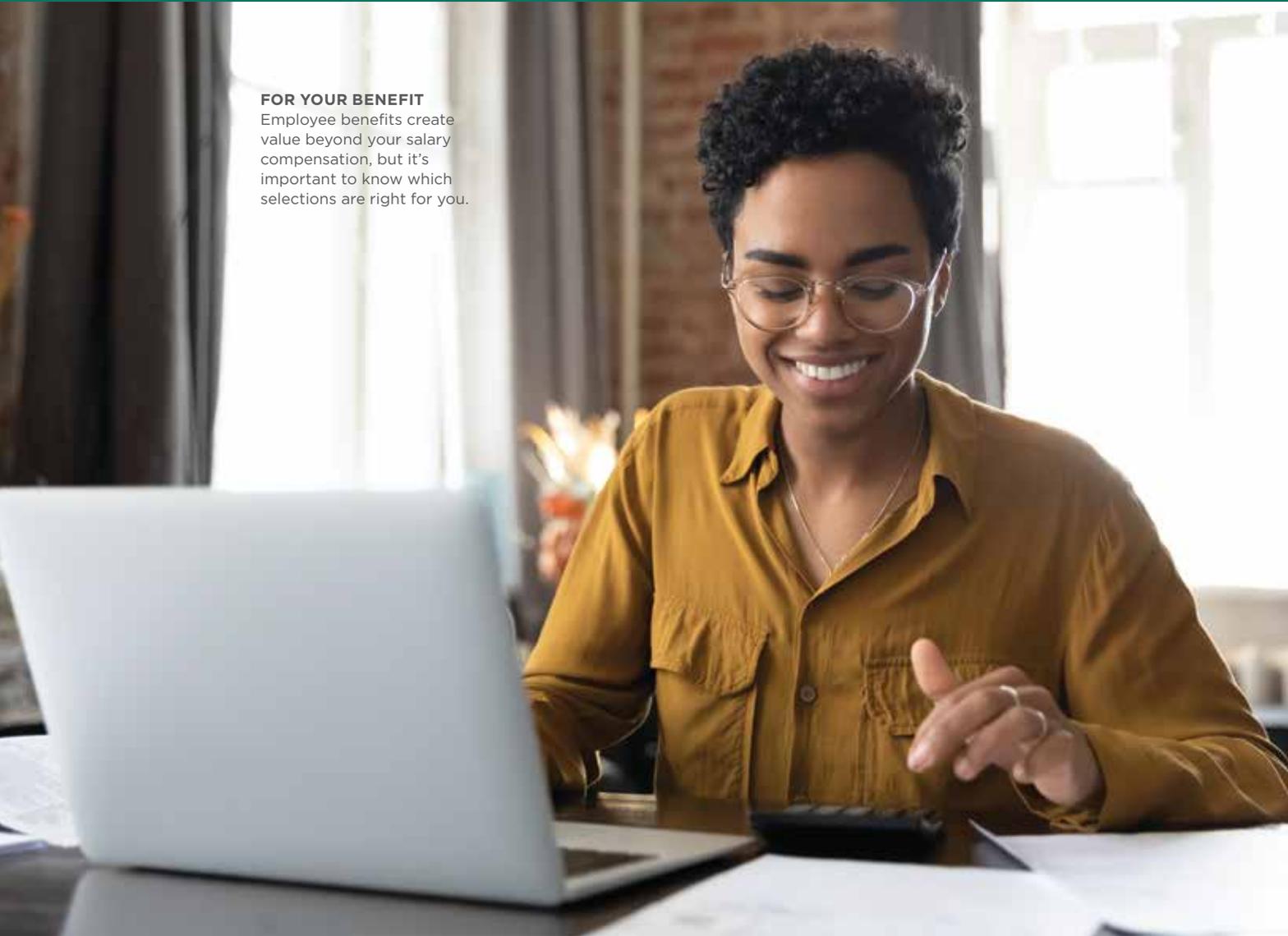




FOR YOUR BENEFIT

Employee benefits create value beyond your salary compensation, but it's important to know which selections are right for you.



CAREER ADVANCEMENT

Understanding Employee Benefits

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The world of employee benefits can be confusing and downright intimidating. You probably have an idea of what salary you need in order to make ends meet. However, finding yourself in the middle of the benefits world may feel a bit like you've crash-landed on an alien planet.



A good rule of thumb is to ask your employer (or prospective employer) for a benefits summary. This should give you an overview of the benefits offered, eligibility timeframes, and potential costs.

ELIGIBILITY AND DEADLINES

Learn the eligibility requirements and enrollment dates for each option. *Pay attention to enrollment deadlines!* For some benefits, such as health care, you have a limited timeframe to enroll. For others, such as retirement plans, paid time off, or pet care discounts, you may have to meet a minimum length of employment. When it comes to most healthcare plans, the deadlines are unforgiving. These deadlines are set by the health insurance plan and sometimes the Internal Revenue Service, and there is no wiggle room. If you do not enroll in health insurance when you are first eligible, you will likely have to wait until open enrollment, which could be several months away.

HEALTH INSURANCE: DO I NEED IT AND WHAT IF I DON'T HAVE IT?

Health care options can include medical, dental, and vision insurance. Employers often contribute toward your premium. Sometimes they disclose this amount to employees, but not always. Some employers will contribute toward just the employee's benefits, and others may include family members' benefits.

