



Solving the Top 3 HR Challenges for Law Firms

Wednesday March 8th, 2023



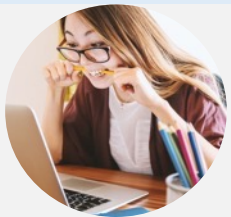


Joseph Appelbaum

Founder & CEO

Potomac Companies & CalmHR

- Born in Brooklyn, NY and grew up in Manalapan, NJ.
- I attended Carnegie Mellon and graduated from Rutgers University.
- After college, I began working in the insurance business.
- It took only a few years to recognize **I did not like the way large insurance companies operated.**



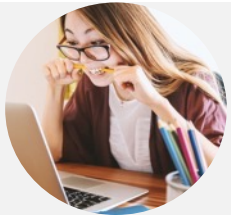
Solving the Top 3 HR Challenges for Law Firms





Potomac Companies, Inc.

Helping Employers Manage the Future Cost of Health Care®



Solving the Top 3 HR Challenges for Law Firms



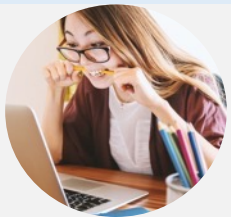
“Joe, I don’t have the time to change our company’s employee benefits”

“Joe, I have several other projects going on right now”

“Joe, managing the attorneys & partners is like herding cats”

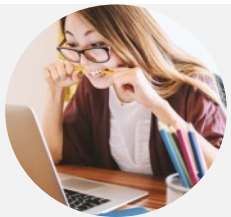
Employee benefits are then perceived negatively.

“The dreaded open enrollment season”



Top 3 HR Challenges for Law Firms

- **Balancing all aspects of HR, administration and compliance**
- **Building digital dexterity**
- **Attracting & retaining top talent**



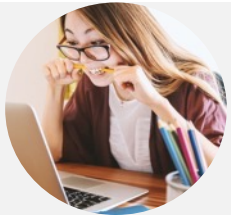
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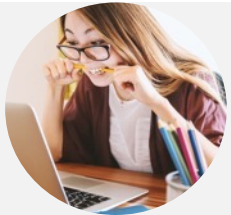
I'm going to show you how to:



- Redeem time to focus on your business goals & objectives
- Simplify and automate administrative back-office tasks
- Maximize retention and recruitment of top talent – **FOR EVERY SIZE FIRM**



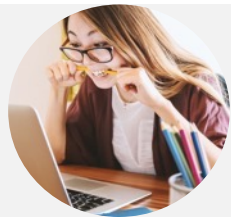
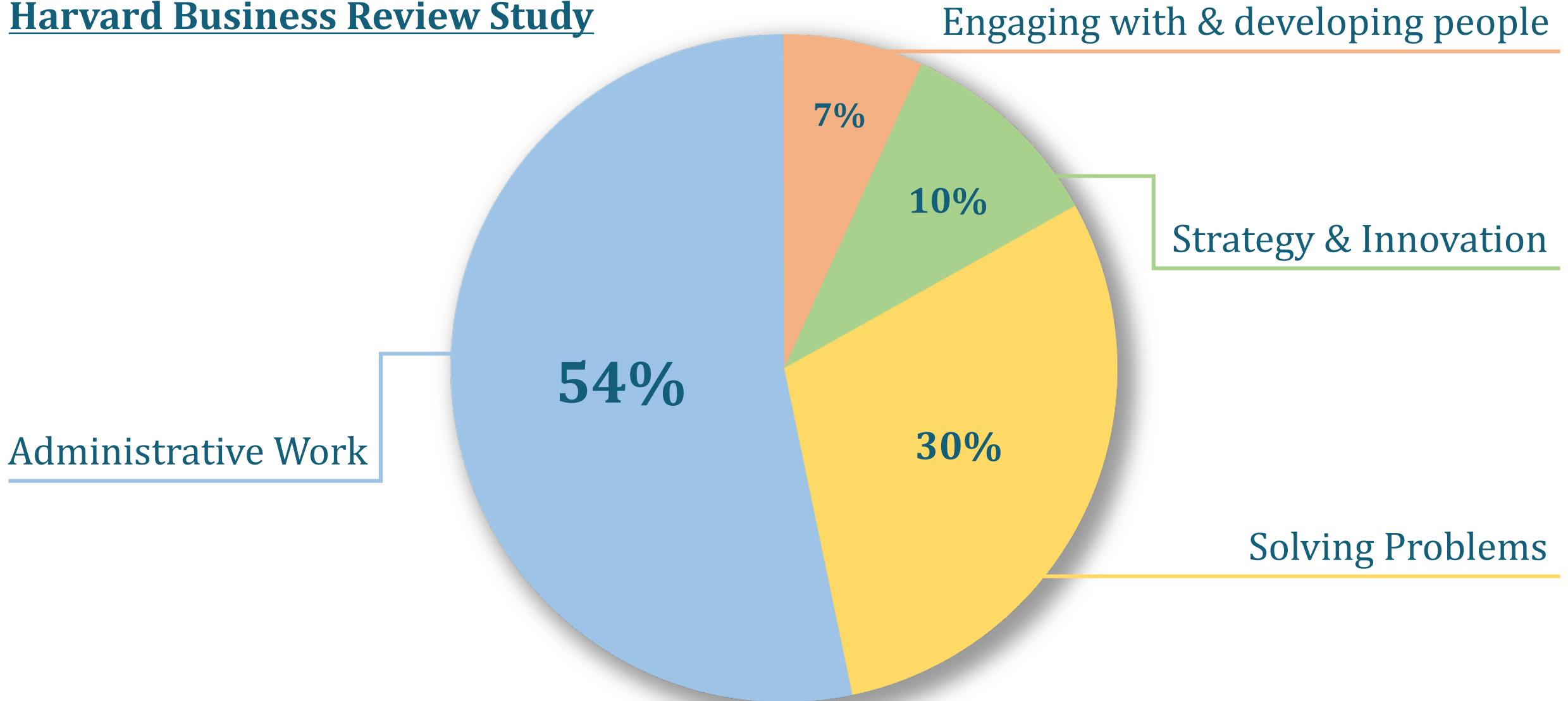
Who can relate?



