

Give some thought to these ideas:

Ways to cut Health Insurance Costs

- According to the U.S. Bureau of Labor Statistics, by the end of the 1st quarter, 2003, Health Insurance premiums accounted for more than 30% of an employee's total compensation package.
- According to a 2002 survey of Employer Health Benefits conducted by the Kaiser Family Foundation, premiums for Employer Sponsored Health Insurance increased 12.7% between the 2nd quarter of 2001 and the same time period of 2002, the largest one year increase since 1990 and the 2nd consecutive double digit increase.
- Factors such as diminishing Managed Care control, Health Care inflation and an aging population give little hope for much relief in the near future.

Here are some ideas on ways to control or to at least slow down the impact of health premium increases.

1. It may be time to increase the employee's contribution to their health insurance benefits. For a long time, employers tried hard to handle this cost themselves, but with the rising costs, employee's in all types of industry are having to share more of the load. Away to help minimize the effect of this on employee take home pay is to make sure that your company has a *Section 125 Plan*. This will allow employee paid benefits to be taken out of their check on a pre-tax basis.
2. Deductibles and co-payments as well as maximum out-of-pocket cost per year per person per employee must be increased. The days of Health Insurance paying for 100% of our health care are over.
3. Give your employee's the opportunity to choose from a company sponsored or base plan of insurance that will provide basic benefits and will allow employee's to purchase more benefits on a voluntary basis.
4. Take a hard look at prescription drug co-pays - it may be time to increase the co-payment for prescription drugs on your Group Health Insurance plan.
5. Make some of your previously employer-paid benefits a voluntary payroll deducted benefit. This way employees can pick and choose what they truly want and feel that they need. This will allow employees to buy in a group situation and pay for the benefits in a payroll deducted manner. Again, the Section 125 Plan that will allow premiums for these types of coverage to be paid for on a pre-tax basis, will help minimize the effect on take-home pay.

These are a few ways to attack the ***PREMIUM MONSTER***.

Please call Zinser Benefit Service, Inc. at 502-245-6674 to discuss these and other ideas to help ***tame this monster***.