



Employer Guide

HOW TO CREATE A FUTURE-PROOF BENEFITS STRATEGY

What Employers Need to Know Now



Renaissance[®]
DENTAL • VISION • LIFE • DISABILITY

Introduction

Meeting Today's Challenges with Smarter Benefits

The world of employee benefits is in constant motion — shaped by economic uncertainty, evolving employee expectations and rising healthcare costs — and employers are under pressure to adapt.

Fortunately, ancillary benefits are evolving to meet these changing needs, providing even more choice, flexibility and ease-of-use. For employers and benefits administrators, this means more opportunities to design future-proof benefits that are both resilient and competitive.

This guide offers practical, time-saving strategies to help you enhance your benefits offerings, support diverse employee needs and stay ahead in a shifting landscape. Whether you're refreshing your current plan or rethinking your entire strategy, you'll find actionable tips to help future-proof your benefits strategy.



The Impacts of Rising Healthcare Costs and Financial Vulnerability

Today's employees are facing real financial pressures. As healthcare inflation continues to outpace income growth, more employees are struggling to afford basic care, let alone manage unexpected health events.¹

- » Nearly 60% of Americans can't easily cover a \$1,000 emergency expense.²
- » Medical expenses contribute to nearly 66% of bankruptcies.³
- » The increasing popularity of high-deductible health plans (HDHPs) means employees shoulder more of the financial burden.

This financial uncertainty is fueling a demand for more from their employee benefits. Health insurance alone is no longer enough. Today's workforce is looking for support that addresses the full picture: financial security, mental well-being and work-life balance.

The availability of HDHPs for private industry workers increased from 33% in 2014 to 51% in 2023.⁴



33% » 2014

51% » 2023



Why Holistic Benefits are No Longer Optional

The demand for more comprehensive benefits is growing, and it's a major factor in attracting and keeping top talent. In fact, 67% of employees say they would consider changing jobs for better benefits. Employers are listening: the same percentage reports they're actively looking to expand voluntary benefit offerings.⁵

But building a future-proof benefits program means going beyond just offering more. It requires tailoring offerings to the unique needs of your workforce.



Designing Benefits for a Multigenerational Workforce

Today's workforce spans four generations — Boomers, Gen X, Millennials and Gen Z — each with distinct values, goals and priorities.⁶

When designing your overall benefits strategy, it's important to consider options that will appeal to each generation.

- » **Boomers** are either planning to retire or are returning to the workforce. They are likely to prioritize comprehensive health and financial benefits.
- » **Gen X** and **Millennials** are likely to be caring for children, aging parents, and possibly a sick spouse or partner. This can place a substantial financial burden on employees, and it's no surprise that the growing cost of healthcare is a significant concern for them.
- » More than a quarter (26%) of **Gen Xers** and nearly one in five (19%) **Millennials** say they are not confident they can afford the healthcare they and their family may need.⁷
- » **Gen Z** is new to the workplace and dealing with the culture shift of transitioning from school to their first jobs.
- » Compared to other generations, **Gen Zers** are more stressed, more susceptible to burnout and more likely to have worked while feeling mentally unwell.⁷

Understanding these differences isn't just about employee satisfaction. Aligning your benefits offering with shifting employee needs can have a positive impact on engagement, retention, and ultimately — your bottom line.

From Strategy to Action: The Role of Ancillary Benefits



Understanding why benefits need to evolve is just the beginning. The next step is knowing how to build a robust, flexible benefits package. This is where ancillary and supplemental health benefits come in.

These offerings provide crucial layers of financial and well-being support, filling in gaps left by traditional medical plans. They offer flexibility and choice, allowing employees to tailor their coverage based on their stage of life and unique needs.



Supplemental Health Benefits

Supplemental health products like accident, critical illness, cancer, hospital indemnity and all-in-one supplemental health plans are quickly becoming a core part of the modern benefits mix. In fact, U.S. workplace supplemental health products new premium totaled \$3.3 billion in 2024, an 8% year-over-year increase.⁸



Dental and Vision Benefits

These valuable, cost-effective benefits support preventive care and are consistently among employees' most-requested options. Preventive dental and eye exams can even help detect early signs of certain chronic conditions like heart disease, diabetes and some types of cancer — before they become more painful and costly.^{9,10}



Life Insurance

Life insurance helps employees protect their loved ones financially if they were to pass away unexpectedly. Many life insurance policies also include a variety of complimentary resources, such as an Employee Assistance Program (EAP), Identity Theft Resolution, Travel Assistance and Beneficiary Companion Assistance. These extra perks allow you to offer employees more value at no additional cost to your organization.



