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# 10 Things You Need to Know When Setting Up a New Employee Benefit Plan

- 1. Start with the basics** and consider adding to the plan later. Remember, it is much easier to give than to take away.
- 2. This plan should be an ongoing commitment.** Although the agreement with the plan provider is month-to-month, consider the plan as a continuing benefit (and expense).
- 3. Most plans renew annually**, at which time the premium will adjust. A renewal rate increase is typical in the first few years of a new plan, as claims work towards a more expected pattern. We do our best to negotiate a manageable adjustment with the provider, as going to market in the first two years is not advisable. When implementing a new plan, **we require a minimum two-year commitment to the plan provider.**
- 4. Many employers split the premium cost** with the employees, at a share that seems reasonable for everyone's budget. An employer can contribute a range from 50% (minimum) to 100% of the total cost.
- 5. Participation in the plan must be mandatory** as a condition of employment. Employees can opt out of the healthcare and/or dental care benefits if they have spousal coverage elsewhere, but mandatory participation for all eligible employees must be communicated and adhered to.
- 6. An employee with spousal coverage** can choose to coordinate benefits (i.e., double up on coverage) and take family coverage on two plans. They can also choose to waive extended healthcare and/or dental care on either plan. **The decision to coordinate benefits must be made at the time of enrollment.**
- 7. There is no waiting period** for employees to make claims on a new plan. For example, if February 1st is the effective date, employees can go to the dentist that day.
- 8. Employees and their dependents must maintain provincial healthcare coverage** in the province in which they reside.
- 9. All plan providers have an online portal** where employees can access coverage details and submit claims electronically. **We encourage everyone to utilize these portals.**
- 10. While you will have ongoing involvement** to maintain the plan, **it should not be a full-time job for you.** Your Employee Benefit Plan advisor will support you in managing the plan and answer any questions that arise.