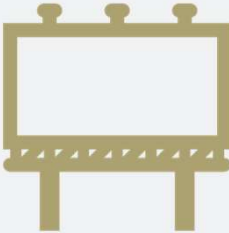


Building a Better Benefits Plan for Your Practice	 <p style="margin-top: 10px;">Adam Cmejla, CFP® Natalie Schmook, MBA, CFP®, CVA™, CEPA</p>
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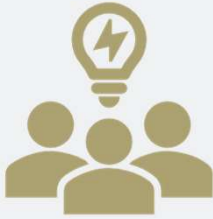
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	<p>THE PRESENTERS HAVE NOT BEEN PAID OR RECEIVED COMPENSATION BY PRODUCT OR SERVICE TO PROVIDE ANY INFORMATION CONTAINED HEREIN.</p>


2

Objectives	<ol style="list-style-type: none"> 1. Identify why offering benefits to staff can be an important recruiting and retention tool 2. Review healthcare options and alternatives 3. Navigate group life and disability policies 4. Look at less traditional staff perks and benefits 5. Explore typical practice retirement plans and more 6. Find appropriate ways to communicate total benefit plans to staff

3

	<p>WHAT ARE GROUP BENEFITS?</p>

4

	<p>Group Health Insurance</p>
	<p>Traditional Health Insurance Plans</p> <hr/> <p>Health Insurance Alternatives</p> <hr/> <p>Other Options</p> <hr/>
	<p><i>TO OFFER OR NOT TO OFFER...</i></p>

5

<p>Health Insurance Plans</p>	<p>Affordable Care Act Plans</p> <ul style="list-style-type: none"> o AKA "Obamacare Plans" o More expensive o Pre-existing conditions
	<p>Non-Affordable Care Act Plans</p> <ul style="list-style-type: none"> o Less expensive o Limited (and often expensive) coverage

6

Typical Health Insurance Options	1. HMOs (Health Maintenance Organization)	
	High Deductible Plans \$1,600 \$3,200 Healthy Participants HSAs are an option	Low Deductible Plans Expect to meet OOP FSAs are an option
	2. PPOs (Preferred Provider Organization)	
	High Deductible Plans \$1,600 \$3,200 Healthy Participants HSAs are an option	Low Deductible Plans Expect to meet OOP FSAs are an option

7

Healthcare Savings Accounts	<p>HSAs (health savings accounts)</p> <ul style="list-style-type: none"> o Pre-tax dollars o Tax free for healthcare o Can be used for anything at age 65+ o Can be invested for future use o Employers can match o \$4,150 indiv \$8,300 fam \$1,000 55+ "catch up"
	<p>FSAs (flexible spending accounts)</p> <ul style="list-style-type: none"> o Pre-tax dollars o Tax free for healthcare o Typically <u>use it or lose it</u> o Employers can match o \$3,200 indiv \$5,000 dependent care

8

	<p>LET'S TALK ABOUT COST SPLITS <i>(and dependents)</i></p>

9

<p>Cafeteria Plans <i>& Why They Matter</i></p>	
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10

<p>Pre-Tax Health Insurance</p>	<ul style="list-style-type: none">• Have to offer "Cafeteria" Plan• More than one offering (eg: health and dental)• Premium Only Option (POP Plan)• Should have annually prepared summary plan documents
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11

<p>Health Reimbursement Arrangements</p>	<p>QSHERAs (Qualified small employer health reimbursement arrangement)</p> <p>ICHRAs (Individual coverage health reimbursement arrangement)</p>
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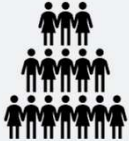
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	OTHER HEALTH INSURANCE IDEAS

13

Other Types of Medical Insurance	 Dental Insurance
	 Vision Insurance

14

	Other Group Plans <hr/> Life Insurance <hr/> Disability Insurance <hr/> Special Policies

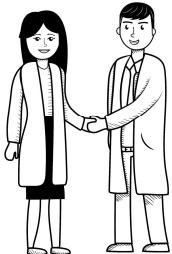
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Group Life Insurance	<ul style="list-style-type: none">o Nice benefit for staffo No underwriting involvedo Benefit based on incomeo Can't take it with you when you go
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16

Group Disability	<ul style="list-style-type: none">o Short Term Benefitso Long Term Disabilityo Based on income with capso NOT a substitute for personal disability especially for doctors
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17

