



Wednesday, March 31, 2004

## New program helps employees save on insurance

By **Dawn Pauli**, contributing writer

Buying paper towels at Costco gives consumers the opportunity to buy in bulk and save money. A new voluntary benefit program at Oakland University will use the same concept to offer automobile, home and legal insurance at group-discounted rates to OU employees.

Beginning early summer, automobile and home insurance will be available at group rates to employees. The premiums are paid 100 percent by employees, typically through payroll deduction, and are administered by Voluntary Benefits Solutions (VBS), an insurance broker. There is no cost to OU to offer these benefits to employees, and VBS, along with the insurance company, assumes all marketing and enrollment costs.

"As economic pressures and rising health care costs continue to force the university to restructure traditional benefit programs, we're looking for alternative ways for employees to save money on things they need," said Barbara McGuire, benefits and compensation manager. "Theoretically, premiums are cheaper for group programs, but each individual should carefully compare the costs and coverage before making any decisions."

VBS currently is soliciting bids from insurance companies and will select a provider in the next month or two. Employees will receive details about the auto and home insurance programs and rates by early summer. Coverage for boats, recreational vehicles, motorcycles and personal liability also will be available.

Additionally, OU is considering offering another employee-paid voluntary benefit – legal plans. A group legal plan may be offered during open enrollment in the fall and would provide fully paid, legal representation for selected matters such as buying a house, wills, disputing traffic tickets and family law issues.

VBS is headquartered in Troy, Mich., and specializes in designing and managing employer-sponsored voluntary benefits. It has a number of clients from industries including automotive, financial, retail, service, technology and nonprofit.

### SUMMARY

Buying paper towels at Costco gives consumers the opportunity to buy in bulk and save money. A new voluntary benefit program at Oakland University will use the same concept to offer automobile, home and legal insurance at group-discounted rates to OU employees.

Created by CareTech Administrator (webservices@caretechsolutions.com) on Wednesday, March 31, 2004  
Modified by CareTech Administrator (webservices@caretechsolutions.com) on Wednesday, March 31, 2004  
Article Start Date: Wednesday, May 26, 2004