

## Reasons for Providing a Group Insurance Plan

### Advantages for Employers

- Employer contributions to a group insurance plan are a tax deductible expense
- Protect their human assets
- Used as a HR tool to attract and retain talent
- Providing benefits to employees generally leads to a healthier workforce, which in turn stimulates productivity
- Offering group benefits as part of an employee's total compensation package is a tax effective way to reward employees. As opposed to an increase in pay, contributions into a group insurance plan minimize contributions to social and welfare plans

### Advantages for Employees

- Offering group insurance to Quebec employees allows them to opt-out of the public insurance program (RAMQ) and are exempt from paying the premium . If applicable, this applies for their spouses as well.
  - Welfare of the employee and their family is improved
  - Eliminates the need for an employee to use after-tax income to purchase individual health insurance
  - No need to provide evidence of good health
  - Group insurance is less expensive than individual insurance because the risks are pooled among the entire group
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