

2020



DEALERSHIP INSURANCE & BENEFITS

New Car Survey Results- Greater Philadelphia

160

Dealership Responses



PENNSYLVANIA AUTOMOTIVE ASSOCIATION



2020 Dealership Insurance & Benefits Survey Results

Greater Philadelphia - 160 Dealership Responses

The Pennsylvania Automotive Association (PAA) has prepared the following 2020 Dealership Insurance & Benefits Survey Results to assist its dealer members in being as efficient as possible in the operation of their dealerships and to reflect the industry's participation in insurance programs and employee benefits. PAA's Dealership Insurance & Benefits Survey Results captures information that is not included in NADA's annual Dealership Workforce Study, and PAA highly recommends that dealerships participate in the NADA Study each year to receive information on sales and compensation trends.

Employees value health care coverage perhaps more than any other benefit, but employers are struggling with the escalating costs of providing quality programs. PAA offers a number of insurance carriers in all areas of Pennsylvania with a wide range of benefit choices. These choices will enable employers to design benefit packages that meet their needs and fit their budget.

We provide the enclosed information for your use in comparing your benefit options with those of other dealerships throughout Pennsylvania. For all your employee benefit needs, contact PAA Insurance Agency - the brokers who know your business.

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EMPLOYEES

Average dealership employs 56 people.

100% of dealerships offer health insurance to employees.

Does the dealership contribute to the cost of **employee-only** health coverage?



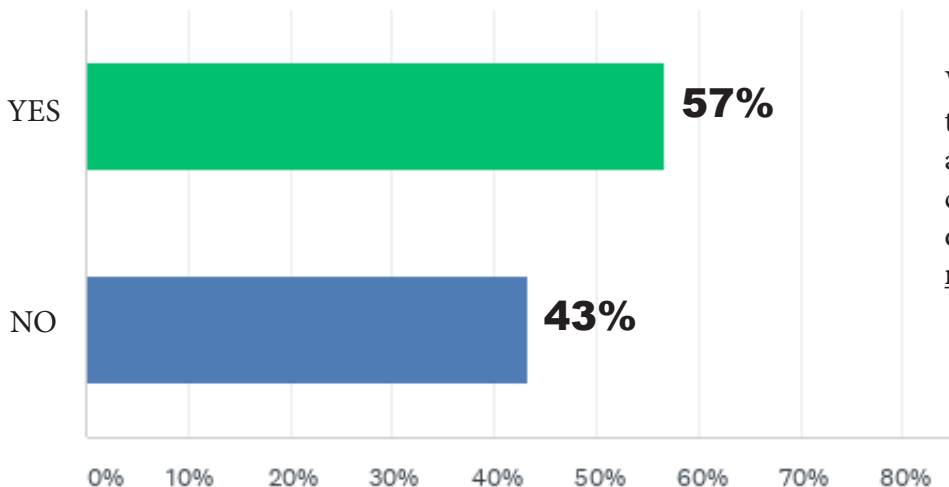
98% of dealerships contribute to employee costs.

YES NO

When dealers contribute to employee-only coverage, the average dealer in the Greater Philadelphia area is contributing **65% of the premium** or an **average flat rate of \$325 per month**.

DEPENDENTS

Does the dealership contribute toward the cost of **dependent** health coverage?



When dealers contribute to dependent coverage, the average dealer across the state is contributing **56% of the premium** or an **average flat rate of \$388 per month**.

How are health insurance rate increases handled?



Does the dealership offer Health Savings Accounts (H.S.A.)?



51% offer H.S.A.s

And 22% of these employers are contributing toward the H.S.A, up 6% from 2017.

Does the dealership offer Health Reimbursement Arrangements (HRA)?