	Disability Groups for Multi-Doctor Practices <ul style="list-style-type: none">o Customizable pooled underwriting risk for multi-doctor practiceso Almost always cheaper for all participants than they could get themselveso Real \$\$\$ for associate doctorso Be aware of tax ramifications
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18

<h2>Other Group Plan Types</h2>	<ul style="list-style-type: none"> ○ Cancer policies ○ Accidental Death & Dismemberment ○ Critical Illness Insurance ○ Final Expense Insurance ○ & More!
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19

<h2>Other Group Plan Types</h2>	<table border="1"> <tr> <td style="background-color: #e0e0e0; text-align: center; vertical-align: middle;"> Health Savings Accounts (HSAs) </td> <td> <input type="checkbox"/> Health Savings Account (HSA) <input type="checkbox"/> Health Savings Account (HSA) </td> <td> <input type="checkbox"/> Health Reimbursement Arrangement (HRA) <input type="checkbox"/> Health Reimbursement Arrangement (HRA) </td> </tr> <tr> <td style="background-color: #e0e0e0; text-align: center; vertical-align: middle;"> Family Accounts </td> <td> <input type="checkbox"/> Back up Care Reimbursement Account <input type="checkbox"/> Child Dependent Assistance Account <input type="checkbox"/> Family Assistance Account <input type="checkbox"/> Flexible Reimbursement Account </td> <td> <input type="checkbox"/> Health Reimbursement Account <input type="checkbox"/> Health Reimbursement Account </td> </tr> <tr> <td style="background-color: #e0e0e0; text-align: center; vertical-align: middle;"> Lifestyle Accounts </td> <td> <input type="checkbox"/> Gender Affirmation Reimbursement Account <input type="checkbox"/> Pet Care Reimbursement Account <input type="checkbox"/> Wellness Reimbursement Account <input type="checkbox"/> Medical Travel Account </td> <td> <input type="checkbox"/> Health Reimbursement Account <input type="checkbox"/> Health Reimbursement Account </td> </tr> <tr> <td style="background-color: #e0e0e0; 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<h2>Other Group Plan Types</h2>	<h3>Non-Traditional Benefit Programs</h3>
	<ul style="list-style-type: none"> _____ Student Loans _____ Time Off Options _____ Non-Cash Bonuses

21

Employer Student Loan Repayment	<ul style="list-style-type: none">o Tax-free to employees, deductible to employerso Have to offer to all staffo May not offer to owners or family memberso Caps at \$5,250 per person
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Time Off As A Benefit	Paid Time Off
	Vacation Days

23

Non-Cash Benefits	Practice Benefits- frames, IPL, free eyecare
	Continuing Education Travel
	Professional Development

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	Retirement Plans
	Retirement Landscape
	Traditional Plans Alternative Plans

25

Retirement Landscape	
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WHAT IS AN EMPLOYER SPONSORED PLAN?	SEP IRA SIMPLE IRA 401K PLANS DEFINED BENEFIT PLANS

27

<p>SEP (Self Employed) IRAs</p>	<ul style="list-style-type: none"> ○ Up to 25% of pay capped at \$69,000 all employer funded ○ All 21+ employees on payroll 3 of last 5 years with compensation of \$750 ○ If waived, waived for all staff ○ "Last Minute Plan"- deadline is at tax filing
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<p>SIMPLE (Savings Incentive Match for Employees) IRAs</p>	<ul style="list-style-type: none"> ○ \$16,000 \$19,500 catch up ○ 2% non-elective match or 3% elective match ○ Match can be made by the paycheck or at the end of the year ○ Up to 2-year eligibility period \$5,000 minimum compensation
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<p>Not-So SIMPLE Rules</p>	<ul style="list-style-type: none"> ○ Plans have to be started by October 1st ○ Plan termination has to be communicated by November 2nd ○ Contributions have to be made within 30 calendar days ○ Accounts must be open for two years ○ A 5304 or 5305 (or the information) should be communicated to staff annually
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401k Plans	<ul style="list-style-type: none">○ \$23,000 \$30,500 catch up○ Up to 1 year eligibility, flexibility on minimum age and compensation○ Safe harbor matches- 3% non-elective, 100% of the first 3% of each employee's contribution and 50% of the next 2%, or 4-6% match○ Bundled versus unbundled plans
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401k Bells & Whistles	<ul style="list-style-type: none">○ Roth and Pre-Tax Options○ Ability to borrow○ Profit Sharing<ul style="list-style-type: none">- <i>Pro-Rata Allocation</i>- <i>Permitted Disparity</i>- <i>New Comparability</i>
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32

