

Three Reasons Your Small Business Should Offer Employee Health Benefits

Currently, 65% of employees are looking for a new job and competitive benefits is the top reason they are looking.¹ 56% of U.S. adults with health benefits from work said that their coverage is a key factor in deciding whether to stay at their current job.²

56%...said coverage is a key factor in deciding whether to stay

Many small businesses plan to offer these benefits in the future, but don't think they can afford them. However, savvy small business owners adopt health benefit programs early in the life of their business for several reasons:

- 1. Health benefits are **affordable**
- 2. Health benefits are **valuable**
- 3. Health benefits are **desirable**

Curious to learn more about dental plan options for your business? Our team is here to help! [Get Your Quote](#)

1. Dental Benefits Are Affordable

Dental plans cost significantly less, usually in the range of \$0.25 to \$0.35 per hour worked

As with everything else, health benefits have a wide range of costs depending upon what you plan to offer. Average annual investment in the U.S. for medical insurance in 2021 cost about \$3.75 per hour worked (full-time employee) for employee only coverage.³ Dental plans cost significantly less, usually in the range of \$0.25-\$0.35 per hour worked for the most common plans. Vision insurance costs even less. The cost of the premium need not, however, come 100% from business funds.

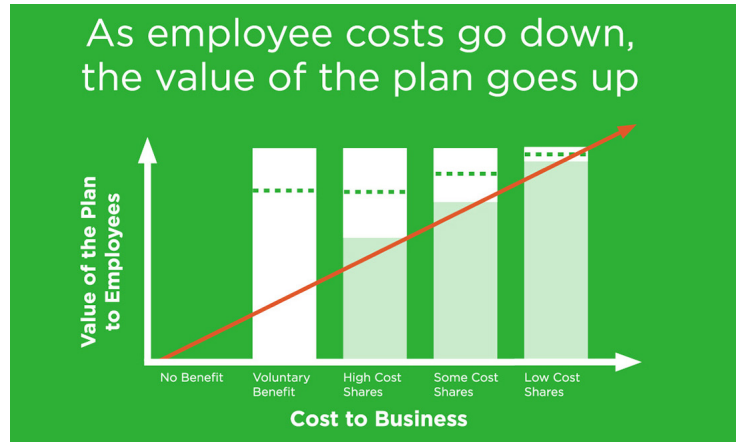
SHARING COSTS

Businesses can decide how much they want to pay into insurance benefits using two main tools – premium sharing and plan cost shares.

PREMIUM SHARING

Some businesses may choose to pay for most of an insurance plan's cost. But there are plans that can be offered where the employer pays minimal or even nothing at all. Often called Voluntary plans (employees volunteer to participate), employees can take advantage of being a part of the group and get plans cheaper than they would on their own, while the employer keeps their costs low. The employer can pay as little as \$0 toward coverage but can also chip in to make the plan more affordable for employees. For instance, if a plan costs \$50 per month for an employee, the employer could pay \$25, allowing employees to buy for only \$25 per month. Voluntary plans are rare in medical coverage but are often offered in dental and vision coverage.

Insurance companies usually charge less for plans when the business helps to pay (that gets more low-cost users to sign up). However, even with employer-paid plans, there is opportunity for premium sharing. Some employers pay 100%, but a typical plan would only require about 75% of the employee costs to be paid by the employer. Employers can also contribute to the costs of spouse or dependent coverage as well. Employers may adjust these contribution amounts year over year to optimize costs.



PLAN COST SHARES

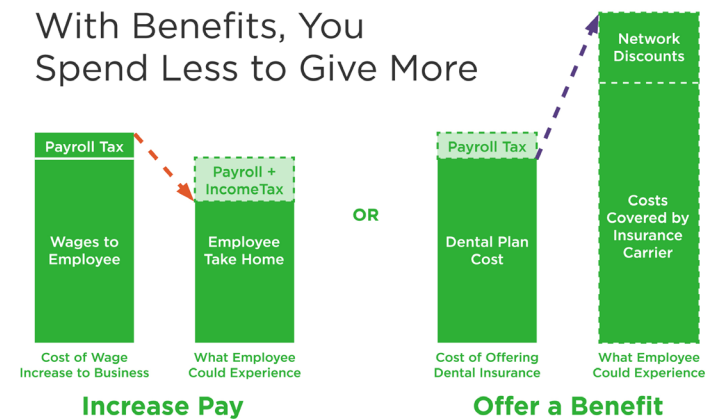
Another way to share costs with employees is by adjusting how the plan pays for benefits. Paying for a dental plan for employees that has a \$50 deductible (amount that you pay before insurance kicks in) would cost less than a plan with a \$25 deductible. If you decrease a deductible, you are shifting the cost of services from the user of the plan, saving that user money upfront and making them more likely to use their plan. In turn, the premium costs more because the insurance company pays sooner and there is a smaller barrier to receive care.