21% offer HRAs

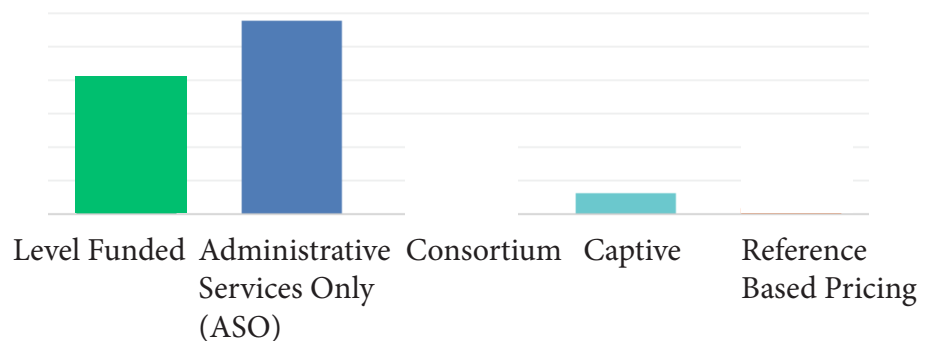
Does the dealership offer self-funded Health Insurance?



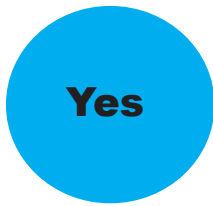
25% offer self-funded health insurance

Down 9% from 2017.

Dealers described Self-Funded Plans as:

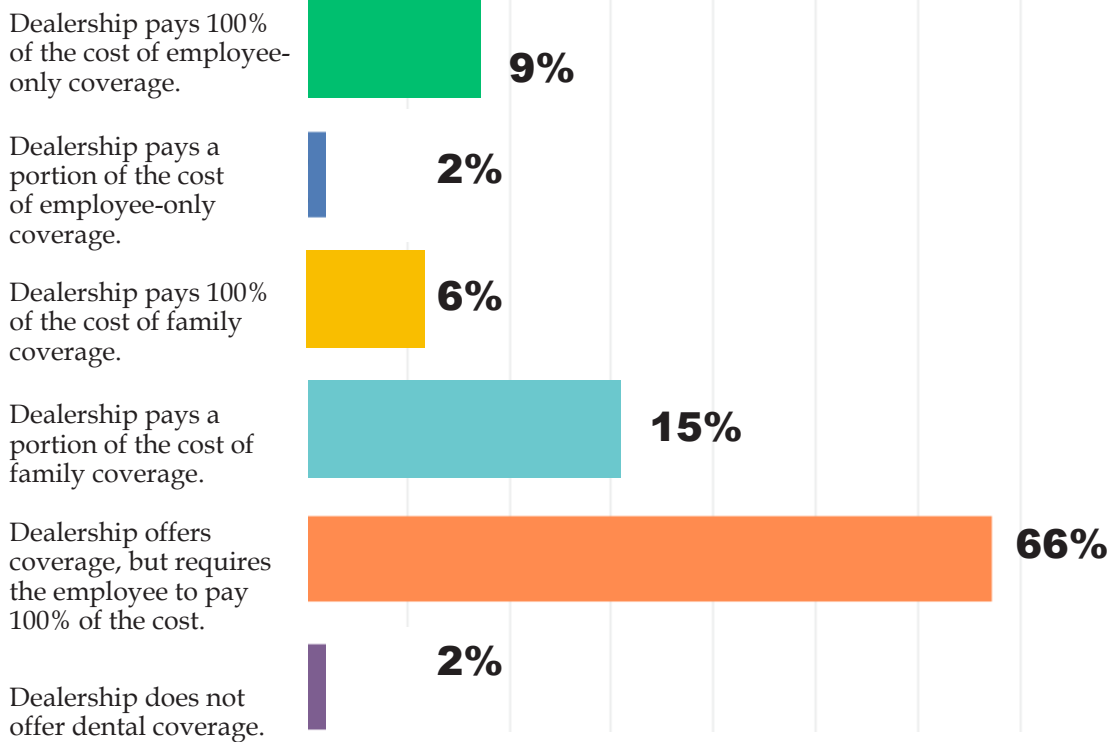


Do you provide a Section 125 Plan to your employees?



