

# Savings by the numbers

## Simple ways to stretch your benefit dollars

Looking for ways to cut expenses? We've got some ideas for you. These simple adjustments to your Principal<sup>®</sup> employee benefits can help you save on costs, while still providing a benefit package that's valuable to your employees.



### Life

Save as much as	Change	From	To
6%	Waiver of premium	Benefits to age 65	Benefits for 2 years
10%	Accidental death and dismemberment (AD&D)	Included	Not included

\*All data based on 2016 Principal block of business

### Other cost-saving ideas

Consider reducing group life coverage and supplementing with voluntary life, where the employee pays 100% of the premium. When voluntary term life is sold along with a qualifying coverage, a discount is available on one qualifying coverage of your choice.

### Long-term disability

Save as much as	Change	From	To
29%	Benefit %	60%	50%
14%	Elimination period	90 days	180 days
35%	Maximum benefit period	Age 65	5 years
4%	Special conditions	Unlimited	12 months

\*All data based on 2016 Principal block of business

### Other cost-saving ideas

Offer a lower benefit percent and have employees pay 100% of the premium by increasing their gross taxable income. Disability benefits aren't taxable when premiums are paid by the employee. That means you can purchase a plan with a lower benefit percentage at a lower price without a significant impact on the benefits employees would receive if they're too sick or hurt to work.

## Dental

Save as much as	Benefit adjustment	Why it's a good idea
20%	Move crowns from Basic to Major.	Only two in 100 dental procedures are for crowns.
14%	Move endodontics, periodontics and oral surgery benefits from Basic to Major.	Less than 9% of dental patients pursue endodontics (root canal), periodontics (gums) and oral surgery services.
60%	Provide preventive-only dental; offer employees the opportunity to buy additional Basic and Major coverage.	Almost seven out of every 10 dental services are preventive.
16%	Reduce maximum from \$1,500 to \$1,000.	Only five in 100 Principal dental members ever reach their \$1,500 maximum.

\*All data based on 2016 Principal block of business

### Other cost-saving ideas

Save as much as 13% by adding a \$50 non-network preventive deductible. Or, save as much as 21% by lowering the non-network preventive coinsurance to 80%.



Let's connect.

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