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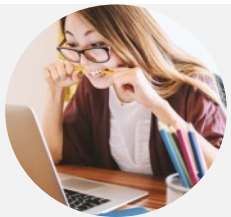
Harvard Business Review Study



Why 54%?

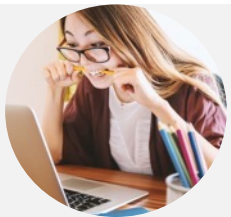
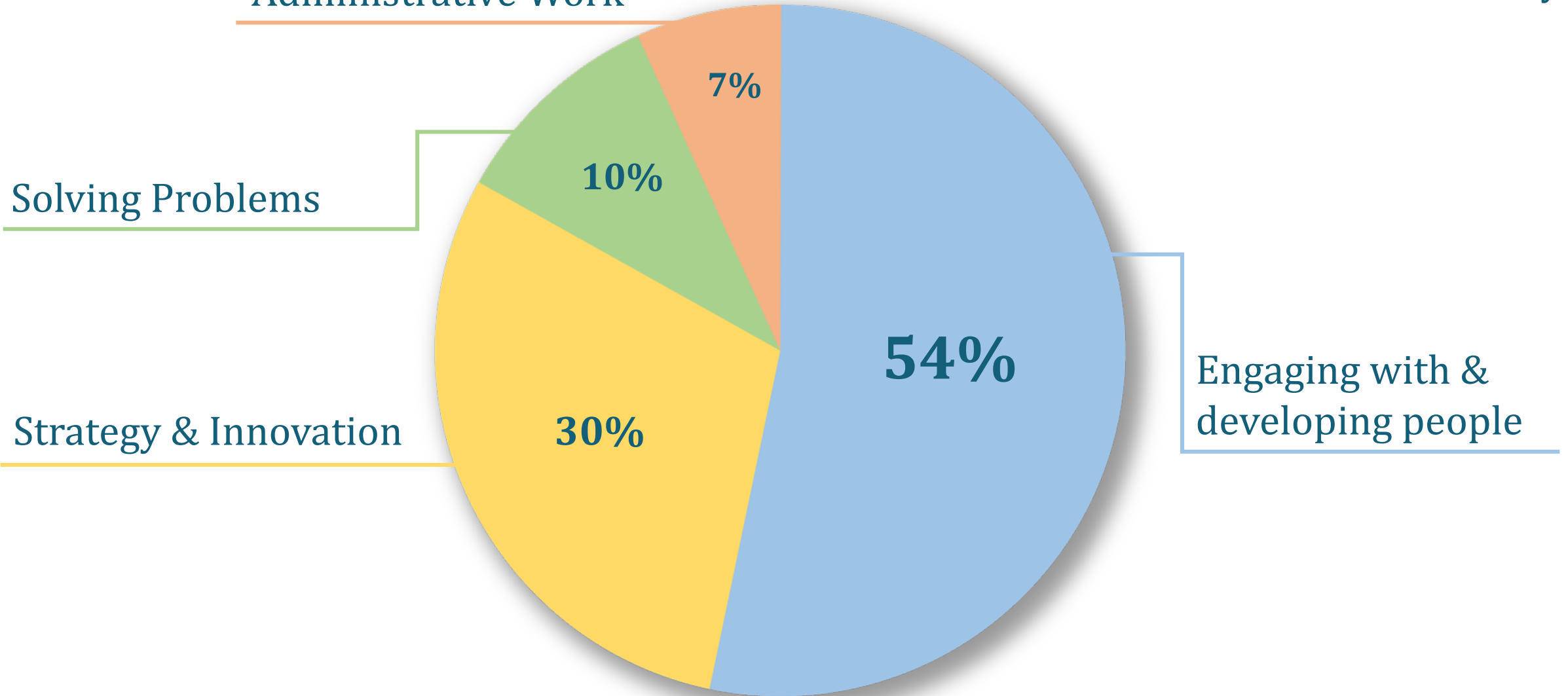


- ✗ Multiple systems and vendors for each aspect.
- ✗ Little or no communication between vendors.
- ✗ Limited or no integration between systems.
- ✗ Every aspect is managed internally and often manually.
- ✗ Duties are often piled onto an employees already stacked workload.