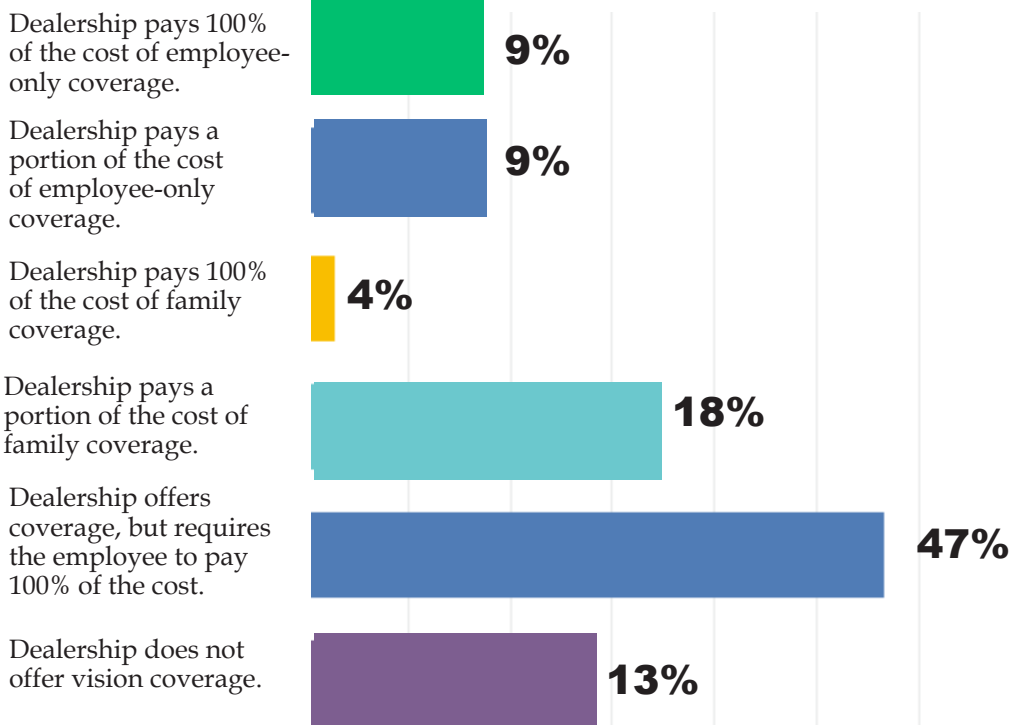
100% offer a Section 125 Plan

Which most accurately describes your dealership's dental plan:



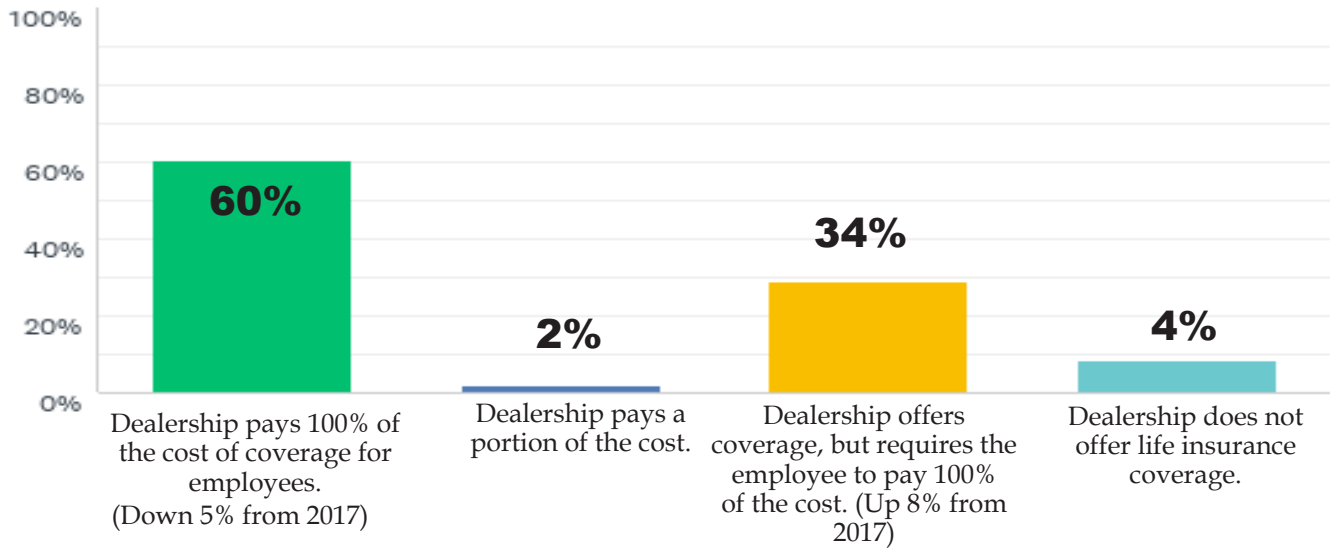
If the dealership is paying a portion of the dental insurance, the average portion is 60%.

Which most accurately describes your dealership's vision plan:

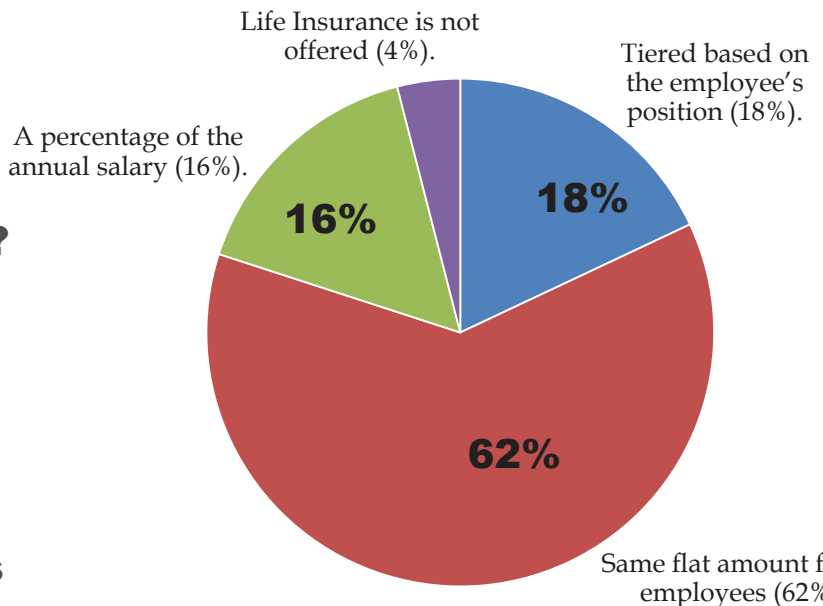


If the dealership is paying a portion of the vision insurance, the average portion is 62%.

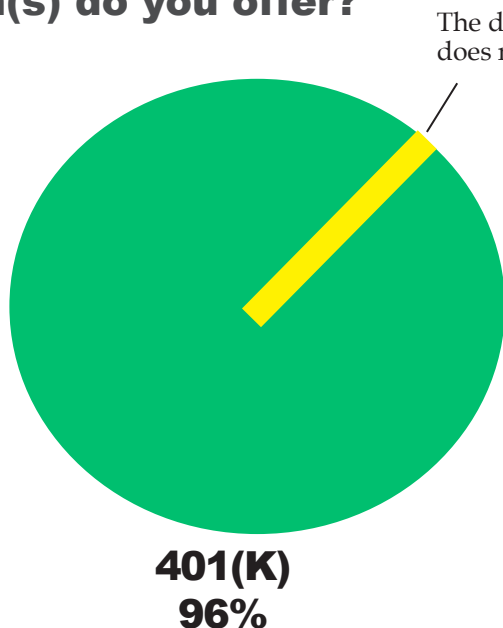
Which most accurately describes your dealership's **life insurance**



What level of **life insurance coverage** does the dealership pay for?



