

Plan design benchmarks

A broker's cheat sheet



Guide smarter, more competitive benefits strategies with real market data

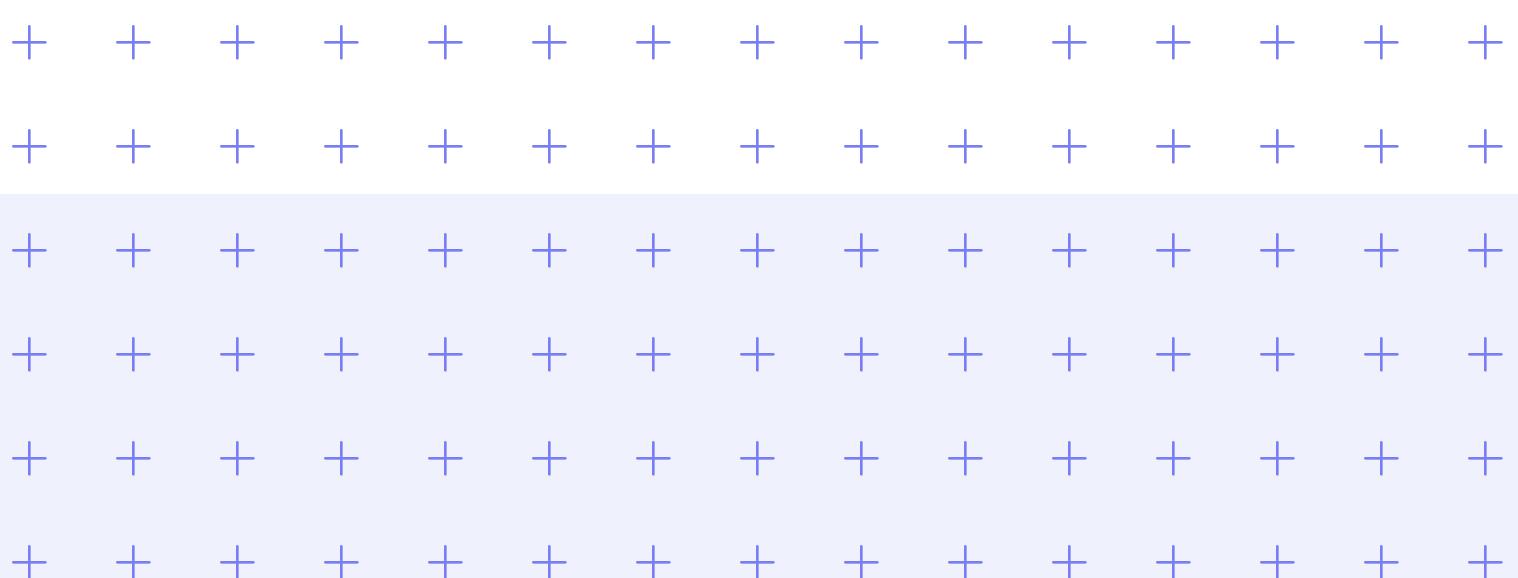
Most Critical Illness plans offer a \$12,500 maximum benefit. But anyone who's had a heart attack, stroke, cancer, or organ transplant—or walked through it with a loved one—knows the total cost ends up closer to \$60,000, if not more.

As a broker, it's your job to fill that (big) gap without blowing up your clients' budgets. Based on what we're seeing in the market, there are a few ways to top up other kinds of coverage and design a benefits plan that's meaningful to employees.

4 key benchmarks to know

Insights from our [State of Benefits Placement](#) report ($n = 5,000+$ employers) can help guide your strategy:

Life	Disability	Dental	Vision
<p>65% of plans offer a flat benefit.</p> <p>Most set it around \$50,000 to avoid triggering imputed income under IRS rules.</p>	<p>60% income replacement is standard.</p> <p>Our data shows it's placed 80%+ of the time, with maximum monthly LTD benefits landing between \$6,000 and \$10,000*.</p> <p><small>*Not much for high earners.</small></p>	<p>Maximums range from \$1,000-\$5,000.</p> <p>Most employers add carryover features to improve utilization, capped at around \$2,000.</p>	<p>Annual exams are standard.</p> <p>Frames and contact lenses vary in frequency and dollar amount.</p>
<p>Keep in mind</p> <p>Fewer than 35% of employers tie benefit levels to salary, despite the stronger protection it provides for higher earners.</p>	<p>70% of placements used a 13-week STD duration with a 90-day LTD elimination period. Most LTD plans follow that 90-day standard.</p>	<p>69% of employers offer dental coverage. Clients who opt out miss an opportunity to show they take employee wellness seriously.</p>	<p>Nearly half (47%) of employers offer vision coverage. Strong defaults around benefit frequency and structure make it easier for clients to see the value in adding it to their plan.</p>



3 ways to go above and beyond in plan design

The best brokers don't just present their clients with options. They help employers think strategically about their benefits programs. Here are three moves to make now to set your clients up for success later:

1. Identify gaps between client plans and market standards.

It's easy for employers to assume their plans are competitive. In practice, coverage can fall short, particularly for:

HIGH EARNERS

EXECUTIVES

EMPLOYEES WITH MORE COMPLEX NEEDS

A plan that promises 60% income replacement with an \$8,000 monthly cap will cover the full 60% for someone earning \$120,000 a year. But that's only 40% for someone earning \$200,000. The same issue shows up in Hospital Indemnity, Critical Illness, and Accident plans with maximums that haven't kept pace with today's costs.

TLDR → Build trust by calling out blind spots long before they turn into claim-time problems.

2. Recommend targeted enhancements.

More and more employers are investing in voluntary benefits. The key to a strong, sustainable plan design is knowing which small upgrades pack the biggest punch—for employers and employees.

- **For Critical Illness, consider pushing for higher maximums.** A modest premium bump can translate to far greater value at claim time.
- **For life insurance and disability, consider tying coverage to salary.** A salary-based benefit ensures consistency across pay levels.
- **For dental, consider adding a carryover feature.** This makes preventive care more accessible and decreases the risk of future dental problems.
- **For vision, consider aligning lens and frame frequencies.** With more screen time, eye strain and vision changes happen more often. Setting lens and frame frequency to reflect that helps employees stay comfortable and focused.

Benefit	Common Benchmark	Strategic Upgrade Opportunity
Critical Illness	\$12,500 max	Higher maximums
Life	\$50,000 flat	\$50,000 max
Disability	60% income replacement	Raise caps for execs
Dental	\$1,000–\$1,500 max	Add carryover feature
Vision	Annual exam	Align lens/frames frequencies

TLDR → Small adjustments to existing plans can make a huge difference in employee satisfaction and retention.

3. Use data to drive decisions.

Clients put a lot more trust in your advice when you've got the numbers to back it up (not just rules of thumb). With data from platforms like ThreeFlow, you can show clients:

- How their plan stacks up against the market
- Where peers are directing their budgets and attention
- Trends that are likely to influence next year's renewals

TLDR → Benchmarking data gives you a clear story to tell and makes your recommendations harder to dismiss.

Curious what the whole market picture looks like?

Download the full [State of Benefits Placement](#) report for deeper compensation insights and market benchmarks —powered by ThreeFlow's placement data.