Administrative Work

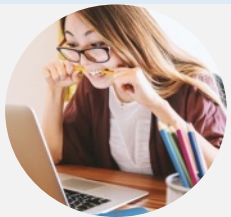
Harvard Business Review Study



How do you flip the charts?

How can you reduce the time spent on administration?

How do you avoid the weeds?

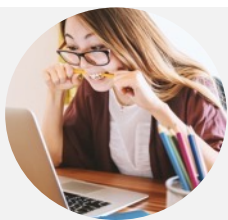


Solving the Top 3 HR Challenges for Law Firms





**Have you considered
how a PEO could
benefit your firm?**

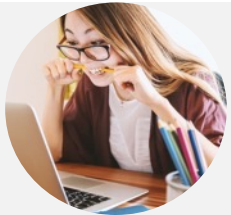
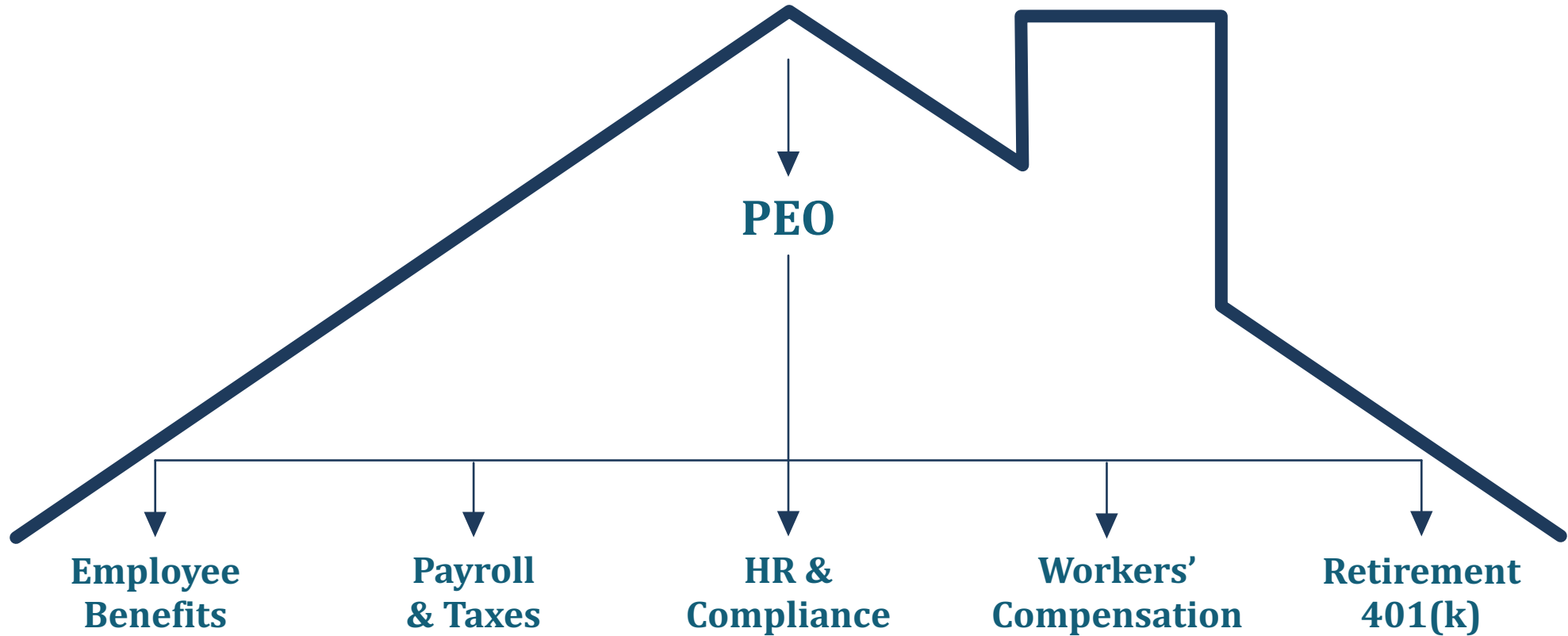


Solving the Top 3 HR Challenges for Law Firms





Small to Mid-Sized Law Firm



Solving the Top 3 HR Challenges for Law Firms



National Association of Professional Employer Organizations (NAPEO)

