

getMORnews

provided by the FlexMor Corporation

FALL 2006

FEATURES

NEW TOOLS | a new innovative, visual, vocal and enrollment tool

EXPECTATIONS | exceeding employee expectations

FIVE YEARS | Burger Boat Company realizes five years of MORE

TRANSFORMING HEALTH CARE THE WORK OF TRUE CHAMPIONS

Every transformation begins with a champion—an individual who sees and thinks deeply and differently; an individual who dares to confront the traditional and the expected. Such an individual is Jerry Ward—VP of Administration at Seats, Inc. of Reedsburg, Wisconsin. In his executive capacity, Jerry leads the financial realm of this growing and prospering member of the Nordic group of companies.

Jerry and the leadership team at Seats, including company President, Eric Sauey and Human Resources Director, Cheri Newlun have been tackling the health benefits challenge, not for the past decade, but for the past 25 years. Yes, this is a long tenured and very cohesive executive team, who have been putting their heads together to continuously balance the health insurance equation. Wanting deeply to provide an affordable safety net for 500+ employees/families, they struggle (as most companies do) to cope with double digit inflation on this valuable program and deal with its' demanding toll on their bottom line.

In pursuit of this balance, Seats, Inc. ventured into self-funding in the early eighties, long before groups of their size (less than 100 employees at the time) took such an unprecedented risk. Jerry and the team examined their history, calculated the best and worst case scenarios and charted a new path. There were a couple of bumps on that path, but over the long run—self-funding proved to be a winning proposition for

both company and employees. Today, Seats is 100% self-funded and therefore does not purchase any reinsurance whatsoever. This too is unconventional. Once again, after much homework and with the faith and support of his decision-making team, this appears to be of continued value.

In 1994, they pioneered the concept of a three tiered deductible, offering choice to employees (a \$100, \$200 or \$500 deductible). This essential plan design remained unchanged and in 2005 Seats enhanced its wellness initiatives, by hiring an on-site medical practitioner to provide health screenings to employees and families at no cost to employees.

Throughout good and not-so-good times, they have remained committed to keeping employees informed and aware of what programs were in place and how to maximize them. Always—employees have been helped to understand the cost and the value of that safety net. At any point that the benefits or the economics were redefined / restructured, great care was taken to assist all in recognizing the why of such changes.

As an individual, Jerry has taken his vision for affordable and quality health care to the larger community of other employers struggling over this common issue. An active voice and catalyst for better health care economics, he contributes his time, energy and leadership to the Madison-based Alliance, an organization of regional employers committed to quality, cost-effective health care.

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FlexMor Corporation specializes in working with employers to get more out of their workforce by giving more. Simple and affordable offerings coupled with effective communication-based services greatly enhance employee satisfaction and retention. FlexMor offers: the new health care equation, ThegetMORplan, traditional flexible and voluntary benefit programs in a revitalized way. FlexMor's unique benefit communication services ensure optimum employee understanding and enrollment. For more information call **888-FLEXMOR** or **414-762-8663**.

Seats, Inc.

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Privy to best practices through this group and others, Jerry continued to keep his finger on the pulse of this new era of consumerism, fully examining emerging tax legislation which included HSA's and HRA's—yet none of those seemed to resolve the central issue of improving the overall value of the plan. Simple cost-shifting would erode the overall safety net and trust of employees in the program.

Having known and done business with Jerry and company over the past 17 years, I knew when I knocked on his door with our new health care equation,

ThegetMORplan, I was in for a tough, but discerning audience. As I presented this “hybrid” the newest generation of flexible benefits, his curiosity and skepticism was evident. Over several months, we began to understand the opportunities to take the best of Seats’ plan design (unchanged since 1994), self-funding & wellness and reconfigure brand new economics. Our chief objective was to rebalance the same dollars Seats was spending, but spending them smarter and better, putting employees in

charge of a portion of that money. This objective was researched and supported by Seats’ circle of brokers and third party administrator/s.

Essentially Seats created a two part plan; Part A, a higher deductible plan with a single plan design and Part B, **ThegetMORplan**. Seats funded tax-free dollars onto a Visa debit card which allowed employees to spend these monies on out-of-pocket medical, dental, vision, prescription and wellness expenses OR to save/roll them year after year.

We rolled this program out mid-year 2006 as we were excited about this new model of care and its impressive economics for both Seats and employees—each would “get more”. As Jerry and Cheri stood at each employee meeting; they summarized Seats’ commitment not to just changing their health plan, but to making it better.

The positive feedback from employees convinced all of us that our homework paid off. Yes, this was a change for the better; a portion of dollars set aside to be managed by employees for their today and

tomorrow expenses. We each recognize the need to continuously balance the economics of this benefit in years to come and are excited now to have established a tax advantaged vehicle which allocated resources to get/stay healthy while still providing a strong safety net for those who require it.

Doing our homework, engaging employees, partnering extensively, challenging the status quo are all a part of this process of transforming anything. Searching for more, and not settling for less is certainly the battle-cry of a champion. Jerry and team—our respected colleagues at Seats, Inc. are certainly that!

