

# Analyzing Benefits

When you are looking for a new job, people often focus on the salary and pay. However, it is also crucial to consider the employee benefits offered by each company. A higher-paying job with reduced benefits might not be a good offer after all. On the other hand, a lower-paying job with great benefits can put you in an excellent financial position.

Listed below are some of the common benefits you can get from an employer:

- Paid time off, such as family and medical leave, sick days and vacation days
- Health care benefits, including health insurance, dental insurance and vision insurance
- Flexible spending or reimbursement accounts, such as HSAs, FSAs and HRAs
- Retirement benefits or accounts, including 401K, Roth and IRA
- Other insurance options, such as life insurance, long- and short-term disability insurance
- Flexible work hours
- Remote work options, such as work from home
- Gym memberships or discounts
- Tuition reimbursement
- Workplace perks, such as team activities, food and coffee, etc.

## ***Evaluating the Employee Benefit Package***

Because there are many different types of benefit plans, such as medical, retirement, life and recreational, it can be challenging to put the entire employee package into consideration. To help you evaluate total compensation, here are some of the most common elements to consider when conducting a job search.

### ***General Employee Benefit***

When searching for a new position, it is essential to consider what the employer agrees to cover and what costs you will be responsible for during a pay period. You will also need to understand premiums can affect your take-home pay and annual salary even if they are deducted from your paycheck pre-tax. Knowing how much this costs can help you better comprehend your financial stand.

Also, it is worth taking into consideration health care insurance guidelines such as when coverage dates start, when they end upon resignation and if there are any penalties of waiting until the annual open enrollment period.

If you have medical coverage at your current position, you might want to check if your new offer comes with a better plan and if it is better to wait to use the annual out of pocket deductible this year. This can be crucial if you expect an expensive medical procedure is coming up soon.

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## *Medical and Voluntary Plan Rules*

There are many different plan types available. The most common types include Health Maintenance Organizations (HMO) and Preferred Provider Options (PPO). Each medical and voluntary plan has its own set of coverage and usage regulations. You might not be able to use the same doctors and health care facilities you have now. In this case, you may be asked to choose a new primary care provider and switch to a new health care network.

It is wise to consult with the human resource director to get detailed information on medical plan rules and regulations. For example, not all plans offer discounts on prescriptions. Some plans might be limited in the service types (standard care as versus specialist care) and some plans might offer free preventative care items such as mammograms, flu shots, etc.

## *Company Financial Protections*

Before accepting a job offer, take some time to learn whether the company offers any kind of financial planning benefits such as stock options, disability benefits, retirement savings and any other forms of financial protection. Some companies contribute a portion of the company earning into a special account for each employee.

In addition, be mindful of the percentage requirements for retirement plans and if this is voluntary or a mandatory program. Some companies require all employees participate in retirement saving plans. The deduction can be as high as five percent of the gross salary each month. Also, during job hunting, think about how much the company matches your retirement contribution.

## *Paid Time Off Benefits*

Many companies provide additional perks outside of regular medical and retirement plans to sustain a healthy work environment. These perks can include generous paid time off policies. Think about if you will have any needs for time off in the near future, such as a vacation to Europe or a family visit, before accepting a job offer.