

HRSB STATEMENT OF SERVICES

HRSB is a consulting and servicing firm dedicated to assisting Corporations and Governments in attracting, motivating, retaining, and retiring the employees who make their organization a success. Our responsibility is to provide the **best services for employers and employees** in order to maximize the potential available within their benefit programs.

We accomplish this by *formulating a strategy as part of an overall total compensation package that takes into account both employer and employee needs.*

OUR 5 MAJOR OBJECTIVES

- *Reduce overall health care cost trend.*
- *Align compensation and benefits strategy to Attract, Motivate and Retain talented employees.*
- *Assist in the compliance of current and future provisions of Health Reform Legislation.*
- *Improve the knowledge and education of your employee base as it relates to their total compensation and benefits package.*
- *Prepare employees for retirement, including the cost of post-retirement healthcare.*

HRSB's 3 POINT STRATEGY

I. EMPLOYEE BENEFIT COSTS

The introduction of health care reform has created significant challenges to employers and their employees. Our goal is to provide our clients with positive outcomes.

We accomplish these outcomes through the implementation of some or all of these options:

- A. Partial Self-funding-** The loss ratio provisions of PPACA make it more attractive than ever for employers to implement partial self-funding strategies. These programs allow employers to share in the good experience of their health care programs while benefiting from maximum caps should they see high claims utilization in a given year.
- B. Comprehensive Wellness Programs-** Through the implementation of wellness programs, employers are beginning to see significant trend reductions in the cost of their health care. Since 70% of chronic diseases are determined to be preventable, it is imperative that employers begin to offer programs that assist employees in improving their overall health.
- C. Financial incentives to encourage employee participation in wellness programs-** The most successful programs offer a carrot and stick approach to their ongoing wellness programs that ties financial rewards and penalties to employee participation.
- D. Consumer driven plan options that provide multiple plan designs to address the concerns of multi-generational employees.**
- E. Comprehensive communication-** We create programs that provide one-on-one meetings with employees to assist them in designing a benefits program that addresses their individual needs within the framework of your organization's overall benefits program.

II. RETIREMENT PLANNING

It is a fact that employees have continuously cited their ability to afford retirement as their top concern. Therefore, it is imperative that employers provide options for employees to address this concern. Most employees have not saved sufficient funds in their 401(k) plans to afford retirement. In fact, the average 401(k) account balance in the United States is little more than \$60,000. If employers are to meet their objectives of recruiting, motivating, and retaining talent, then they need to create both employer sponsored and voluntary savings programs that will assist employees in preparing for retirement while protecting against the unexpected.

Here are several ways we assist our clients:

- A. **Review of current 401(k) plan design and options-** We provide our clients with a comprehensive review of their current plan to ensure that it meets the “best in class” standards of 5 criteria: Plan design, Retirement readiness, Investment selection and monitoring, Managing plan administration and service and Erisa along with fiduciary responsibility.
- B. **Supplemental retirement options for employees-** We assist in designing and implementing additional funding options that employees can contribute to on an after-tax basis in order to save additional funds for retirement.
- C. **Guaranteed income retirement options-** As employees near retirement, they have become increasingly sensitive to market fluctuations due to its volatility over the past 10 years. Many employees are looking to their employers to offer them choices that allow them to create a guaranteed income stream in retirement. These choices can range from institutional immediate annuities (which guarantee an income stream for life) to hybrid annuity products (which guarantee a minimum threshold of income while preserving principal).
- D. **Retirement health care funding options-** The skyrocketing cost of health care has created significant concern among those employees nearing retirement. In fact, the inability to afford health care is the #1 reason cited by employees for not retiring and continuing to work. We have developed funding vehicles that allow employees to set aside money to pay for health care costs in retirement. In addition, these programs can help protect employees against the catastrophic cost of a serious illness or long-term care event.
- E. **Protection from an unforeseen disability or death-** The greatest threat to most employees’ retirement plans is the death or disability of the employee or his/her spouse. We have created programs that can be offered on an employer paid or employee paid basis that can help protect against these events.

