



BENEFITS BY DESIGN (BBD)

CASE STUDY

How CGIB CHIP Reduced Employee Turnover and **Appealed to a Multi-Generational Workforce**

Results:



Coverage for a Diverse Workforce

Provided a solution that offered employees flexibility and choice in how and what they choose to claim.



Stable and Predictable Costs

Delivered on client's need for benefits with predictable and stable costs in times of catastrophic events.



Claims Flexibility

Implemented a flexible solution to address the diverse needs of the workforce.



✓ Overview

Like many employers, attraction and retention of skilled employees is a top priority — one that is getting incredibly competitive in today's job market. This challenge was one that this organization was determined to meet head on by offering a competitive employee benefits plan.

The work expected of the employees included extensive work-related travel across Canada for about 2 to 4 weeks at a time with much of the work being completed over night. New hires were having difficulty adjusting to the travel and work hours that they would have to immediately become accustomed to.

Additionally, this workforce was very diverse, with employees at widely varying stages of life. The mix of employees at this organization consisted of younger and single new hires (most of whom weren't staying on long term), employees that were established that the organization wanted to keep, and longer term employees consisting of an older demographic with families that the employer wanted to reward.

✓ The Problem

Given the nature of the job responsibilities at this organization, the organization indicated that it takes anywhere from 9 to 12 months to determine if the employee is going to be a suitable fit for the job. In this time, the organization also gains a sense of how long the employee will stay on board.

The other issue highlighted was that, even though the risk of major injury was nominal, there was a very real risk that an employee could experience dismemberment of their hands in their daily work. Along with this, the risk of suffering from a musculoskeletal injury was a real concern with potential to cause an employee to be off for an extended period of time.

With this in mind, the proposed plan would need to help with the attraction and retention of new hires, offer a plan design that appeals to all generations of the workforce, as well as provide robust coverage in times of catastrophic events.

✓ The Solution

Based on the diverse needs of this organization, it was decided that **a traditional plan wasn't going to be the answer** and that a unique hybrid approach to the plan design would be desirable.

One of the first suggestions included delaying full participation in the program for new employees. The delay in participation would be reflective of the length of time the organization required to determine if the employee would be a fit or not (typically 9 to 12 months). Basic coverage through a Health Care Spending Account (HCSA) with a \$1,000 allotment would be provided after a 3 month probation period to help attract new hires. Twelve months later, if the employee was still with the organization, insured benefits would become available, as well as an increase to the annual HCSA allotment to a total of \$2,000.



In addition, the program would need to provide enough claims flexibility to address the needs of the younger employees, older employees, and special needs of the company owner; all while being able to keep costs affordable and cash flow requirements predictable.



Making it Happen

On the advice and recommendation from their employee benefits specialist and Canadian Group Insurance Brokers (CGIB) member, Michael Greenwood of Pelorus Benefits, this organization chose to align themselves with Benefits by Design (BBD) and the CGIB Catastrophic Hybrid Insurance Plan (CHIP).

Selecting BBD as their benefits provider allowed them to have access to standard benefits such as Life and Disability Insurance, as well as a unique and fully pooled-hybrid catastrophic health benefit through the CGIB CHIP plan. By making this decision, they were able to provide a solution that met all of their objectives; attraction and retention of new hires, cost stability in moments of high cost claims and catastrophic events, and flexibility in the benefits program that appeals to all generations of their workforce.

“BBD’s knowledgeable and responsive support team combined with reliable service and reasonable pricing initially drew our attention. The big differentiator for us and the reason we are continuing to build business with BBD has been the creative approach they have taken helping us tailor solutions to meet the special needs of new and established client relationships.”

Michael Greenwood

CPA, CFP, TEP

Pelorus Benefits – pelorusbenefits.ca

To learn more about Benefits by Design (BBD), visit: bbd.ca



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