Which retirement savings plan(s) do you offer?



85% match employee contributions to the 401(k) plan (up 5% from 2017).

41% match based on salary, average match is 3.5%.

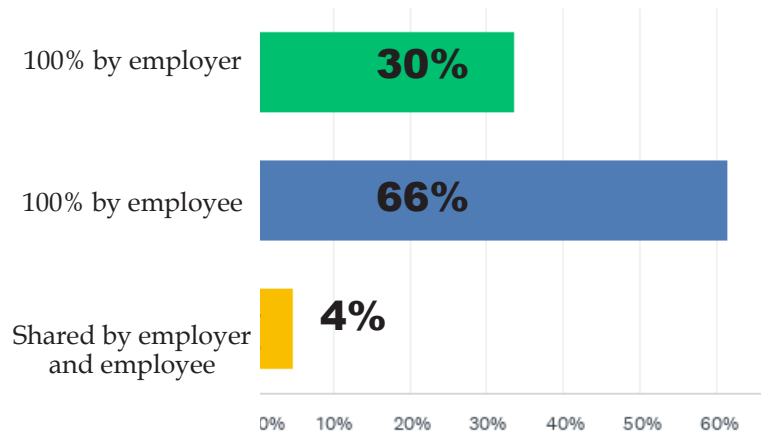
11% based on profitability.

32% match a % of the employees contribution.

Same flat amount for all employees (62%).
*The average dealer is paying a flat amount of \$17,098 (an increase of 27% since 2017).

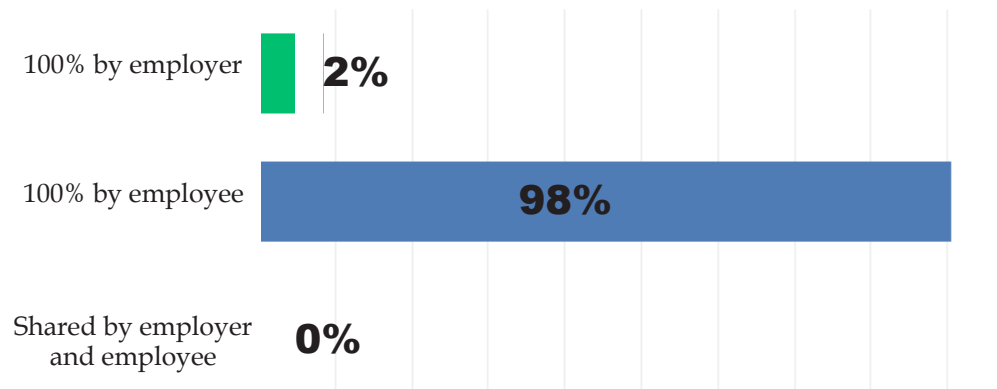
98% of dealerships provide short-term disability insurance to employees (down 2% from 2017).

How are premiums paid?