Disability Insurance

Short-term and long-term disability insurance provides income replacement during injury or illness, which may be especially valued by Gen X and Millennials who are balancing work and caregiving. Short-term disability insurance can be used to implement or expand a paid leave program, which allows employees time off to care for a child (including adoption) or elderly parent or bereavement due to the loss of a child.



Paid Family Medical Leave (PFML) and Absence Management Solutions

PFML is a type of benefit that provides employees with paid time off for certain family or medical reasons, helping them balance work and personal health needs without losing income. Some U.S. states require employers to provide PFML insurance.



The ROI: Why Ancillary Benefits Matter

Investing in a robust suite of ancillary benefits is a smart way to enhance your overall benefits package and achieve key organizational goals.

And it's cost-effective: ancillary benefits can be offered on a voluntary basis where employees pay some or all the premiums. This means they can make a positive impact at little to no cost to your organization. Certain voluntary benefits can even be paid using pre-tax income, which may lower your taxable payroll.¹¹

When thoughtfully selected, ancillary benefits can deliver significant value across your organization. Here are some of the key ways the right mix of benefits can make a meaningful impact:



Attract and Retain Top Talent: A robust benefits package is a key point of differentiation in a tough labor market.



Reduce Turnover: Turnover can cost employers 20% of an employee's annual salary.¹²



Boost Productivity and Morale: Potentially increase employee productivity and reduce absenteeism by alleviating financial stress.



Maintain Employee Health: Offer access to vital preventive care through dental and vision plans.



Offset High-Deductible Impact: Provide financial safety nets for unexpected costs.



Demonstrate Corporate Responsibility: Cultivate a culture of care and strengthen your employer brand.



Implementing Ancillary Benefits: The Essential Elements of Success

Successfully integrating ancillary benefits requires a thoughtful approach. Here are key elements to consider:



Partnership

Choose the right ancillary benefits carrier. Look for a partner who understands your organization's unique needs and offers a strong portfolio of relevant benefits.



Customization

Recognize the diversity of your workforce. Tailor benefit offerings to meet the varying needs and preferences across different demographics.



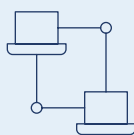
Financial Protection

Prioritize benefits that provide valuable financial security for your employees, especially in the face of rising healthcare costs. Consider options that complement HDHPs.



Ease of Use

Select a carrier that offers user-friendly benefits and streamlined administration. Simple enrollment and claims processes are crucial for employee adoption and satisfaction.



Technology

Leverage technology for seamless benefits enrollment and ongoing management. Look for carriers with user-friendly digital platforms and integration capabilities.



Education & Engagement

Educate employees on how to use their ancillary benefits to improve their well-being and financial security.



Conclusion:

Building a Resilient and Engaged Workforce



During times of economic uncertainty, it may seem practical to trim your benefits offering, but the smarter move is to optimize it.

A thoughtfully designed benefits strategy doesn't have to break your budget. Integrating ancillary and supplemental health benefits into your overall program is a smart, cost-effective way to fill coverage gaps, boost engagement and build a future-ready workforce.

Looking ahead, ancillary benefits will continue to evolve, offering greater personalization, digital access and well-being-focused options that meet the expectations of tomorrow's workforce. Staying ahead of these trends can put you in a stronger position to attract top talent and adapt as needs change.

A Checklist for Choosing the Right Carrier Partner

Selecting the right carrier partner is an important step on your journey to creating a benefits strategy that continues to deliver value as your organization evolves. Consider this checklist to help you evaluate whether a potential partner is a good fit for your needs.

-  Ancillary benefits expertise, industry knowledge and experience.
-  Wide breadth of products that cover multiple aspects of employee well-being.
-  Flexible, bundled solutions and customization options to meet the needs of your workforce.
-  Easy to use and implement with seamless integration, administration and user-friendly technology and digital platforms.
-  Prompt and accurate claims payments for a hassle-free experience.
-  Ongoing support and communication for your team and your employees.

Ready to create a benefits strategy that works harder for your business and your team?

Find more tools and resources at RenaissanceGroupBenefits.com and explore how Renaissance can help you build a benefits offering that **Stands Out**.