Congratulations on changing for the better!

**For more information,
call FlexMor at 888-FLEXMOR or
visit www.flexmor.com**

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NEW TOOLS TO COMMUNICATE MORE

We are pleased to introduce to our valued clients the latest technology resource called ‘The Navigator’, created as an ‘innovative’ visual, vocal and enrollment tool. It both educates and enrolls your employees into diverse, unique and specific benefit programs. It reduces paper, printing and distribution costs as well as creates a seamless flow between employee enrollment and the carriers of your plans. This advanced solution is something all employers of 100 employees or more can’t afford to be without—its ROI will astound you! We’d love to come to your office and demo it. Call us for a no-risk consultation.

888-FLEXMOR

EXCEEDING EMPLOYEE EXPECTATIONS

The month was July—the time each year that 200+ employees at Pensar Electronic Solutions of Appleton, WI await anxiously the news of what will be changing in their employee benefits package. Worse yet, they are stressed at what new costs will come, both in premiums and out-of-pocket. Each August 1st, all their “benefits” renew and here, like all other employers, the cost of benefits are rising faster than any other company expense.

Year after year, these employees expect the worst—“get less”, if you will. Last year, in 2005, things went a little differently—employees were introduced to a 2 part health plan. Part A was their standard health plan, only with a higher deductible (\$1500/per person). Part B was initiated, a healthcare reimbursement account which granted each employee participant from \$1,000-\$3,000 of Pensar funded tax-free dollars. These dollars could be spent on out-of-pocket medical, dental, vision, wellness, prescription expenses OR rolled into the next year. No caps, no restrictions, other than Section 213D.

Now this was an opportunity for the healthy and the informed to preserve some dollars for the following years—in other words, a new ability to leverage the healthy years. Since less than 20% of people typically exceed/meet deductibles, we were all excited to see at the end of YEAR ONE under **ThegetMORplan**, how many

people had preserved how many dollars to roll into the new plan year—August 1, 2006.

Prior to employee meetings, we learned that 52% of dollars remained as getMOR balances. Clearly a first—a new year not starting at zero for many employees! And for those employees who had expenses in 2005, they spent employer funds on those needs, not their own.

The meetings in July, 2006, were different this year. As we began our first meeting at 10 p.m. for second/third shift—often filled with skeptics—the first comment made before we even began—“Please tell me you’re not changing getMOR—to which we replied—“no changes there except that we’ve now secured those funds in a VEBA trust—protecting those dollars long term”.

The meetings did involve communicating slight changes to health plan design and small premium adjustments for employees. Their delight at preserving and/or spending getMOR dollars was evident these employees finally have MORE. There was a new spirit in the room.

As we left, employer, broker, employees came to respect that by rebalancing the equation, everybody wins. Congratulations Pensar!

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We Moved Our Offices

FlexMor recently relocated our business operations to an office and wellness center called The Gathering, in Oak Creek, WI. Here we join other organizations committed to integrative health and wellness. We love our new neighborhood!

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HAPPY ANNIVERSARY BURGER!

Five years ago, FlexMor was called upon by our flex client, Burger Boat Company in Manitowoc, WI to strengthen its entire human capital portfolio. Beyond benefits, Burger owners, David Ross and Jim Ruffolo, wanted to enhance their recruitment, compensation and performance management systems. Due to the scope of their needs and the demands of our other clients, we were very hesitant to commit to what we now recognize was the complete transformation of their 139 year organization. Yet, we were awed and attracted by the challenge.

By successfully and continuously seeking ways to demonstrate MORE to the extraordinarily talented men and women of Burger, the company has grown and prospered. Over the past several years, Burger has not only rebuilt and expanded its' entire physical plant and construction capacity, but has also moved its marketing into the world of 125–200 ft. mega-yachts (*having in the prior eight years averaging 100 ft. vessels*); doubling its output. In 2001 they employed 175 people, today in 2006 total employment is nearly 500. Clearly all this growth was possible given the company's renewed commitment to its employees. These gifted craftspeople are the heart and soul of Burger's progress, prosperity and future.

This all began with a phone call and David Ross's simple and profound vision (and challenge to us) to be the best — hire the best — build the best! FlexMor calls that MORE.



World class yachts built by world class people.

Five years and many enhancements later I am humbled, honored and grateful to say to our lifelong friends and partners at Burger—you are the best! And this success is happening to some very exceptional guys like David and Jim who have always dared to believe in people, not things. Though their product is unsurpassed, the people who build these yachts are the priceless part of the equation. We could not have partnered better, for now we are MORE!

**THANK YOU, BURGER BOAT COMPANY
FOR FIVE GREAT YEARS!**

**By successfully and continuously seeking ways to demonstrate
MORE to the extraordinarily talented men and women of Burger,
the company has grown and prospered.**

Contact FlexMor anytime at: 414-762-8663 • Toll Free: 888-FLEXMOR • www.flexmor.com • E-Mail: mail@flexmor.com

The **getMOR**plan

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