Elements of a Job Offer

There is a lot more to consider than just an hourly pay rate before accepting an offer. Benefits are a huge factor in today’s offers. Health insurance, paid time-off, flex spending will all have an impact on your bottom line.

**Pay Rate**- Too often this is the only piece a new employee considers in making a decision. Pay is important, but do not forget to consider:

- Differences in cost of living area
- Work load
- Expectations for hours—Exempt (salaried) vs. Non-exempt (hourly)

**Sign-On Bonus**- This is probably the most overrated element of offers, often associated with positions in healthcare. Candidates, especially those with student loans to pay, are blinded by what they think is going to be a big upfront cash windfall. The truth is very few companies are paying true “sign-on” bonuses today. Many offer “retention bonuses”. These monies are paid in increments over the life of an employment agreement: usually two years. In many cases they have to be repaid in-part or in-full if you leave before the contract ends. Candidates that are seduced by a large bonus may make a decision without giving proper consideration to more important aspects of a position.

**Health Insurance**- Almost everyone realizes the importance of having affordable health insurance and good healthcare companies will all offer competitive packages. When comparing health benefits consider:

- Quality and Availability of providers in the system
- Monthly employee contribution
- Co-pays, deductibles and other out of pocket costs
- Prescription Plans
- Availability of dental and Vision

High deductible insurance plans allow you to see any health care provider/specialist. With a high deductible insurance plan, a participant can keep a Health Savings Account (HSA). This is a tax-advantaged medical savings account you can contribute to and withdraw money from for certain medical expenses, tax-free. HSAs can be used for out-of-pocket medical, dental, and vision, but not to pay health insurance premiums. The plan is designed for the participant to pay for services out of pocket until the reach the maximum out-of-pocket cost. Once meeting the annual deductible, there are no co-pays or fees for additional services.

PPO plans, or "Preferred Provider Organization" plans, are one of the most popular types of plans in the Individual and Family market. PPO plans allow you to visit whatever in-network physician or healthcare provider you wish without first requiring a referral from a primary care physician. You will pay a monthly cost for the plan plus co-pays.

With an HMO plan, you pick one primary care physician. All your health care services go through that doctor. A referral is required to see any other health care professional, except in an emergency. Visits to health care professionals outside of your network typically aren’t covered by your insurance. You will pay a monthly cost for the plan plus co-pays.
Retirement Plans- Most traditional pension plans have been replaced by pre-tax savings plans: 401k (for profit employers) or 403b (not for profit employers) plans. Money is automatically deducted from your paycheck and deposited into one of these accounts and you will not be taxed until you make withdrawals from the account upon retirement. The best packages not only offer the opportunity, but will contribute to your account based on a “matching” plan where they match all or part of your own savings.

Flex Spending Accounts- These accounts allow you to set aside a small amount of your check each pay period pre-tax. As you pay out qualified medical or child care expenses, they are reimbursed to you from the account. The benefit is that you are allowed to avoid paying taxes on those expenses.

Education- Good employers invest in the people that make up their company. Most healthcare companies today will reimburse all or part of the cost of bettering yourself through education. In most cases that includes your required CEU’s, specialization training, or even earning a higher degree! Remember, this education has to be related to your position. Do not expect an employer to help pay for a career change out of your field.

Paid Time Off- Some companies still offer a combination of vacation time, sick days and paid holidays. More often, employers package all of these in PTO (Paid Time Off) It is important to have this time periodically to get away and recharge.

These are most of the major components that we see every day. If an employer is not offering a competitive benefits package you should be asking WHY?

Consider This
Salary and benefits are important, but if you are not in the right job, even the best compensation package will not make you happy! Your quality of life may be the most important part of the puzzle. Know what your needs are and consider the following points:

- Location- do you really want to live there?
- Is there overtime available?
- Is there forced overtime?
- Management- will we be able to build a mutual respect?
- Co-Workers- are they supportive and friendly?
- Career potential- Can this job help you reach your short term goals? Long term goals?