

# New Car Dealership Insurance & Benefits

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## PITTSBURGH

**2023  
RESULTS**



**PENNSYLVANIA AUTOMOTIVE ASSOCIATION**

*Representing Pennsylvania franchised new car, truck, and powersports dealers*



## 2023 Dealership Insurance & Benefits

# Survey Results

GREATER PITTSBURGH AREA

The Pennsylvania Automotive Association (PAA) has prepared the following **2023 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.

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.

**For all your employee benefit needs, contact PAA Insurance Agency - the brokers who know your business.**

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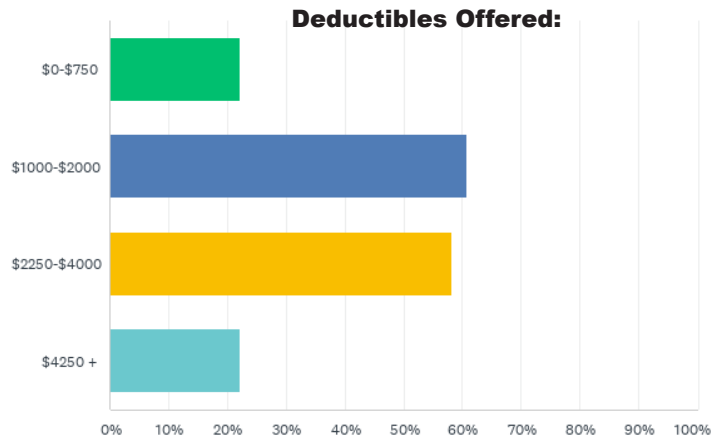
# EMPLOYEES

Average dealership employs 44 people.

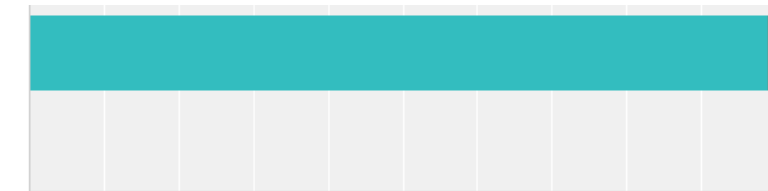
**100% of dealerships offer health insurance to employees.**

Dealerships often offer choices to their employees. 27% offer only 1 health plan. 62% offer 2-3 plans, and 8% offer 4 or more.

**Dealerships offer the following deductible amounts:**



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



**96% of dealerships contribute to employee costs.**

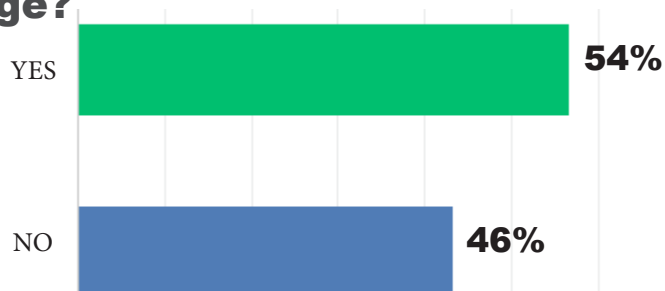
YES NO

When dealers contribute to employee-only coverage, the average dealer across the state is contributing 68% of the premium.