When you are new to the workforce and trying to make ends meet, it is tempting to skimp on benefits or opt out altogether. However, if you don't have health insurance, paying for your own medical care can be extremely costly. No one plans to get in a car accident, slip on ice, or be diagnosed with a serious medical condition. A healthcare plan can limit your out-of-pocket expenses to a few thousand dollars. While this still sounds like a lot, it is more manageable than tens of thousands (or even more).

DISABILITY INSURANCE

This replaces a portion of your pay in the event you are disabled due to illness or accident. Disability insurance comes in short-term (which usually kicks in after a couple of weeks) and long-term (which doesn't start until after you have been unable to work for several months) options. Consider how long you could pay bills before you would need supplemental income; this will help you determine which option meets your needs.

LIFE INSURANCE

The cost of life insurance is usually relatively cheap through an employer. Often there is a "guarantee issue" amount, which means a set amount of life insurance you can obtain without needing to submit medical history. If you have a choice to increase the amount of life insurance, you'll need to think about how much might be needed to meet your financial obligations, including support you provide for children or elderly parents that would need to continue after your death.

RETIREMENT PLANS

Retirement is a long way off, right? It is never too early to start saving for retirement, and an employer-sponsored plan can be an easy way to start setting aside money. Depending on the retirement plan your employer offers, you can contribute a specified amount or percentage of pay on either a pre-tax or after-tax basis. This money earns interest and over time can grow to cover your expenses after retirement.

Employers may also contribute to your retirement plan, most commonly via an "employer match," whereby your employer matches all or part of your contributions up to a limit. However, if you choose not to participate, you may miss out on any employer contribution.

Common Retirement Plan Options:

- **401(k):** This option typically offers a pre-tax benefit. Employees can usually choose the investments for their money, or can opt to have investments managed (for a small fee). Each plan has specific limitations on when you can withdraw or loan money.
 - **IRA:** This option is typically a Roth IRA (after-tax) or traditional IRA (pre-tax or after-tax). There are limitations on when funds can be withdrawn and whether withdrawals are taxed or not.
- Note: Retirement plans vary widely and it is always recommended to consult a financial advisor to determine the best option and learn of any potential tax consequences.

PAID TIME OFF

Paid time off can include vacation, sick time, personal days, holidays, bereavement time, and more. These can vary according to length of employment, how many hours you work, and the state in which you reside. Familiarize yourself with paid-time-off benefits and the process to request needed time.



CONTINUING EDUCATION

Ask your employer what types of CE are covered, and whether the time you spend at events is paid. Since veterinary medicine is always evolving, most companies will cover at least some CE to keep veterinary nurses up to date on their skills, education, and credentials.

PET CARE DISCOUNTS

Find out what types of services are discounted and if there are varying discounts on products, pet food, vaccines, surgical procedures, emergency care, and other medical services.

WHAT MATTERS WHEN CHOOSING BENEFITS

As you navigate options, consider these important questions:

- How much is the premium for each benefit, and is it a pre-tax or after-tax benefit?
- What is the deductible and out-of-pocket maximum?
- What is the cost of enrolling family members?
- Does the benefit cover the services you need (e.g., chiropractic, mental health, root canals, vision correction)?
- How much is the copay for an office visit, specialist, and emergency department?
- Is there a prescription copay or do you need to meet a deductible before prescriptions are covered?
- Is your medication covered under the plan?
- Is your current doctor in-network?

Carolyn Becker

Founder and president of Starpath Consulting LLC, Carolyn has an insider's perspective from more than 20 years in the veterinary profession as a CVT, practice manager, HR director, HR partner, and HR consultant. Carolyn's deep understanding of veterinary team dynamics is the foundation for Starpath Consulting LLC, which provides veterinary-focused HR support. Carolyn is a Colorado native, and is grateful for the blue skies, Rocky Mountain views, and sunshine. She lives in southwest Denver with her family and 3 dogs. Carolyn is passionate about veterinary practice culture and empowering hospital teams. She offers résumé review and individual coaching services; see details at starpathconsulting.com.



- How long could you pay bills in the event you are disabled and unable to work?
- What would be the potential cost of declining each benefit?

GLOSSARY

Beneficiary The person(s) who receive money from a life insurance policy and your retirement plan in the event of your death. Be certain to name beneficiaries for each benefit and keep them updated so that your wishes are followed.

Coinsurance The percentage of a medical bill that you are responsible for paying

Copay The predetermined amount that you pay at the time of care (e.g., \$25 for doctor visit, \$50 for emergency department visit)

Deductible The amount you must pay before the insurance company pays toward your medical expenses

In-network/out-of-network An in-network doctor accepts your health insurance plan; costs to you are usually lower. If you go to a doctor who does not accept your health insurance, they are considered out-of-network and your costs may be higher.

Open enrollment The annual window of time during which you are allowed to make changes to your benefits

Out-of-pocket maximum The maximum you would have to pay in a plan year for covered services; this may be a different amount for in-network versus out-of-network

Premium The amount you pay every month (or every paycheck) for insurance

Qualifying life event A life change—such as marriage, divorce, childbirth, or loss of other coverage—that makes you eligible to make insurance plan changes outside of the open enrollment window. There is a strict time frame (typically 30 days from the event date) during which changes can be made; if you miss this window you will have to wait until the next open enrollment.

CONCLUSION

Familiarize yourself with your benefits, eligibility requirements, and enrollment deadlines. Ask questions about benefits you do not understand so that you can make educated choices. Ultimately, choosing benefits is a personal matter, but solid information will help you make the best decisions. **TVN**