or uses the Prescription Visa® Card.

*This is not local, state or federal tax advice as each person and company is unique. It is recommended that you seek the independent counsel of a professional tax adviser. Compounded tax rate of 40% is for illustrative purposes only. Employer state and federal payroll taxes and other payroll costs are estimated and may vary depending upon the company and state. Actual premiums will be determined based on standard underwriting guidelines and characteristics of the group.



COMPENSATION
BUDGET

PLAN DESIGN CHANGES

Changes were made to the primary plan, which increased the deductible, changed the formulary or limited the network.

WHY?

The client requested for a plan change, not realizing the **exact coverage impact** it will have.

You recommended changes based on the **client's budget**.

The carrier made **unwelcomed changes**.

WHAT YOU CAN DO

Be sure to clearly communicate the impact of primary plan changes, especially for the key decision-maker by drilling down into the details of how they will personally be affected. You can then recommend a solution that neutralizes that impact from the start.

HOW IT WORKS

Supplemental expense reimbursed insured plans can act like a shock absorber. When primary plan changes are made, these plans can shore up coverage for key people and hard-to-recruit positions. They also offer long-term benefit design flexibility because they will continue to fill in growing gaps for those employee classes regardless of what changes are made to the primary plan.

HOW CAN WE HELP?

ArmadaCare's **supplemental expense reimbursed insured plans** can be put in place at the first of any month, and we can provide you with the information you need to introduce them while you are communicating about the primary plan changes. If that timing doesn't work, you can also leverage ArmadaCare's plans as a problem-solver a few months after the primary plan changes have kicked in and are being noticed.



RECRUITMENT & RETENTION

It's difficult to bring on or keep talent with unimpressive health benefits.

WHY?

The U.S. unemployment rate is at its lowest level in **17 years**.³

The cost for replacing an employee typically is **33% of their salary**, not factoring in all the indirect costs associated with losing them.⁴

76% of employees see health insurance as a primary factor in whether to continue to work for an employer.⁵

WHAT YOU CAN DO

Proactively ask your clients about retention and recruitment issues. Educate them on their options with supplemental expense reimbursed insured plans. By using these plans in a targeted way, they can avoid falling into the trap where saving on benefits increases turnover costs.

HOW IT WORKS

There is a direct correlation between health benefits and retention as employees at all levels base decisions as to staying or leaving on health plan quality. With supplemental expense reimbursed insured plans, clients can enhance benefits selectively for hard-to-retain-and-recruit positions only.

HOW CAN WE HELP?

ArmadaCare's suite of **supplemental expense reimbursed insured plans** can be carved out for specific employee classes with many coverage and pricing options. You can now address both the issues of health plan costs and talent management costs with the same solutions, allowing you to work with your clients to create the perfect benefits balance.



HEALTH & PRODUCTIVITY

HR uses wellness initiatives to help manage plan costs, but the same programs don't work the same for strategic leaders whose health and productivity have significant ripple effects for the company.

WHY?

Because of the nature of their work, including frequent travel, leaders are more vulnerable to **health problems**, including heart disease.^{6,7}

Traditional health plan resources are not designed to serve the **busy executive lifestyle**.

Health concerns can reduce productivity by as much as 70%.⁸

WHAT YOU CAN DO

Introduce a solution that protects from all angles with executive physicals, guidance to top-notch specialty care, and comprehensive travel and medical emergency services.

HOW IT WORKS

It's important to have programs that fit with the lifestyle of these key constituents:

- » **Executive physicals** make preventive care more manageable for executives. They are more likely to keep a day-long executive physical appointment compared to the multitude of doctor appointments it would take to cover the diagnostic testing performed with an executive physical.
- » **Specialist referrals** can drive better outcomes if the patient's condition is matched to the specialist who has the most experience and expertise treating that exact condition.
- » **Comprehensive domestic and international travel support** can limit a company's risk, eliminate language and cultural barriers, and speed up care by qualifying local providers and providing medical transport to a facility of choice.

HOW CAN WE HELP?

ArmadaCare's **Ultimate Health** is designed to be a leader lifestyle solution. In addition to providing robust coverage, it also includes several components to protect health and productivity, including coverage toward and coordination of executive physicals, a specialist matching referral program and the comprehensive Get Me Home emergency travel program.



HEALTH &
PRODUCTIVITY



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¹ [SHRM](#)

² [SHRM](#)

³ [CBS News](#)

⁴ [Work Institute](#)

⁵ [Accenture](#)

⁶ [Consumer HealthDay](#)

⁷ [Fast Company](#)

⁸ [The Standard](#)

The Emergency Travel, TopDoc Connect and Executive Physical coordination services are provided by ArmadaCare's designated providers and subject to specific terms, conditions, limitations and exclusions.

Insurance plans and coverage may vary by state. Detailed coverage and exclusions and limitations are listed in the Certificate of Insurance.

ArmadaCare's plans are available in select states; contact us to confirm availability.

In the state of New York (where New York is only policy situs option, this solution is available for groups that are defined as large group (101 or more employees) and who have a primary plan that is self-insured.