**88% of dealerships shop for health insurance each year.**

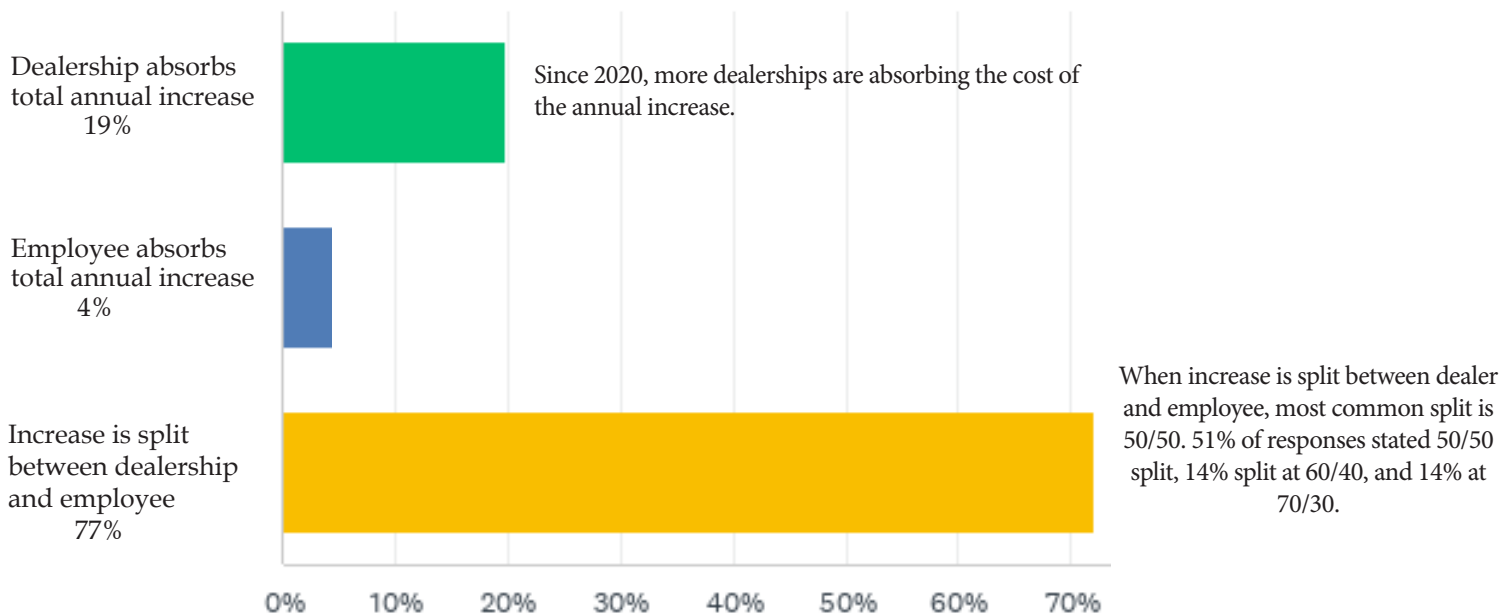
# DEPENDENTS

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

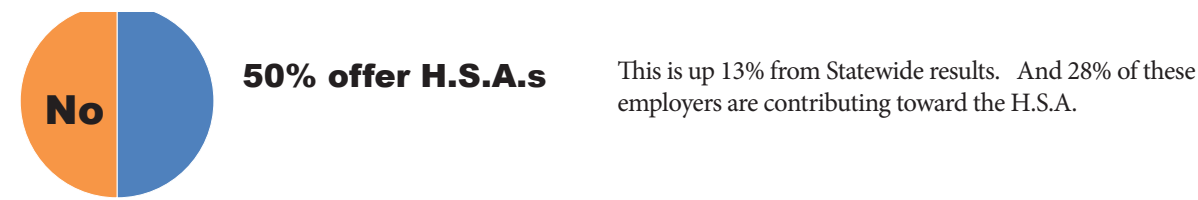


When dealers contribute to dependent coverage, the average dealer across the state is contributing 68% of the premium.

## How are health insurance rate increases handled?



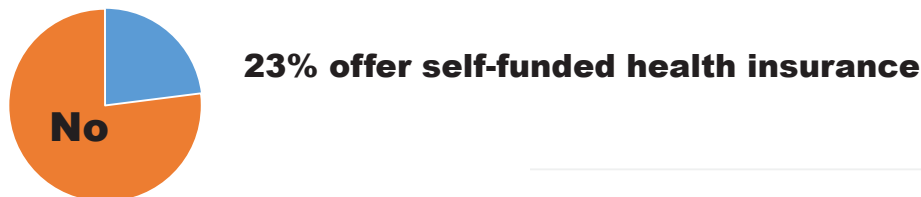
## Does the dealership offer Health Savings Accounts (H.S.A.)?