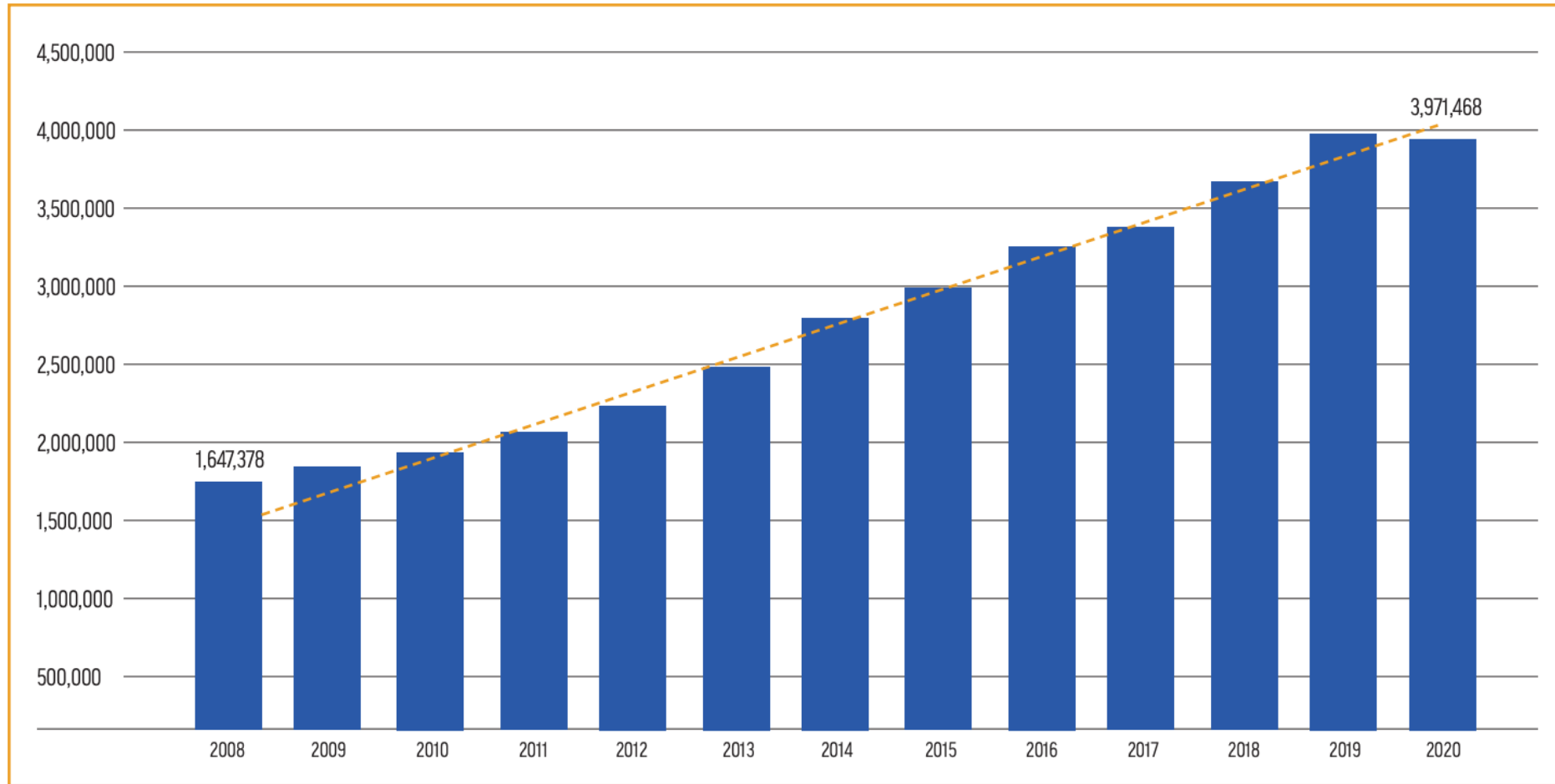
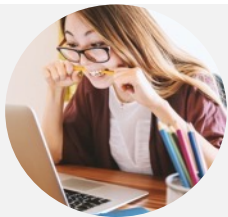
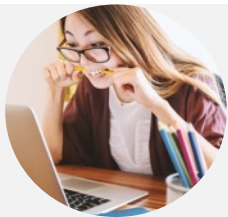


Figure 1. Estimated number of WSEs covered by PEOs.

