

Protecting Principals Better Protects Organization

This financial planning organization in Harrisburg, PA with 62 employees was a prospect when we first met them several months ago.

Key Challenges

During one of our initial meetings, this company expressed a concern that the future of the company would be significantly impacted if something were to happen to any one of the principals. Specifically citing death or disability, they wanted to know what could be done to ease any hardships such a situation could cause.

MBA Solution Presented

After reviewing the firm's employee benefit programs and the principal's individual life and disability policies, we made a few determinations. The company's group disability program had a definition of disability that was too restrictive, their coverage was inadequate and they were paying more than what we considered to be appropriate based on their demographics and claim history. Additionally, there was insufficient protection on the lives of the principals, as their policies were old and had not been updated in quite some time.

Our team enrolled the principals in more advantageous life and disability policies with higher benefit levels and obtained key employee insurance for both of them. Additionally, we negotiated better group benefits with a top ranked insurance company that included the following:

- Higher monthly maximum coverage on the group disability policy
- Increased life insurance guarantee issue amounts
- A more liberal definition of disability, tailored to the group's business model
- Reduced premiums for both the group life and group disability products

Measureable Results

The strategy and proposals we developed were accepted and adopted by the firm and their principals. More important than the \$15,000 in annual premium savings we were able to obtain for the group was that in the event of an unforeseen tragedy, the firm and its principals are more prepared to minimize any disruption that such a loss would cause.