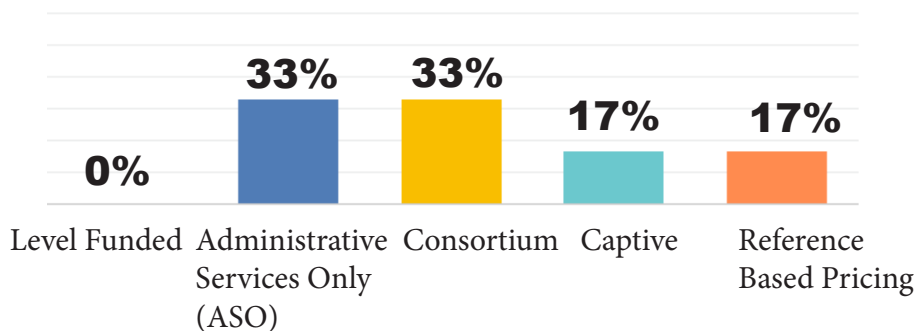
## Does the dealership offer Health Reimbursement Arrangements (HRA)?



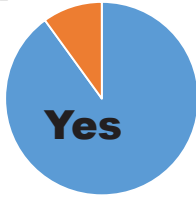
## Does the dealership offer self-funded Health Insurance?



### Dealers described Self-Funded Plans as:



## Do you provide a Section 125 Plan to your employees?



96% offer a Section 125 Plan

## Which most accurately describes your dealership's dental plan:

Dealership pays 100% of the cost of employee-only coverage.



4%

Dealership pays a portion of the cost of employee-only coverage.



8%

Dealership pays 100% of the cost of family coverage.



8%

Dealership pays a portion of the cost of family coverage.



11%

Dealership offers coverage, but requires the employee to pay 100% of the cost.



54%

Dealership does not offer dental coverage.



15%

If the dealership is paying a portion of the dental insurance, the average portion is 67%.

## Which most accurately describes your dealership's vision plan:

Dealership pays 100% of the cost of employee-only coverage.



8%

Dealership pays a portion of the cost of employee-only coverage.



12%

Dealership pays 100% of the cost of family coverage.



8%

Dealership pays a portion of the cost of family coverage.



8%

Dealership offers coverage, but requires the employee to pay 100% of the cost.



46%

Dealership does not offer vision coverage.