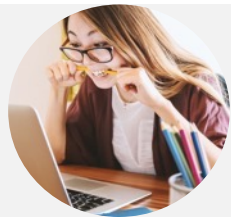




Solving the Top 3 HR Challenges for Law Firms



We Believe in Keeping Things Simple



Solving the Top 3 HR Challenges for Law Firms



Post Employment

COBRA Administration
Unemployment Benefit Claims Management
Unemployment Appeal Actions

Performance & Culture

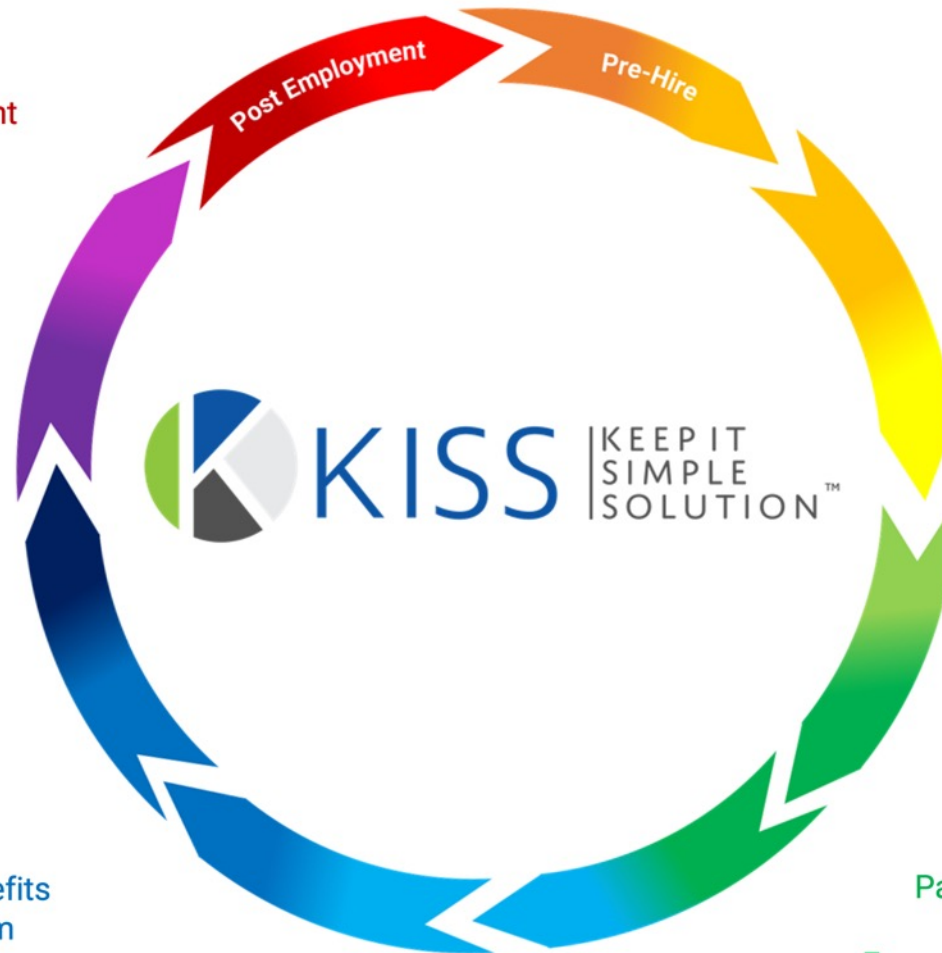
Performance Reviews
Surveys
Peer Recognition
Community & Culture

Time & Attendance

Scheduling
Time Collection
Smart Automation
Geo Fencing

Employee Benefits

Benefits Administration
Open Enrollment
HSA, FSA & HRA
Executive Benefits
Voluntary Benefits
401(k) Platform
ACA Reporting
Workers' Compensation Management



Pre-Hire

Applicant Tracking & Recruitment
Reference Checks & Job Descriptions

Employee Onboarding & Training

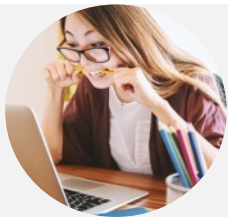
New Hire Reporting
I9 Compliance
Background Checks & Drug Screening
Learning Management System (LMS)

HR & Compliance

Employee Self Service
Document Library
Compliance Dashboard
Employee Handbook Assistance
Online HR Portal

Payroll

Payroll Processing
Direct Deposit
Expense Management
Tax Withholding & Garnishments
On Demand Payments
Voluntary deductions
W-2 Processing
Wage Administration



Solving the Top 3 HR Challenges for Law Firms



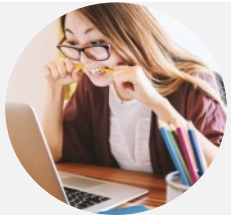
Most Importantly...



What we built does not replace anyone.

What it does replace is:

- Multiple processes
- Multiple systems
- Eliminates your administrative burden.



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Objectives:

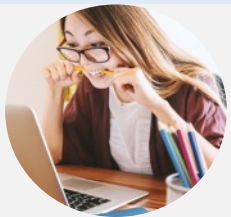
- Redeem time to focus on your business goals & objectives
- Simplify & automate administrative back-office tasks



Simplifying and automating

=

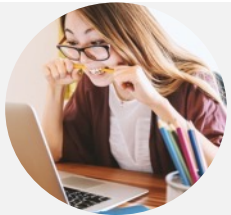
Reclaimed time



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A recent 2022 PwC survey revealed a staggering **88%** of companies are experiencing higher turnover rates than normal.