Common 401K Pitfalls	<ul style="list-style-type: none">○ Archaic plan structures and pricing○ 5500 filing requirements○ Easy to make mistakes<ul style="list-style-type: none">- <i>Consider bundled services</i>- <i>Payroll integrations</i>
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33

SEP IRA	SIMPLE IRA	401K
↓	↓	↓
Start ups Small staff High turnover Family staff Last minute	"Starter Plan" Large staff High turnover	Established Practices Maximum Flexibility Profit Sharing

34

Less Common Retirement Plans	Defined Benefit Plans <i>Pension plans</i>
	Defined Contribution Plans

35

	Communicating Benefits
	<hr/> To Recruits <hr/> To Staff <hr/> & How Often <hr/>

36

Earnings Statement

Pay period: Dec 1, 2023 - Dec 15, 2023 Pay Day: Dec 28, 2023
 Total Cash Award: \$2,196.35 Savings Account (. . .) \$243.28

Employee Gross Earnings	Hours	Amount	Year To Date
Base Salary	40.00	\$3,200.00	\$32,000.00
Shift Differential		146.35	1,463.50
Payroll Taxes			81,000.00
Other			500.00
Total			\$114,463.50

Employee Taxes Withheld	Amount	Year To Date	Employee Taxes	Amount	Year To Date
Federal Income Tax	\$114.19	\$1,141.90	State Income Tax	\$18.00	\$180.00
Local Income Tax	\$1.00	\$10.00	Social Security	\$80.00	\$800.00
Medicare	\$46.81	\$468.10	Medicare	\$46.81	\$468.10
Health Insurance	\$119.19	\$1,191.90	Life Insurance	\$1.00	\$10.00
Total			Total		

Employee Contributions	Year	Amount	Year To Date
Health Insurance	2023	\$119.19	\$1,191.90
Life Insurance	2023	\$1.00	\$10.00
Total			

Employee Deductions	Year	Amount	Year To Date
Health Insurance	2023	\$119.19	\$1,191.90
Life Insurance	2023	\$1.00	\$10.00
Total			

Employee Savings	Year	Amount	Year To Date
401(k)	2023	\$243.28	\$2,432.80
Total			

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Annual Employee Benefits Explanation

January 15, 2024

Dr. Associate,

As part of your annual review we have put together a total employee benefits explanation outlining the different layers of compensation we provide as you being a valued member of our staff. We hope this help to clearly explain the total monetary value of your employment arrangement.

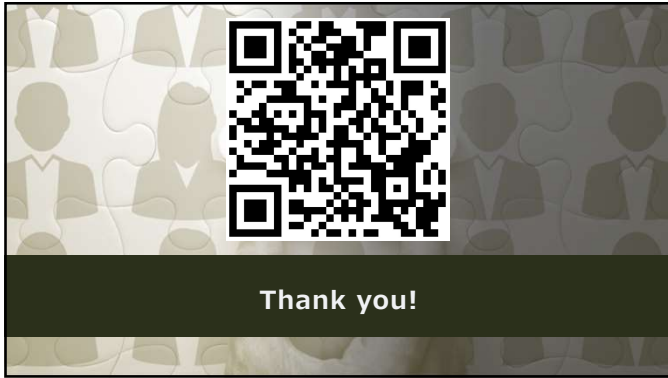
Compensation Type	Explanation	Dollar Value
Base Salary	On expected annual total of \$750,000, includes paid time of 20 days	\$120,000
Bonus Structure (\$1.0M)	50% of collected premiums over base paid quarterly	\$45,000
Social Security and Medicare Tax	\$4.4% up to OASDI limit, 1.45% on all earned income	\$12,500
401(k) Match	100% up to \$4,000 match up to the 4% of total compensation	\$4,000
Health Insurance	Flat \$450 per participating employees per month	\$4,500
Health Savings Account	Per employee cost	\$38
Dependent Care FSA	Per participant amount	\$1,000
CE 401k/Profit	\$2,000 per year	\$2,000
Liability Insurance	15% of FICA contribution	\$1,800
Annual Expense Allowance	Expense benefit per doctor	\$400
Life Whole Life	All cost	\$100
Total Compensation		\$131,438

THIS IS A GREAT PLACE TO PUT PROFESSIONAL GOALS IN WRITING FOR THE NEXT AND ANY ADDITIONAL BONUS/INCENTIVE STRUCTURES!

We appreciate you being a valued member of our team and look forward to a great 2024!

Dr. Owner

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