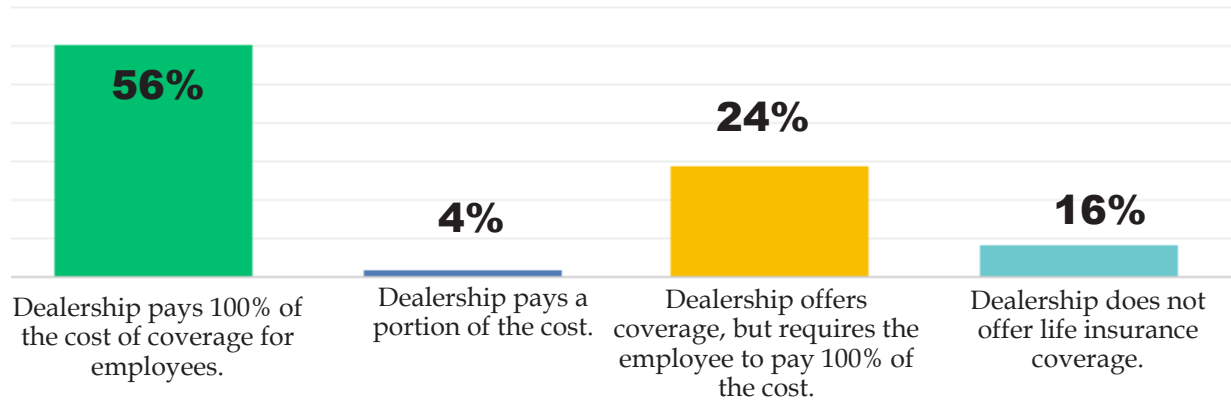


20%

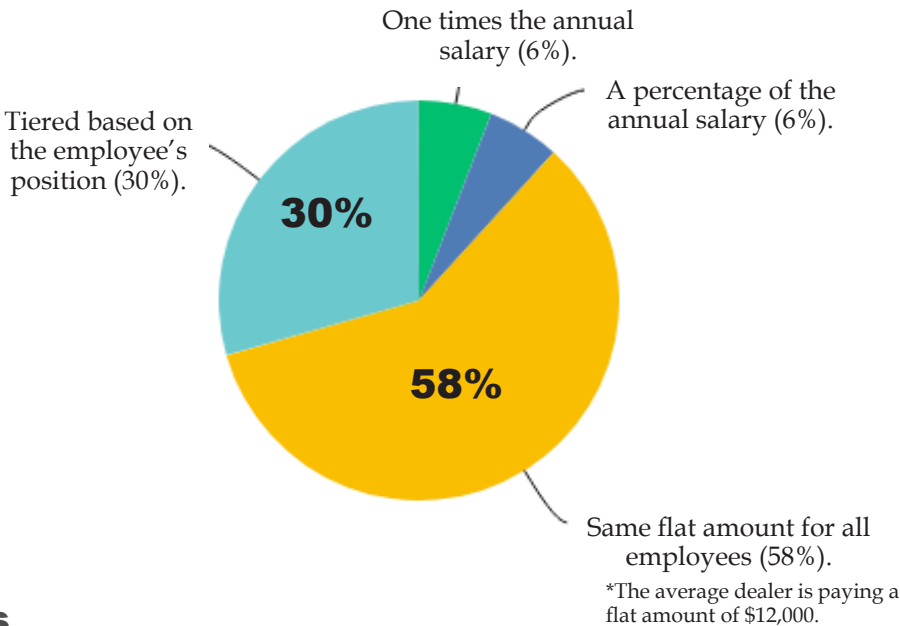
If the dealership is paying a portion of the vision insurance, the average portion is 65%.



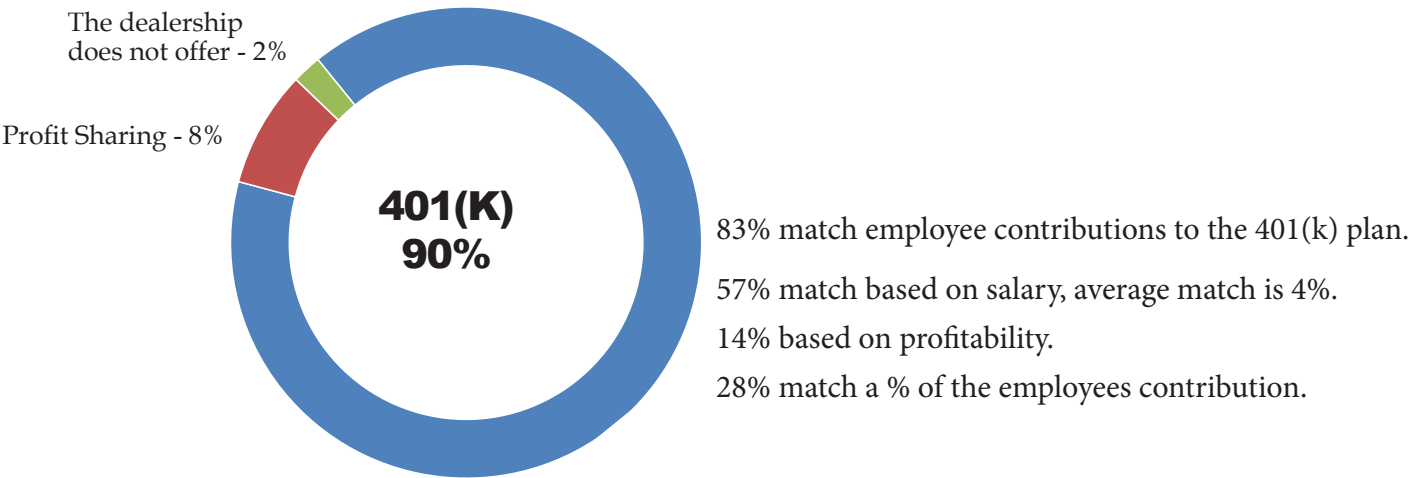
Which most accurately describes your dealership's **life insurance**