III. BENEFITS ADMINISTRATION

With the passage of Health Reform Legislation, the already difficult job of administering employee benefit programs will increase in size and complexity. Many employers are looking for alternatives to assist them in managing their benefits programs. We can provide both comprehensive administrative services along with an ala carte approach. We focus on 5 key areas:

- A. Benefits Eligibility-** We provide eligibility administration including determining effective date, maintaining eligibility, administering benefit plans in specific geographic areas, and ensuring over-age and other dependents are notified as appropriate when coverage ends. We also adjust and reconcile monthly premium billings along with providing eligibility updates to insurance carriers on a monthly basis. This encompasses new hires, terminated employees, and those employees with a change of status.

- B. Consolidated billing statements-** We provide consolidated employer group billing statements/reports for each employer group, subgroup, division or location. We can either remit premium payment to carriers monthly on behalf of the employer after an ACH transfer of funds, or the employer can send payment directly to carriers. We will provide premium calculations for medical, dental, vision, life, LTD, STD, AD&D and other employee benefit programs offered by the employer.

- C. Administrative Support Services-** We provide full-service enrollment services to new hires including education on benefit plans offered by the employer and assistance in enrolling in the different plan options. Further, we provide annual re-enrollment for current employees, and we give answers and resolve Explanation of Benefit (EOB) questions employees may have about the specific insurance carriers on an ongoing basis. We handle and resolve billing or eligibility issues with the different carriers. Rest assured that with HRSB, your employees will have a dedicated service representative to assist them with any questions or problems they have regarding their benefit plans or elections.

- D. Administration of COBRA, HIPPA, FSA, HSA and Family Medical Leave-** We can provide the preceding services to employers looking to outsource some or all of their compliance responsibilities.

- E. Payroll Vendors and Integration-** We have multiple payroll relationships for those employers looking to change vendors. We also have the ability to integrate systems with most of the local and national payroll companies.

To recap, our Goal at **HRSB** is to assist employers with controlling health care and employee benefit costs while accomplishing their goal of recruiting, motivating, and retaining a talented workforce. For employees, we help prepare them for a successful retirement and assist them in protecting against life's unforeseen events.

These Goals are substantiated by the most recent Deloitte and CEBS survey of employers and employees, April 2011.

According to the survey, most employers have these top 5 concerns:

- Cost of providing healthcare benefits
- Willingness of employees to pay for an increasing portion of their benefit plan coverage
- Ability of benefits programs to attract, motivate, and retain talented employees
- Ability to adjust to and comply with current and future provisions of Health Reform Legislation
- Clear alignment of the benefits programs with the business strategy and brand

Further, most employees have these top 5 concerns:

- Ability to afford retirement, including healthcare costs
- Future employment security
- Ability to earn additional benefits
- Investment performance of their 401(k)
- Current cost of health care benefits

Interestingly, to overcome some of these challenges most employees stated they would be willing to participate in wellness and disease management programs to be healthier, and they would increase their contributions to private savings plans.

With these statistics in mind, we are confident we can solve these concerns for you and your employees.

Our Menu of Services

Employee Benefits- Health Insurance, Dental Insurance, Vision, Disability Insurance, Life Insurance, Cafeteria Plans, Voluntary Benefits, Comprehensive Wellness Programs.

Retirement Planning- Defined Benefit Plans, Defined Contribution Plans, Plan Installation, Employee Education, Plan Review and Benchmarking, Supplemental Retirement Plans, Retiree Medical Planning.

Benefits Administration- Benefits Eligibility, Consolidated Billing Statements, Administrative Support Services, Vendors and Payroll Integration, Compliance Services.

Business Planning- Executive Benefit Planning, Key Person Insurance, Buy-Sell Agreements, Estate Preservation Planning, Business Continuity, Disability Buy-Out, Overhead Expense Coverage.

HR Outsourcing- Payroll, HR Administration, Cobra/Hippa Compliance, Regulatory Compliance, Benefits Administration, PEO's.

Commercial Insurance- General Liability, Property, Commercial Fleet, Professional Liability, Errors and Omissions, Bonding, Excess Liability.

Workers Compensation- Safety & Loss control, Claims Management, Accident Investigation, Provider Assessment, Cost containment, Return to work programs, Rule VI & IX Compliance.