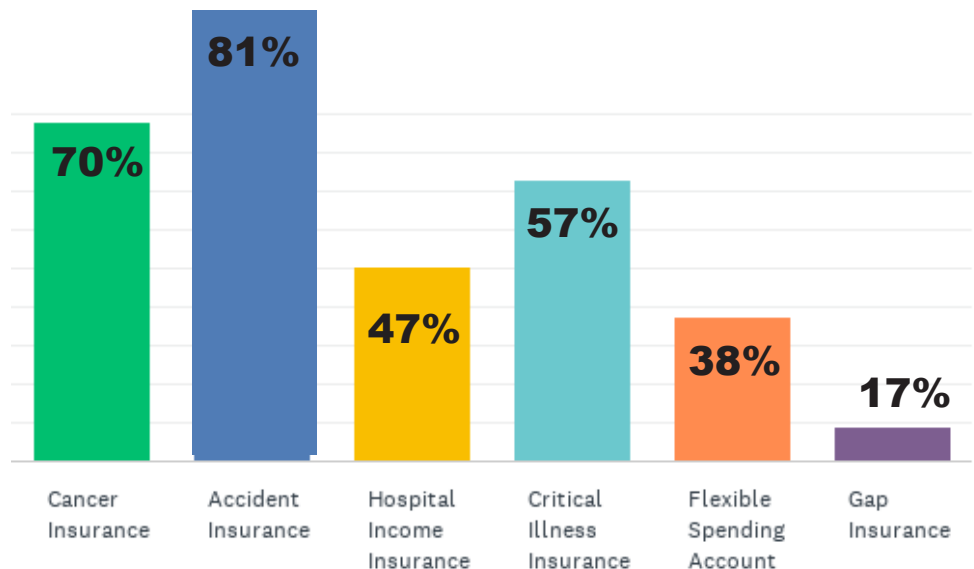


85% of dealerships provide long-term disability insurance to employees (down 9% from 2017).

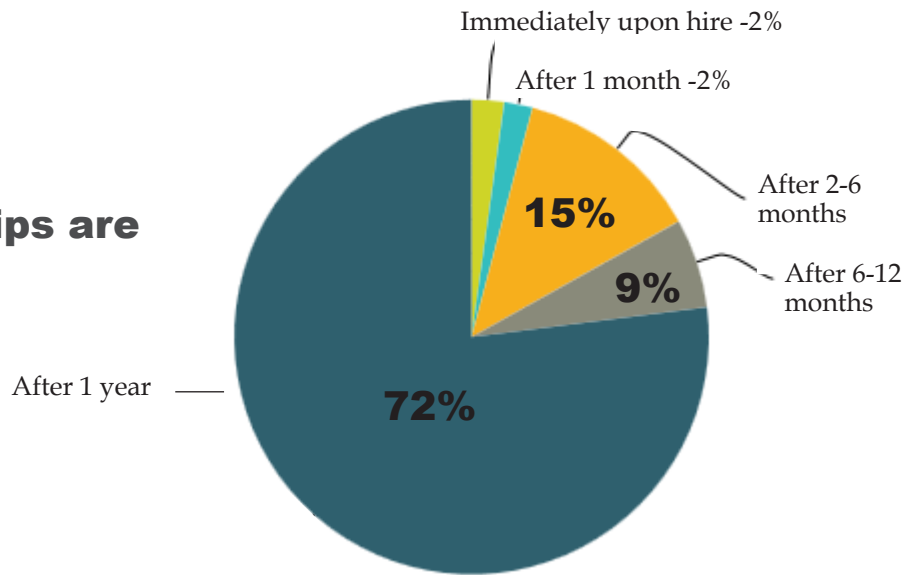
How are premiums paid?



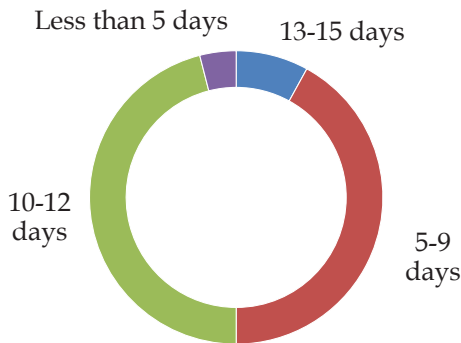
Dealerships are also offering....