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

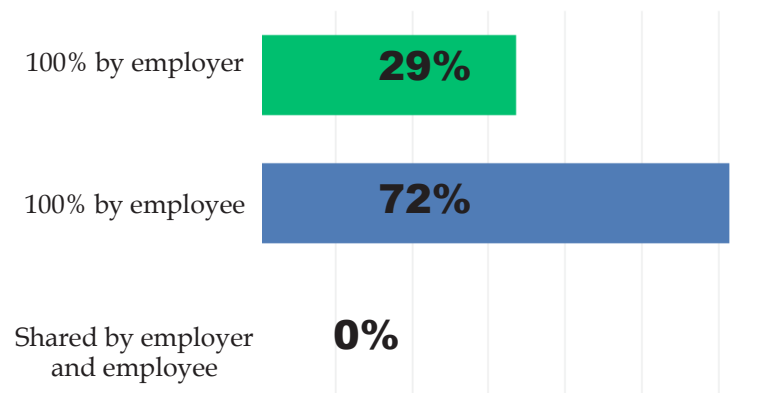


Which retirement savings plan(s) do you offer?



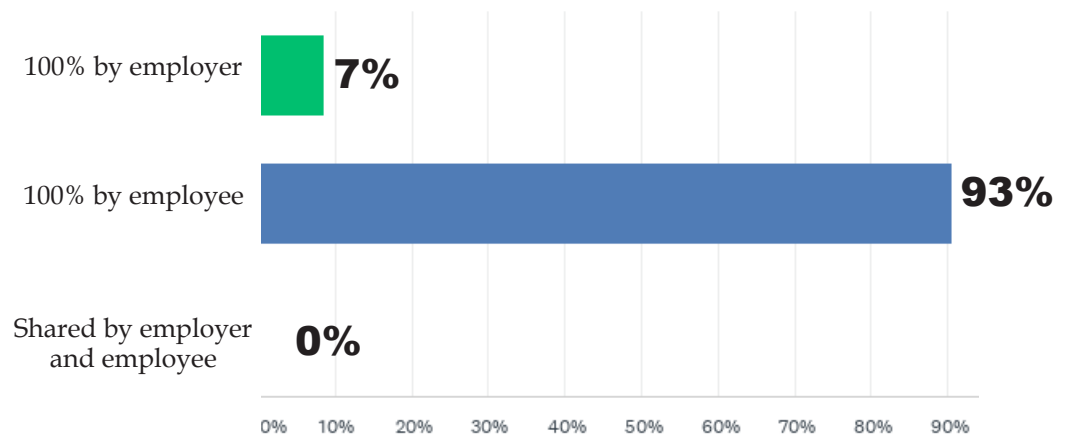
**81% of dealerships provide short-term disability insurance to employees.**

