

PLOT POINTS

By Gil Lowerre and
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Employers expanding voluntary offerings

“More brokers are suggesting non-traditional products, even where only a minority of employees in a case want to purchase them.”

THE GROWTH of voluntary products over the past few years has been consistent. Year over year, the growth rate is in the 3 percent to 5 percent range. This growth has been fueled by more benefit brokers offering voluntary and by employers adding more voluntary products to their benefits.

A recent study found that two-thirds or more of employers who offer voluntary products, regardless of size, offer three or more traditional voluntary products to their employees and, among these, about one quarter offer six or more. As the graph below shows, fewer than 20 percent of employers offering voluntary offer just one product.

But the trend towards offering more products is even more pronounced when we look at both traditional voluntary benefits as well as non-traditional products (pet insurance, ID theft, and legal). Now we see 30 percent of the employers who



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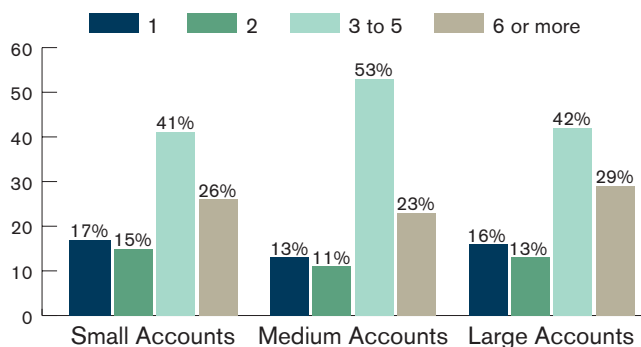
offer voluntary are offering six or more products.

Almost 1 in 10 employers offer one or more of these non-traditional plans, but when you look at the large employers (1,000 or more employees), that percentage almost doubles.

More and more brokers are suggesting non-traditional products, even where only a minority of employees in a case want to purchase them.

If you aren't offering your voluntary clients a full array of both traditional and non-traditional products, you are leaving yourself open to someone else coming in and suggesting them to your clients. With a significant percentage of employers (anywhere from 20 percent to 40 percent, depending on the size of the group) considering adding more voluntary benefits over the next one to two years, the opportunity for non-traditional product sales is there. Will you take it?

Number of Voluntary Products Offered Traditional Products



Number of Voluntary Products Offered including Non-Traditional Products