RenSecureHealth

Supplemental Health Insurance Reimagined for Today's Workforce

Renaissance's latest solution, RenSecureHealth, is helping employers offer meaningful benefits that appeal to employees. RenSecureHealth is an innovative supplemental health insurance product that provides coverage for a wide range of unexpected medical expenses in a single plan.

Unlike traditional supplemental health plans, RenSecureHealth provides direct cash benefits upon diagnosis of 13,000+ medical conditions — without experiencing an accident or hospital stay. Plus, Renaissance makes plan administration effortless for employers and employees.



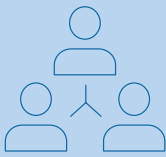
- » **Cash Payouts** – Direct cash benefits for covered diagnoses generally paid within 72 hours.
- » **Broad Coverage** – Protection for a vast range of more than 13,000 medical illnesses or injuries.
- » **Guaranteed Issue** – No medical underwriting is required and there are no limitations or exclusions due to pre-existing conditions.
- » **Simplified Claims Experience** – File claims quickly on the mobile app and get paid in days, not weeks.
- » **Customizable Benefit Amounts** – Employers and employees can tailor coverage based on individual needs.
- » **Flexible Funding Options** – Employers can fund all or part of the premiums or offer it as a voluntary benefit.
- » **Complements HDHPs** – Complements high-deductible health plans and helps employees manage rising out-of-pocket costs.





About Renaissance

Renaissance provides innovative dental, vision, life, disability, supplemental health, accident, PFML and absence management solutions alongside exceptional customer service to groups of all sizes nationwide. Our goals include: providing customers with flexible plans that meet their needs, developing and maintaining lasting relationships, and ensuring customers receive strong value.



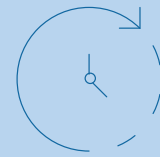
Strong Networks

450,000+ participating dental provider access points nationwide¹³; 120,000+ vision access points through VSP¹⁴



Outstanding Service

Our U.S.-based team anticipates needs and helps facilitate timely enrollments



Phenomenal Claims Processing

99% of dental claims processed within 10 days¹³

Dental, vision, life and disability insurance products are underwritten by Renaissance Life & Health Insurance Company of America, Indianapolis, IN, and in New York by Renaissance Life & Health Insurance Company of New York, Binghamton, NY. Both companies may be reached at PO Box 1596, Indianapolis, IN 46206.

The RenSecureHealth insurance product is a limited benefit policy; It is not a substitute for essential health benefits coverage as defined under federal law. This coverage is underwritten by Renaissance Life & Health Insurance Company of America, an Indiana domiciled insurer, P.O. Box 1596, Indianapolis, IN 46206 on policy form number GSCI-100A-2024-(state specific abbreviation, if applicable). This product has exclusions and limitations that may limit coverage. A complete description of the benefits, exclusions and limitations can be found in the policy, certificate of insurance and applicable riders. All coverage is subject to the terms and conditions in the master group policy.

Products may not be available in all jurisdictions.

¹ Kaiser Family Foundation, September 2024 Employer Health Benefits Survey.

² Lane Gillespie, Tori Rubloff, "Bankrate's 2025 Annual Emergency Savings Report," March 2025.

³ Himmelstein, David U et al. National Library of Medicine, "Medical Bankruptcy: Still Common Despite the Affordable Care Act," American Journal of Public Health, 2019.

⁴ U.S. Bureau of Labor Statistics, "Employee Benefits Fact Sheet: High deductible health plans and health saving accounts," bls.gov/ebs/factsheets/high-deductible-health-plans-and-health-savings-accounts.htm.

⁵ Buck, a Gallagher Company, "2024 Wellbeing and Voluntary Benefits Survey," 2024.

⁶ Marsh McLennan Agency, "2025 Employee Health & Benefits Trends," 2025.

⁷ Mercer, "Health on Demand 2025: Survey Report," 2025.

⁸ LIMRA, "Workplace Life Insurance Posts Gains for Fourth Consecutive Year, Sets New Record in 2024," News Release, April 15, 2025.

⁹ Mayo Clinic, "Oral health: A window to your overall health," March 2024.

¹⁰ Klunk, Elizabeth, "Comprehensive managed vision care is more than mere 'medical management,'" MedCity News, Sept. 2019.

¹¹ Sammer, Joanne, "HR Gets Strategic about Voluntary Benefits," SHRM, May 2014.

¹² Adams, Nevin, "Measuring the ROI of Financial Wellness," American Society of Pension Professionals & Actuaries, Sept. 2018.

¹³ Renaissance Internal Data.

¹⁴ VSP Internal Data.