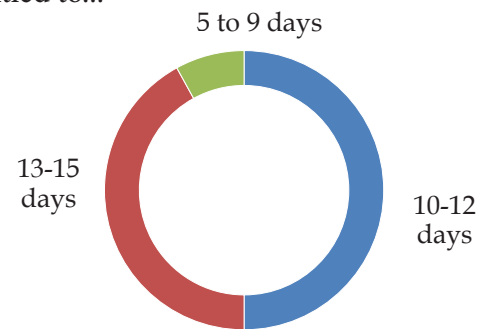
Employees at dealerships are eligible for vacation...



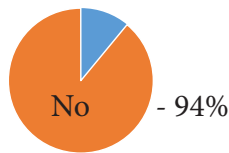
Employees with 1-4 years of service are entitled to...



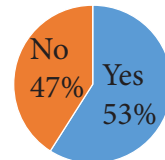
Employees with 5-10 years of service are entitled to...



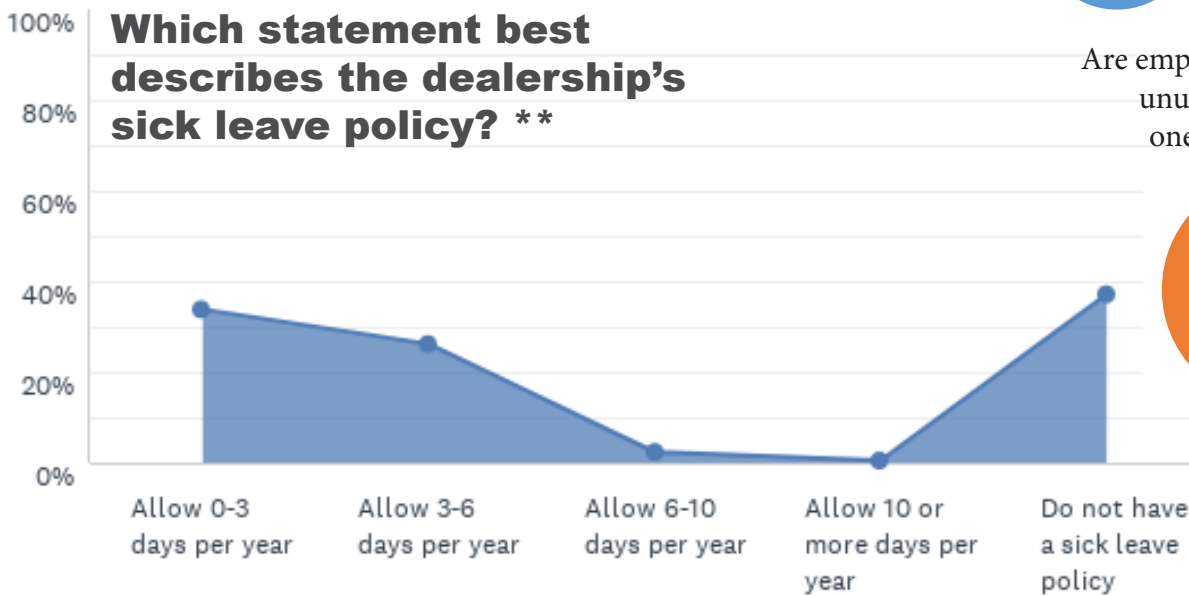
Are employees entitled to carry over unused vacation days?



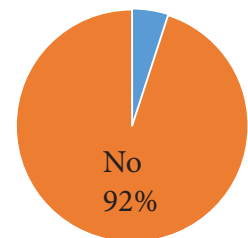
Do employees have the option of receiving payment for unused vacation days?



Which statement best describes the dealership's sick leave policy? **



Are employees allowed to carry unused sick days from one year to the next?