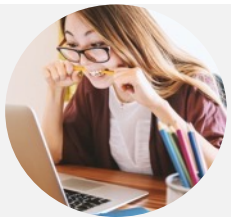


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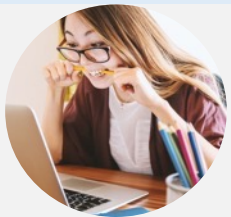
**How does partnering
with a PEO help
to attract and retain
top talent?**



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The same PwC survey notes employees rank
Employee Benefits
as the #2 reason to start
looking for a new job right
after wages.



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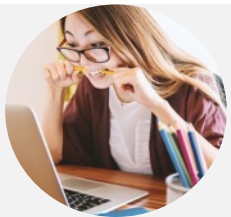


Law Firm with under 100 Attorneys



**Kirkland & Ellis
Latham & Watkins
Baker McKenzie**

1,000+ Attorney Law Firm



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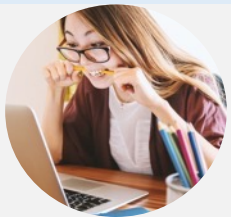
PEO

Multiple Small & Medium Sized Independent Law Firms



**Kirkland & Ellis
Latham & Watkins
Baker McKenzie**

1,000+ Attorney Law Firm



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1980's:

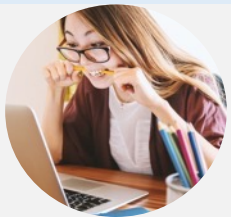
\$40 month for single | \$75 family

Now:

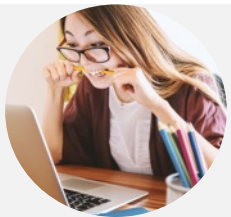
\$500 for single | \$2,000 for family

with high deductibles

Incomes haven't kept up at the same rate –
creating a **financial barrier to care.**



Rethink Employee Attraction & Retention by Eliminating the Financial Barriers to Care.

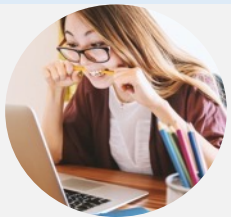


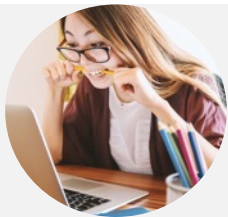
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Manage to Zero™

- ✔ First dollar coverage = **NO** upfront **copays*** or **deductibles**
- ✔ **NO out-of-pocket costs** for all in-network services
(alternative options available)
- ✔ **NO** change in medical carrier required
- ✔ Easy to use, offering a medically-coded "visa card" that covers in network costs so the employee can enjoy **a simplified healthcare experience**

**\$100 copay if you go to the emergency room and you are NOT admitted.
\$0 copay if you are admitted.*



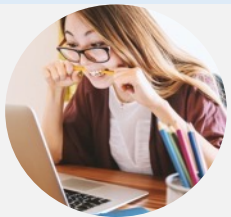


Solving the Top 3 HR Challenges for Law Firms

What about the firm?

How much does a program like this cost?

- The employer saves money **78%** of the time
- The other 22%, the costs may be similar to what they currently pay (or more).
- **“more bang for their buck”** - it’s a much richer plan.



Organization based in DC

70 Employees | 44 Enrolled in Health Plan

\$600,000 Medical Plan Premium 2021

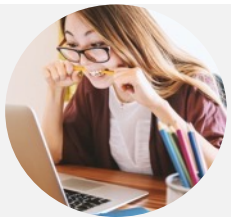
Facing a **\$72,000 (12%) increase** for 2022

Implemented MTZ: Eliminated all deductibles, copays and OOP while using their same medical carrier...

\$480,000 Medical Plan Premium 2022

Cost savings of **\$120,000 (\$192,000 vs. renewal!)**

One year later, 2023 renewal... **0% Increase**



Organization based in VA

160 Employees | 125 Enrolled in Health Plan

\$1,050,000 Medical Plan Premium 2021

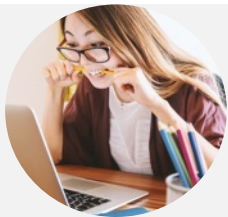
Facing a **\$346,500 (33%) increase** for 2022

Implemented MTZ: Eliminated all deductibles, copays and OOP again using their same medical carrier...

\$1,092,000 Medical Plan Premium 2022

33% increase **reduced to just 4% (saving them \$304,000 vs. renewal!)**

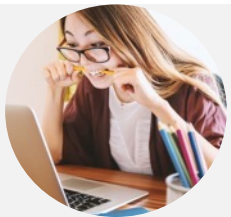
One year later, 2023 renewal... **0.29% Increase**



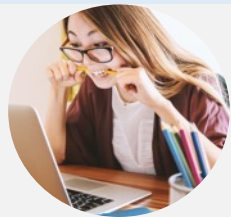
By implementing Manage to Zero™, you can:

- ✔ Eliminate the financial barrier to care for your employees
- ✔ Maximize your employee satisfaction to reduce turnover
- ✔ Attract new employees to compete with the larger firms

On top of all this, there's a strong possibility (78%) that your firm will reduce their medical plan premium.



