

GET THE JOB

Consider the Benefits

Benefits can represent a large portion of your compensation. That means when you get a job offer (or offers), you should consider the entire compensation package, not just the base pay.

As of June 2019, employers' average labor costs in the U.S. were \$36.61 per hour, according to the Bureau of Labor Statistics. Of that amount, 68.6% was comprised of wages and salaries, while the remaining 31.4% was made up of benefits costs. Those benefits include paid leave (7.2%) ; supplemental pay, such as bonuses, overtime and shift differentials (2.8%); insurance (8.7%); retirement and savings (5.3%); and legally required benefits (7.3%). If you're only looking at the salary you're offered, you're not seeing the full picture.

THE 401(K) MATCH

When you contribute a certain amount of your income toward your 401(k), many employers will match the contribution up to a maximum percentage. A good 401(k) match can significantly



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increase your compensation and help you build a strong retirement fund. The matching funds are paid with pre-tax dollars, so you won't pay taxes on the money (or the interest, dividends and capital gains it earns for you) until you withdraw it in retirement.

HEALTH INSURANCE

Another benefit that can make a huge difference when you're considering job offers is employer contributions toward health insurance.

Employer-paid premiums for health insurance are exempt from federal income and payroll taxes, according to

the Tax Policy Center. Considering the massive cost of insurance premiums — an average of \$20,000 for family health plans — an employer's contribution to these expenses is a major factor in considering how you will be compensated. Health plans that provide better coverage also will require lower out-of-pocket expenses for employees. You also should consider whether the company offers a health savings account or flexible spending account for medical and dependent care expenses.

PAID TIME OFF

The amount of paid time off

you get is more of a quality of life consideration than a financial one. What is your motivation for changing jobs? If you want to travel more or spend more time with friends or family, a job that offers more paid time off will be more attractive. Research often shows that taking more paid time off has benefits for employees' mental health and stress levels. These are benefits on which you cannot put a price. Consider them accordingly.

TAX ADVANTAGES

One reason you should pay no small mind to employer-paid benefits is that most

are tax free. In general, health insurance premiums your employer pays on your behalf are tax free, as well as long-term care plan costs. Other non-taxable benefits include education assistance, disability insurance, group term life insurance up to \$50,000, and up to 40 percent of commuter benefits, according to Nolo.com. If these are expenses you would normally incur to of pocket, receiving them as employer-provided benefits can increase your compensation considerably and could even make a job with a lower base salary more attractive than a higher-paying job with fewer benefits. Do the math when comparing job offers.

ASK ABOUT BENEFITS

Employers use their benefits packages as tools to recruit the best talent. They may even disclose such benefits on their public recruiting websites. Your job offer should include more specific information about benefits the company provides. You also should be provided a contact with the prospective employer's human resources department, whom you can approach with any questions you have. Be clear about what's on the table, so you are making a decision based on the best possible comparison between two or more offers, or your current job.

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HOT JOB PROFILE

NURSE PRACTITIONERS 2018 median pay: \$113,930 per year (\$54.78 per hour)

Number of jobs in 2018: 240,700

Job outlook, 2018-28: 26% (much faster than average)

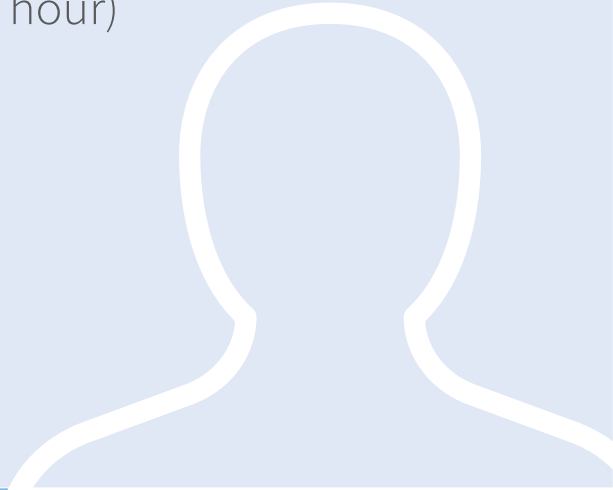
Employment change, 2018-28: 62,000

The role: coordinating patient care and providing primary and specialty healthcare.

Education required: at least a master's degree; state licensing.

The need: driven by an increased emphasis on preventive care and the demands of an aging population.

Source: U.S. Bureau of Labor Statistics



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