**How are premiums paid?**

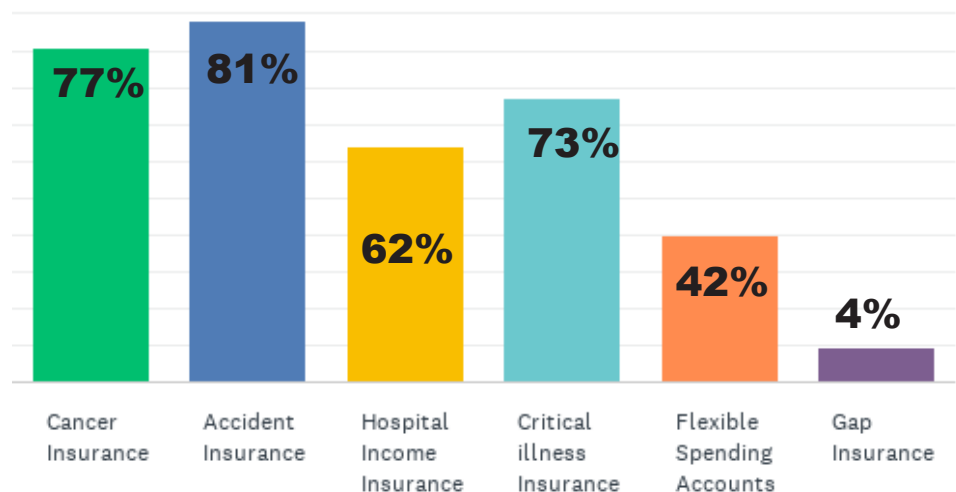


**54% of dealerships provide long-term disability insurance to employees** (down 19% from Statewide results).

**How are premiums paid?**

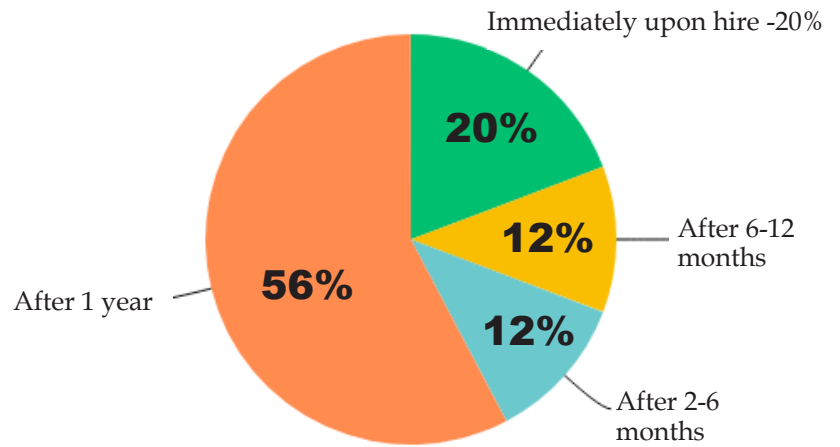


**Dealerships are also offering....**

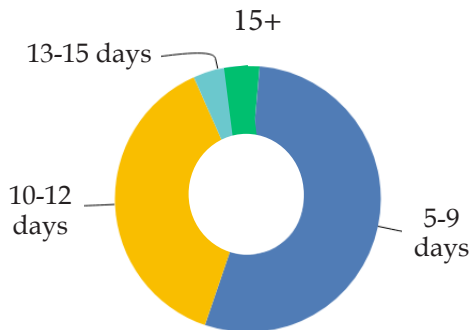


Since 2020, more voluntary coverages are being offered to employees. Cancer insurance is up 6%, Accident Insurance up 8%, Hospital Income Insurance up 12% and Critical Illness Insurance is up 6%. More dealerships are also offering Flexible Spending Accounts, an increase of 3% since 2020.

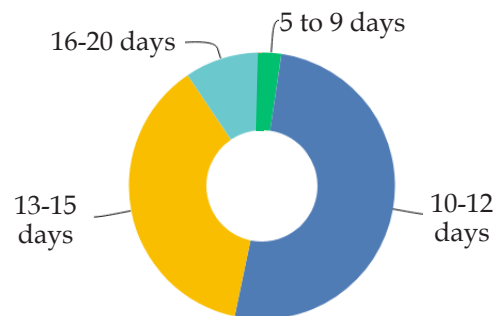
## Employees at dealerships are eligible for vacation...



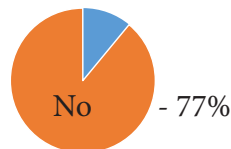
Employees with 1-4 years of service are entitled to...



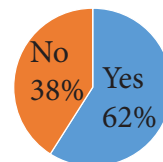
Employees with 5-10 years of service are entitled to...