WHY YOU SHOULD CHOOSE DENTAL FIRST

As you share costs, adding a medical plan for \$3.00-\$4.00 per employee hour may be a difficult amount to justify. With affordable coverage available on government health plan exchanges and the ability of younger employees to stay on parents' coverage, this cost may not be as urgent, either. Dental insurance offers your employees access to necessary health services at a fraction of the cost and can be a great way to start a health benefits program. Oral health is an important window into the health of the entire body.⁴

With 5 options to choose from, we've got plans to fit your business' budget. Our team can help you choose the one that's right for you! **Get Your Quote**

2. Dental Benefits Are Valuable



STRETCH YOUR DOLLARS

Health benefits often pay more than they cost. They are most often pre-tax to you and your employees. They offer significant network discounts to treatments and could cover major health costs. A \$600 per year dental plan may give your employees \$1,500 toward services that they need anyway.

Controlling costs is not the only factor in building a business and health benefits help with a myriad of employee-related issues.

EMPLOYEE RETENTION

Comprehensive insurance can be a key piece of your compensation package. New or upgraded insurance can be reason enough to remain at a job. Consider these costs when losing employees:

1. **Hiring** - it takes time, money, and effort to find the right employee
2. **Training** - the average cost of training a new employee is more than \$1,200 and often takes owners and employees away from important parts of the business.⁵
3. **Lost knowledge** - You rely on your employees to help run your business. What knowledge do they take if they leave?
4. **Bad morale** - a good employee leaving can place new burdens on those that stay and give them one less reason to want to.

EMPLOYEE ENGAGEMENT

Employees without insurance are less likely to get preventive treatment or treatment for chronic conditions. Health issues can lead to absent or disengaged employees. Offering employees health insurance benefits shows that you care for their well-being. It contributes to a team atmosphere and can lead to time and energy investments from your employees back into your business.

With our comprehensive plan options, you can find a plan that keeps your employees smiling and your business thriving. Our team is here to help! **Get Your Quote**

3. Dental Benefits Are Desirable

46%...said health insurance was either the deciding factor or a positive influence in choosing their current job

You need to attract talent. 46% of employees said health insurance was either the deciding factor or a positive influence in choosing their current job.⁶ If you are competing for employees against businesses with more than 50 employees, the chances are very good that those companies are already offering a full health insurance program. If you are offering a similar hourly wage, you may need to add benefits to keep or compete for the best employees. However, if you are competing against smaller businesses, offering medical and/or dental insurance may give you the edge on your competitors. Only 49% of businesses with 3-9 workers offer these benefits.⁷

Trust employees to make decisions that most benefit their overall well-being.

PEACE OF MIND

Even setting aside all of the benefits of offering insurance above, insurance eliminates some of the stress of hard times. Insurance is about preparing for risks. A big, unexpected bill could send yours or an employee's financial life into chaos and compound a bad health situation. Health insurance offers peace of mind and a plan when things go wrong.

Good talent is hard to find. Stand out from the crowd with a dental plan that will have them smiling from ear-to-ear. **Get Your Quote**

Footnotes

- 1 PwC Pulse Survey: Next in work <https://www.pwc.com/us/en/library/pulse-survey/future-of-work.html>
- 2 SHRM, "Employees are More Likely to Stay if They Like Their Health Plan", Stephen Miller <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/health-benefits-foster-retention.aspx>
- 3 \$7,739 annually. 2021 Employer Health Benefits Survey, Kaiser Family Foundation, <https://www.kff.org/report-section/ehbs-2021-section-1-cost-of-health-insurance/>
- 4 Oral health: A window to your overall health, Mayo Clinic, <https://www.mayoclinic.org/healthy-lifestyle/adult-health/in-depth/dental/art-20047475#:~:text=Normally%20the%20body's%20natural%20defenses,tooth%20decay%20and%20gum%20disease>
- 5 Indeed, "The Cost of Training New Employees", <https://www.indeed.com/career-advice/career-development/cost-to-train-new-employee>
- 6 SHRM, "Employees are More Likely to Stay if They Like Their Health Plan", Stephen Miller <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/health-benefits-foster-retention.aspx>
- 7 2021 Employer Health Benefits Survey, Kaiser Family Foundation, <https://www.kff.org/report-section/ehbs-2021-section-1-cost-of-health-insurance/>