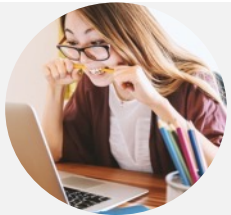
**Aside from healthcare,
what other employee
benefit might help to
attract and retain top
talent?**



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Offering a best-in-class 401(k) plan

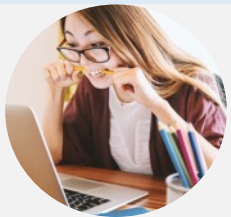


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Pooled Employer 401(k) Plan (PEP)

Let's have a PEP talk...



Solving the Top 3 HR Challenges for Law Firms





Do you want to significantly reduce your administrative workload?



Do you want to mitigate the risk away from the firm or the individual?

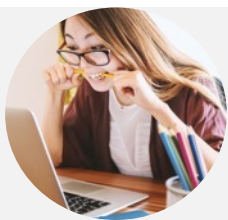


Do you want a much richer plan, with lower costs for the firm?



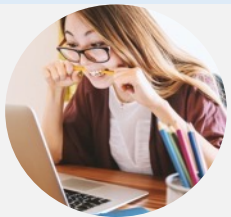
Do you want greater investment access for your employees?

If the answer is YES to any of these questions, then our PEP can be of tremendous benefit for you and your firm.



Organization based in VA \$19,000,000 Plan Assets | 225 Plan Participants

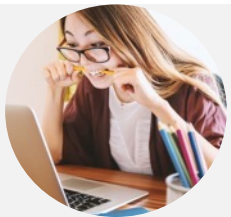
- Added ERISA 3(16) to all but eliminate their administrative efforts.
- Upgraded the investment advisory services from ERISA 3(21) to ERISA 3(38).
- Annual savings **over \$80,000** a **42.5% decrease** in costs





Organization based in MD \$1,630,000 Plan Assets | 15 Plan Participants

- Added ERISA 3(16) to all but eliminate their administrative efforts.
- Added ERISA 3(38) to significantly reduce their fiduciary responsibility.
- Annual savings **over \$4,600** a **25% decrease** in costs



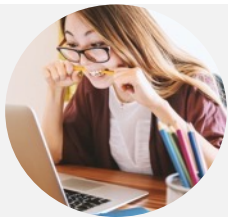
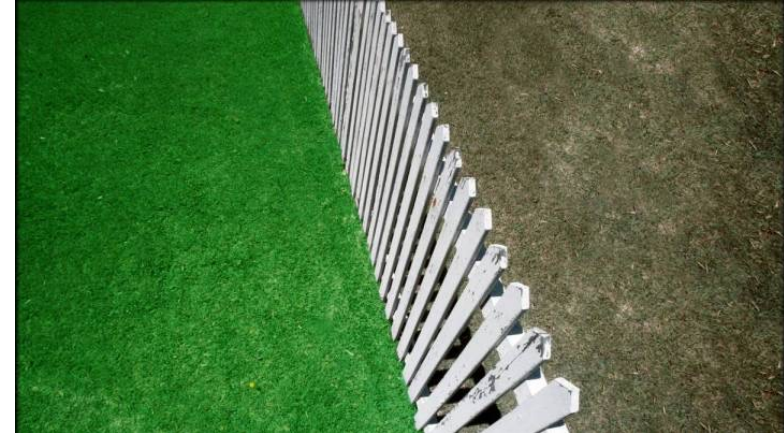
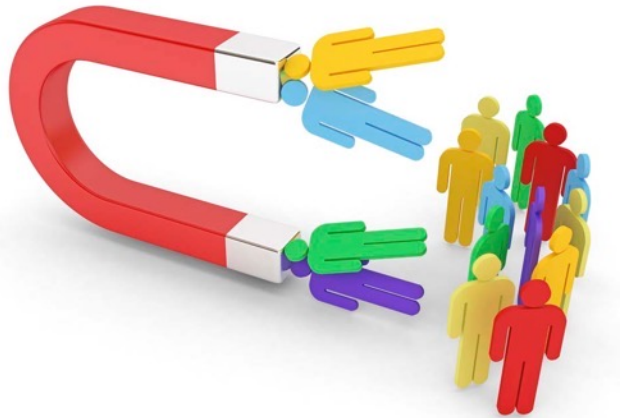
Attracting new employees to your firm...

and you tell a prospective employee that you have:

On the flip side, retaining your employees...

and your employees currently have:

*A medical plan where they have no out-of-pocket medical costs,
coupled with one of the best retirement plans available.*

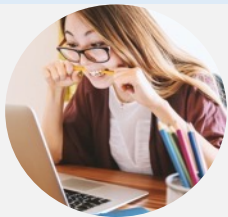


Maybe you like the idea of...

