



Why Provide Supplementary Benefits?

Providing supplementary benefits rewards businesses that protect the well-being and financial security of their employees by providing incentives that go beyond traditional benefits like health insurance. These benefits reduce the cost of essential services to employees and their families and protect them in the event of an accident. While health benefits keep employees well and less likely to miss work, supplementary benefits can increase company loyalty and productivity.

Before adding supplementary benefits, consider speaking with employees to better understand what kind of supplemental benefits they would find attractive. This could be done via survey or conversationally.

Types of Insurance (besides health)

- Dental insurance
- Vision insurance
- Short-term disability
- Long-term disability
- Life insurance

Health and Wellness

- Structured account mechanism for qualified medical expenses
- Domestic partner, civil union, and spousal benefits
- Health and wellness programs
- Counseling services

Supporting Work-Life Balance

- Onsite childcare or offsite subsidized childcare (dependent care assistance)
- Support for breastfeeding mothers
- Flexible schedules and telecommuting
- Parental leave (maternity and paternity) and primary caregiver leave
- Paid days off packages
- Sabbaticals
- Unlimited vacation time
- Educational assistance

Perks

- Commuter and transit passes including free parking
- Reduced summer hours
- Games in the break room
- Free drinks, coffee, and snacks
- Team and family social events
- Negotiated discounts with companies or vendor discounts
- Frequent flyer miles
- Non-cash awards
- Cellphones and other technology

Some of these benefits also provide [tax incentives](#) for the company.

Every company needs to decide what supplementary benefits will work for their team, their business model, and their budget. Even low-cost or no-cost benefits can pay dividends.

Note: Offering voluntary and supplemental policies to employees, such as vision care, life insurance, and catastrophic illness care plans at discounted rates allows employees to gain a wide range of potential benefits without their employers incurring any additional expense. Typically, employees contribute to these supplemental plans through payroll deduction, with no added cost to the employer.

Steps to Improving a Supplementary Benefits Package

1. Start with a strong benefits package. It can be very difficult to compete for qualified job-seekers without a strong benefits package. Offering a choice of benefits can also be a critically important element. Job candidates are increasingly seen to favor cafeteria-style plans, where they can make their own choices about which benefits to select.
2. Add benefits and review annually. By adding new benefits when affordable a business can set itself apart from competitors who only offer locked-in benefits plans. It's also a good idea to conduct an annual review of industry compensation and benefits packages so they are compared to the current marketplace and can adapt accordingly.
3. Make sure everyone knows about the supplementary benefits. Taking the time and effort to beef up a benefits package is of little value if job seekers and current employees don't know about it. Don't just share information during open enrollment periods. Communicate the value and range of the offerings throughout the year both through online job postings and the areas where employees gather in the workplace.

Offering a comprehensive benefits package demonstrates an employer's commitment to the workforce. Job candidates may respond favorably to this element of the business's culture, while current employees may feel more appreciated and therefore more deeply engaged in the business.

Resources

- HRBenefitsAlert.com describes [50 Low-Cost Employee Benefits](#)
- Society for Human Resource Management talks about [Using Voluntary Benefits to Attract and Keep Part-Time Employees](#)
- Accounting Today describes [7 Tax Free Benefits for Employees](#)
- [10 Best Practices for Better Benefit Design](#) from Principal
- PMCO shares [10 Best Practices in Employee Benefit Management](#)
- For additional benefit ideas visit [this recent article](#) from HR Benefits Alert
- TheMuse describes [7 Low-Cost Benefits that Employees Love](#)

Associated Resource Guides

- Health Insurance Benefits
- Retirement Plans
- Employee Handbooks
- Corporate Charitable Giving