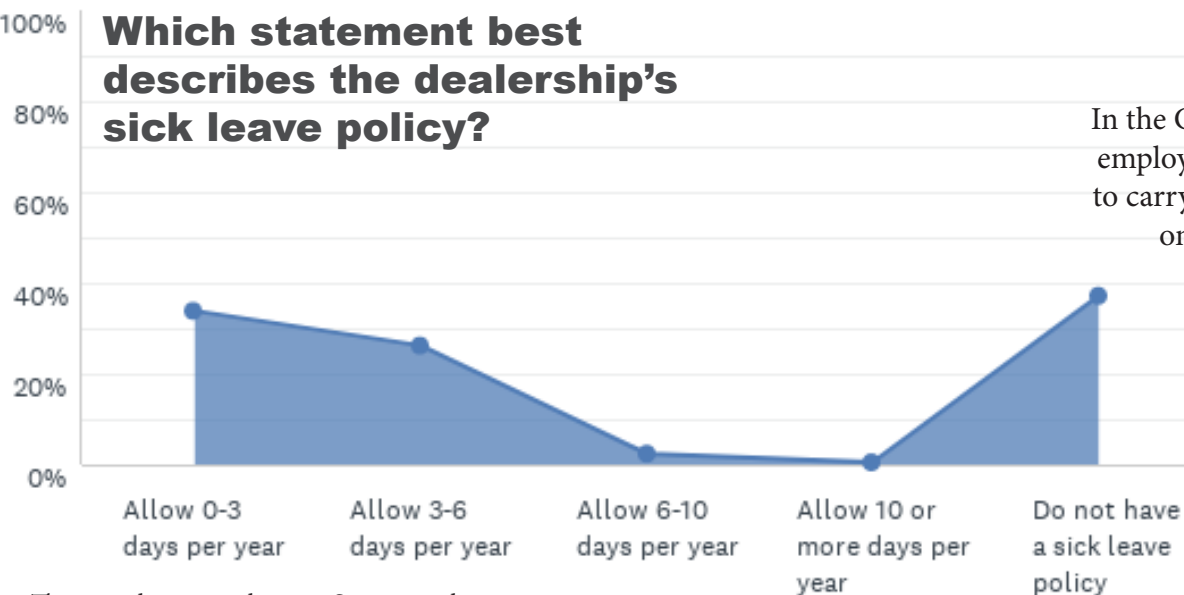
Are employees entitled to carry over unused vacation days?



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



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



In the Greater Pittsburgh Area, employees **ARE NOT** allowed to carry unused sick days from one year to the next.

These results mirror the 2020 Survey results.



**35% of Dealerships** are allowing employees to enroll through an employee benefits electronic enrollment platform.

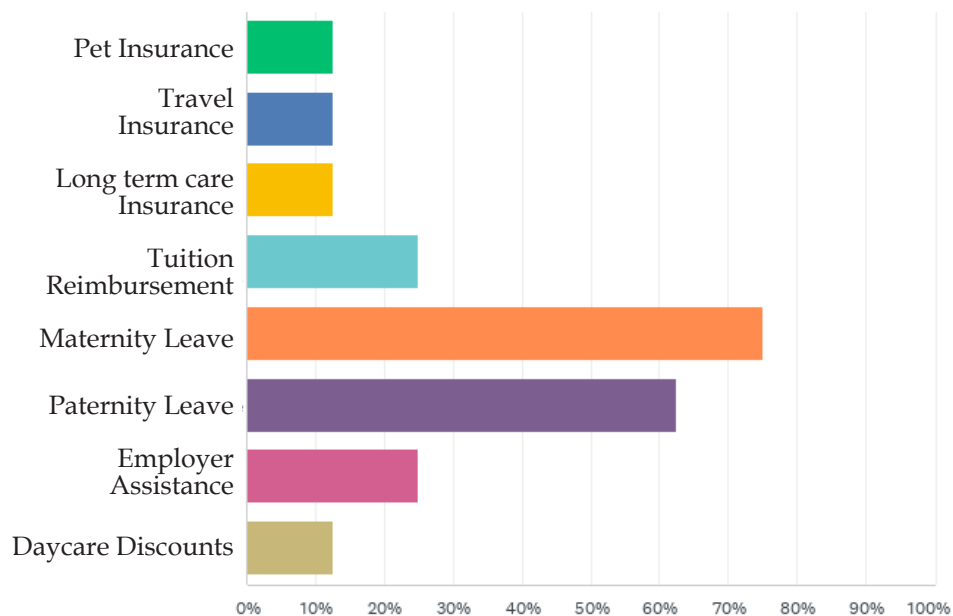
Those dealerships rate the electronic platform they are using:

**4.4** ★  
average rating



**26%** of Dealerships are transmitting enrollment data to insurance carriers by paper application, **43%** by benefit administration or payroll system report, and **9%** by Electronic data interchange (EDI) file feed.

**Dealerships provide additional ancillary benefits such as:**



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717-255-8311

PAA would like to thank the 478 new car, 52 truck, and 20 powersport dealerships who participated in the 2023 Insurance Benefits Survey. The PAA Insurance Agency can assist your dealership in determining what benefit options are right for your dealership's employees.

Contact PAA today for all your benefit needs.