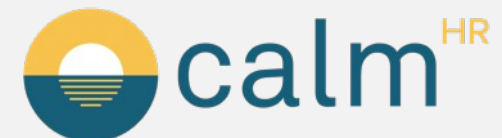
- Reducing your administrative workload
- Simplifying and automating your firm's back office
- Exploring and Implementing the Manage to Zero program and/or the PEP



BUT are any of these thoughts floating around in your head right now?...



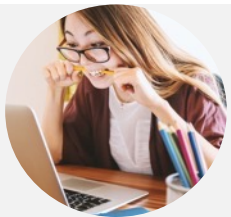
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“How much lift is required on our end?”



- **No two firms are the same.** It all starts with a discovery call so I can learn more about you, your firm’s structure and culture.
- We run comparisons of our plans vs your current plans to find potential cost savings – **all under an NDA.**
- Our implementation typically takes just **3 hours of your time over a 30-60 day period** to be fully operational.
- **We do the lift!** We’ll just ask you certain questions or ask for certain files along the way.

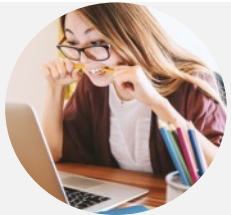


“Our partners will never go for it”



1. Everything is **under one roof** with organized, clean, automated processes and greater efficiencies.
2. Mitigation of **risk away from the firm.**
3. Gain access to **richer benefit and retirement plans** and there’s a high probability of cost savings compared to your current plans.
4. More **tools to attract & retain** top talent and compete with larger firms.
5. Gain **access to an entire support team** of subject matter experts in employee benefits, retirement, employment law, HR and compliance.

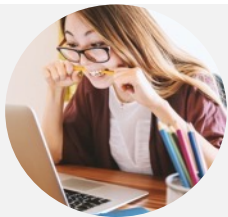
Partners can claim tax deductions on all medical expenses and have richer life and disability benefits.



“It’s probably not in our budget”

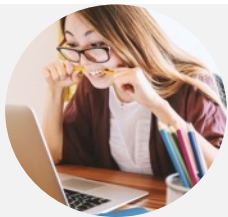


- CalmHR was built to be affordable and transparent: that’s why we work on a Per Employee Per Month (PEPM) basis
- **Our retail price is \$100 PEPM for our services.** We don’t take a percentage of payroll or hide any fees.
- You’ll offset a percentage of the cost by removing your current systems (payroll, LMS, etc.)
- The potential cost savings with our PEP and MTZ can **completely absorb the cost** - it has for many clients.



Law Firm with 50 total employees (Estimated Annual Costs)		
	Before partnering with CalmHR	After partnering with CalmHR
Payroll Platform	\$15,000	\$0
Benefits Admin Portal	\$0 <i>(Usually not integrated with payroll)</i>	\$0 <i>(Fully integrated with payroll)</i>
Learning Management System	\$4,000	\$0
401(k) Plan	\$70,000	\$55,000*
Medical Plan	\$500,000	\$460,000*
CalmHR	\$0	\$60,000 <i>(\$100 pepm)</i>
Estimated Total Costs	\$589,000	\$575,000*
Estimated Cost Savings		\$14,000*

**Estimation based on current client savings of similar size*

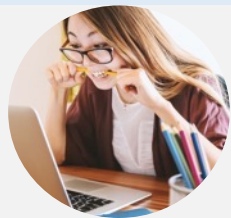


Follow-Up & Next Steps

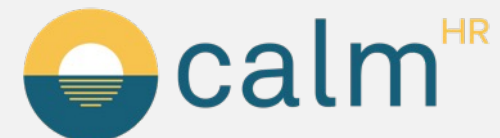
- Shortly after this webinar all attendees will receive a follow-up email. In that email there will be a link to my personal calendar where you can schedule a 30-minute one-on-one.
- You can also scan the QR code here which will take you to my personal calendar.
- If you sign up for an initial dialogue within the next 30 days – You will receive a **35% discount of fees** for the first year if you decide to partner with CalmHR.



\$100 Per Employee Per Month – 35% = \$65 Per Employee Per Month

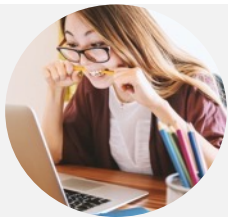


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401(k) Plan	\$70,000	\$55,000*
Medical Plan	\$500,000	\$460,000*
CalmHR	\$0	\$60,000 / \$39,000 <i>(\$65 pepm)</i>
Estimated Total Costs	\$589,000	\$575,000*
Estimated Cost Savings		\$14,000 / \$35,000*

**Estimation based on current client savings of similar size*



Questions?

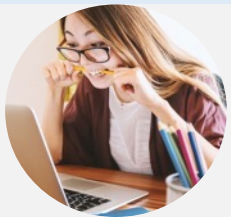


Joe Appelbaum – CEO & Founder

joe@calmhr.com



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Receive a **35% discount of fees** for the first year if you
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