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Cammack LaRhette Consulting Survey Finds 90% of Organizations Offer Some Form of Voluntary Benefits

New York, NY (July 31, 2007) Cammack LaRhette Consulting surveyed 138 organizations on voluntary employee-paid benefits. Close to 90% of employers in the survey offered some form of voluntary benefit, with life insurance being the most prevalent, offered by 75% of respondents.

Disability programs were the next most common programs, offered by 46%. Both life and disability insurance rank as the most “mature” voluntary benefit, offered for more than 10 years. Surprisingly, there was no one dominant carrier in these benefit markets.

While life and disability are offered most frequently, vision care showed the greatest average employee participation level at almost 59%. Life and disability participation were lower at 36% and 38%, respectively.

Erin O'Connor, Practice Leader, Human Resources, Cammack LaRhette Consulting, noted that “As employers continue to struggle with rising healthcare costs and the decreasing availability of talent, many have looked at voluntary employee-paid benefits as a way to add items to their total rewards package without increasing costs to the employer.” In citing the survey results, she also cautioned that, “While Human Resources and Payroll departments do not want these benefits to add administrative burden to their departments when resources are already stretched thin, it is possible to accomplish this with the right outsourcing arrangement.”

The survey showed a low percentage of organizations offering critical illness insurance, cancer coverage, legal plan, long term care, pet insurance and identity theft insurance. Identity theft insurance is a relatively new voluntary benefit, offered mostly since 2003. Participation was also generally low in these coverages.

More than half of the respondents did not plan on offering additional voluntary benefits, mostly due to the complexity of administration and resources that additional benefits would entail.

Survey respondents ranged in size from under 100 employees to over 5,000 employees, with significant representation in all employee size bands.

About Cammack LaRhette Consulting

Cammack LaRhette Consulting (www.clcinc.com) is a full-service employee benefits and human resources consulting firm, offering large and mid-sized businesses and organizations value-added consulting services. Cammack LaRhette is located in New York, NY, Wellesley, MA, Saratoga Springs, NY, and South Portland, ME.

Contact: Erin O'Connor
212-227-7770
eoconnor@clcinc.com

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