

National Public Employer Labor Relations Association / Gallagher Benefit Services, Inc.

Summary of Cooperative Purchasing Survey Results

As part of our new partnership with Gallagher Benefit Services (GBS), National Public Employer Labor Relations Association (NPELRA) and GBS launched a survey in August, 2009 to gain knowledge from our members on their interest in cooperative purchasing. Cooperative purchasing is a system allowing organizations to combine their purchasing power in order to negotiate better prices and to gain long term cost control.

The survey closed on September 4th, 2009 and the following is a summary of our findings based on the 250 member organizations throughout the United States that responded:

- 100% of the respondents offer employee benefits to their active population.
- 64% of the respondents offer benefits to their retirees.
- 90% of the respondents have union employees.

Survey respondents indicated that they are offering the following employee benefit programs for their full-time employees:

- Medical – 100%, Rx – 96%
- Dental – 96%
- Vision – 79%
- Life/AD&D – 94%
- Long Term Disability – 66%
- Short Term Disability – 45%
- Section 125 Plans – 80%
- Employee Assistance Programs – 89%
- Long Term Care – 18%
- Disease Management – 23%

The percentage of respondents interested in considering an employee benefit purchasing cooperative is 73%. Currently, 44% of the respondents are actively participating in a cooperative/pool for purchasing employee benefits.

The following summarizes what benefits the respondents are interested in for an employee benefit purchasing cooperative:

- Medical – 54%
- Rx – 51%
- Dental – 53%
- Vision – 48%
- Life/AD&D – 39%
- Short Term Disability – 22%
- Long Term Disability – 36%
- Section 125 – 26%
- Employee Assistance Program – 32%
- Long Term Care – 20%
- Disease Management – 19%

GBS will be hosting two webinars to provide you with further information on cooperative purchasing and explain how your organization can participate in the marketing study. Information on attending the webinars is as follows (there is no need to pre-register):

Webinar: November 17th, 2009 at 12:00 PM (ET)
Duration: 1:00 hour
URL: <http://ajg.na6.acrobat.com/npelra/>
Conference Number: 1-866-642-1665
Participant Code: 454315

Webinar: November 19th, 2009 at 12:00 PM (ET)
Duration: 1:00 hour
URL: <http://ajg.na6.acrobat.com/npelra/>
Conference Number: 1-866-642-1665
Participant Code: 454315

Meanwhile, if you have any questions at this time, please feel free to contact Mary Beth Bullen from GBS directly at: GBSNPELRA@ajg.com or toll-free at 1-877-360-4900. If your organization did not participate in the survey and you are interested in the marketing study please contact Mary Beth Bullen by November 20th, 2009.

GBS's mission is to provide superior, cost effective benefit products and services that meet the ever changing needs of the public sector including pooling and purchasing cooperatives. Ultimately, the goal of a creating a purchasing cooperative would be to realize cost savings while maintaining current benefit levels.

We look forward to your participation.