



THE BENECO HOUR BANKING SYSTEM

Prevent lapses in employee insurance coverage by holding premiums in reserve

Are you a public works contractor concerned with interruptions in medical insurance coverage due to seasonality? Enhance your insurance coverage with the Beneco Hour Banking System.

How does it work?

- You are able to contribute up to four months of medical premiums per field employee
- Contributions are put into an irrevocable trust and are held there until used to offset future medical premiums if there is an interruption of work due to weather, seasonality, etc.

What are the benefits?

- Beneco tracks all reserve contributions and provides you balances on your monthly contribution statement
- Helps prevent cancellation of insurance coverage due to work interruptions
- May be used to offset Cobra premiums if an employee terminates

In our case study on the next page, see how ABC Paving Company uses Hour Banking for continuous insurance coverage for their employees.



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Prevent lapses in employee insurance coverage by holding premiums in “reserve”

Case Study: ABC Paving Company

Based in the Northeast with 8 field employees, ABC Paving Company shuts down November 1 to March 1 due to weather. They are concerned about their employees' insurance coverage during the suspension of work. Below illustrates how the premium Reserve keeps ABC's employees covered during winter months.

Employer Tracks Hours:

Employee	Monthly Public Job Hours	Monthly Private Job Hours	Total Monthly Hours	Monthly Contribution Amount
Employee # 1	80	40	120	\$150
Employee # 2	80	40	120	\$150
Employee # 3	80	40	120	\$150

Beneco Tracks Contributions & Reserves:

Employee	Monthly Contribution Amount	Monthly Premium Amount	Monthly Reserve Balance
Employee # 1	\$150	\$100	\$50
Employee # 2	\$150	\$100	\$50
Employee # 3	\$150	\$100	\$50

- After 8 months of work, each employees' reserve balance totals \$400 (8 x \$50)
- Based on the monthly premium amount of \$100, each employees' \$400 reserve balance will pay for premiums during the interruption of work from November 1 to March 1 (\$100 per month for 4 months)
- Employees are now covered for all 12 months of the year!