



Experts in Detail

THE CHALLENGE

A 12,000 employee, multistate company came to Alera Group looking to increase their benefit offerings while minimizing risks to its parent company and was particularly interested in creative solutions that might not be in the typical insurance captive. With such a large company and enormous number of national, state and local government healthcare regulations to consider, the task of developing a creative captive solution required a great amount of experience and attention to detail to ensure compliance with all governing bodies.

THE SOLUTION

Alera Group began with an in-depth assessment of the company's current offerings by brainstorming multiple traditional and non-traditional benefits that could be added, then analyzing the inherent risks and benefits from these options. Next, the team conducted a long-term feasibility study, ultimately recommending a variety of new lines of coverage the company could add to its captive and recommended moving some of the company's current benefits into the captive to decrease financial overhead as well as increase available options. As a result of Alera Group's diligence and expertise, the team was able to work with the US Department of Labor (DOL) to ensure the company met all its fiduciary responsibilities toward employees within the captive and that the new offerings would be granted Prohibited Transaction Exemption.

THE RESULT

Because of the creative solution to fund employee benefits through a captive, the company realized significant savings which were then passed along to the employees in the form of better benefits, including:

- Elimination of gaps in long-term disability insurance
- Improved coverage for employees on disability
- Enhanced voluntary benefits
- Addition of life insurance for dependents
- Improvements to leave management

The new program was completely compliant with all regulations and the client continues to rely on Alera Group's expertise and guidance for its complex insurance and benefits needs.



DID YOU KNOW

There are 726 pages of Employee Benefits regulations in Title 20 of the Code of Federal Regulations. Companies are expected to comply with every single page. Having an expert in your corner can help guide you through the maze and keep you out of legal trouble.