

Living Wage

Estimated Employer Savings Per 1,000 Full Time Equivalent Employees Offering Benefits as a "Condition of Employment"



Compare...

\$1.35 Provided in Benefits
 \$2,808,000 Health Benefits premium
 (\$280,000) 10% Employer
 Administrative Savings

VS.

\$1.35 Distributed Through Payroll
 \$2,808,000 Additional Payroll
 + \$128,888 (7.65% FICA)*

= \$2,527,200 Total Employer Cost

= \$2,936,888 Total Employer Cost

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Estimated Savings: Benefits vs. Payroll

\$409,688

Additional Opportunities for Savings

(1,000 Employees working 20-39 Hours per week)

(1) "Round Down Effect" **

Additional Savings Approximately 2 hours/per

employee/week or: \$104,000 hours @ (\$1.35 + 7.65% FICA)

=\$90,667 Approximate Savings

(2) Protection Stops

-HM Care Advantage will bill in arrears (1st of the month following the effective date) and any employee *terminated by the 15th of the month will not be billed for.*



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* Equals sixty-percent savings (inverse of Federal & State tax benefit). This illustration should not be used in any actual transaction without the advice and guidance of a professional Tax Adviser who is familiar with all the relevant facts. Although the information contained here is presented in good faith and believed to be correct, it is General in nature and is not intended as tax advice. Furthermore, the information contained herein may not be applicable to or suitable for the individuals' specific circumstances or needs and may require consideration of other matters.

** Plan 1 (20-24 hours) Plan 2 (25-29 hours) Plan 3 (30-34 hours) Plan 4 (35-39 hours)