

Unleash Voluntary Benefits to Attract Millennials

A war for talent is being waged. Boomers are retiring and seeking new challenges and now is the time to woo the millennials. Just how do you attract the right millennials for your company? Like most organizations, you probably offer a total rewards package that includes competitive compensation and core benefits, like medical, dental, life, disability and a 401(k) plan.

What about those ancillary benefits you hear about in the marketplace? While a ping pong table in the break room may entice some, many millennials seek help for specific needs from their potential employer. Voluntary benefit products can be the missing puzzle piece in your total benefits package and can help younger candidates feel confident that your benefit plan is tailored to them.

Millennials want real choice, access and ease of use. In this Amazon Prime world we live in, it's important that enrolling in benefits and paying for them are as easy as possible. Exceptional communications, smart enrollment options and ease of payment are key to success.

Here are some voluntary benefit options to consider:

Accident & hospital indemnity insurance programs

While critical illness insurance may not appeal to a millennial, certain worksite benefits are a boon to millennials. These benefits help employees pay for unexpected out-of-pocket medical costs, as well as cover the financial gaps of traditional coverage like deductibles and coinsurance. Worksite benefits pay cash to the individual, allowing the participant the flexibility to use the funds however she or he sees fit — for rent, car payments, living expenses or out-of-pocket medical expenses. Accident Insurance generally pays a cash reimbursement based on an injury benefit schedule. So, if the employee has a bicycle or paddleboard accident and breaks a leg, cash payments will be made for the type of injury and treatment. A similar type of benefit is Hospital

Indemnity Insurance that pays a lump sum for an initial hospital admission and then a per diem benefit. The best part is the cost of these benefits is relatively inexpensive — like paying for a few cappuccinos a month.

Student loan refinancing programs

Millennials are feeling the brunt of their student loans. One in four millennials owe more than \$30,000 in college debt and think that it will take more than 20 years to pay them off, according to an ORC International Survey. Student loan stress is making millennials feel less financially secure than their older work colleagues. This can have an adverse effect on any type of savings plans an employer offers such as a 401(k). More employers are considering programs that can help employees manage their student loan debt. There are typically three ways to look at these programs:

- **Refinancing options:** There are many lenders that work specifically with student debt and will refinance and consolidate existing student loans and may offer a special incentive if this is done through their employer. Keep in mind, if an employee has a federally-backed student loan, refinancing may not be the best solution.
- **Debt management resources:** Many lenders that provide refinancing options have educational tools and resources to assist employees in managing their debt.
- **Employer contribution:** Of course, this would not necessarily be a voluntary benefit-only program, but employers are looking into helping their employees pay their loans back through employer-sponsored match programs.

Employee purchase programs

Millennials' student loans may prevent them from making certain necessary purchases. Employee Purchase Programs offered through employers can help workers pay for items they may need immediately, like a washer and dryer replacement over a period of time. Like other voluntary benefits, this one comes with the added convenience of payroll deduction and repayment, helping millennials feel more empowered to make these more expensive purchases and build their credit.

Auto & homeowners Insurance and legal insurance

Group auto and homeowners' insurance offered through an employer can provide discounts based on tenure and payroll deductions that are not available in the individual market. Group legal insurance may be attractive to millennials who need to create a will for the first time or buy a new house. Most services are covered and family members are also sometimes eligible to be part of the plan.

In a time when cost-saving initiatives may be pinching employer-sponsored health plans, voluntary benefits may help cover gaps left by high deductible plans and provide value to employees without adding cost to the bottom line. With diverse offers, easy enrollment, low premiums and payroll deductions, voluntary benefits are worth considering and should be an integral part of your attraction and retention program for millennials.

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