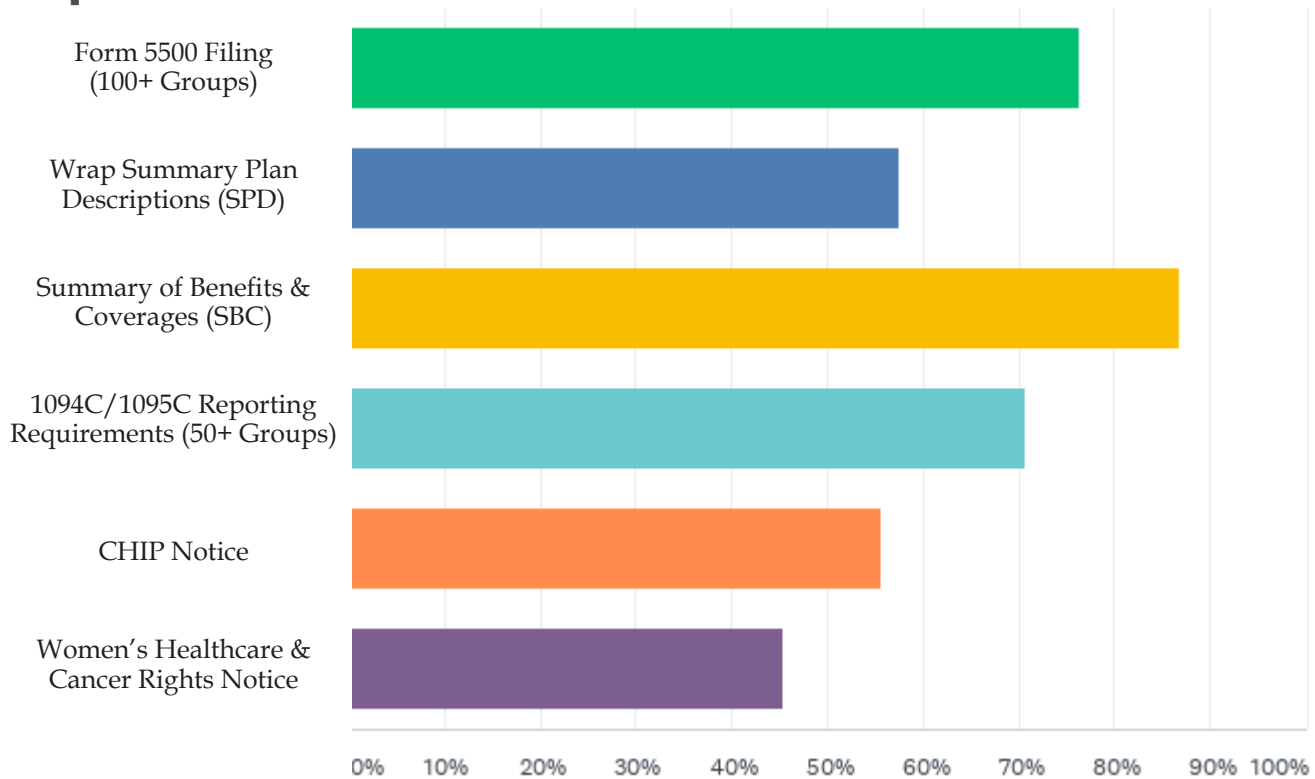
** The City of Philadelphia "Promoting Healthy Families and Workplaces" law entitles employees working in the boundaries of the city to paid sick days. Employees are eligible to earn one hour of sick time for every 40 hours worked, with a maximum of 40 sick time hours earned in a calendar year.

Learn more at: <https://www.phila.gov/documents/paid-sick-leave-information>

25% of Dealerships are allowing employees to enroll through an employee benefits electronic enrollment platform.



Dealerships are aware of and complying with the following requirements...



PAA would like to thank the 530 new car and 75 truck dealerships who participated in the 2020 Insurance Benefits Survey. The PAA Insurance Agency can assist your dealership in determining what benefit options are right for your dealership's employees.



Pennsylvania Automotive Association
1925 North Front Street, Harrisburg, PA 17102
717-255-8311

Contact PAA today for all your benefit needs.