

# Toco At Work Re-Launches Employee Vehicle Service Contract Benefit on Milliman Connect

LOS ANGELES, CA, UNITED STATES, June 17, 2025 /EINPresswire.com/ -- [Toco Warranty Corporation](#) has selected [Milliman Connect](#) to support Toco At Work, the company's employer-sponsored group vehicle service contract (VSC) benefit. Toco's selection of Milliman Connect marks a strategic move to bring one of the most powerful benefit enrollment and administration platforms into a category seeing rising interest from HR leaders and their advisers.

Toco At Work, introduced in 2019, is the first employee benefit program to offer vehicle repair coverage on a group basis through payroll deduction or direct pay. It provides an affordable way for employees to protect themselves from the financial impact of unexpected repair costs. For employers, Toco At Work supports workforce reliability by reducing vehicle-related absenteeism and offers a distinctive benefit that enhances recruitment and retention.

Milliman is one of the most respected and influential actuarial, consulting, and technology firms in the world, particularly in the areas of insurance, risk management, healthcare, and employee benefits. The Milliman Connect platform enables Toco to meet employer expectations around eligibility, payroll integration, and compliance.

"This is about meeting employees where they are," said Manish Mandelia, Principal at Milliman. "Toco built a benefit that protects employees against rising repair costs. Milliman's infrastructure ensures it fits cleanly into modern enrollment systems and meets the operational standards employers and HR Directors expect."

Toco traditionally operated as a direct-to-consumer provider of vehicle service contracts, offering



The graphic features the Toco At Work logo at the top, with a stylized bird icon. Below the logo, the text reads: "Toco At Work, the most awarded new employee benefit in 2024". The graphic is divided into two main sections. The left section, titled "Save Money. Save Time. Make More Money.", contains two orange boxes. The first box, "Hiring and Recruiting Costs More Than You Might Think.\*", states: "The Average turnover rate among US businesses between 2022 and 2023 was 17.3%", "The cost of replacing an individual employee can range from additional 50%-200% times the employee's annual salary", and "A 100-person organization providing an average salary of \$50,000 could have turnover and replacement costs of approximately \$660,000 to 2.6 million per year." The right section, titled "Absenteeism Breaks Your Bottom Line\*\*", states: "Unscheduled absenteeism rates range from 5%-10%. That is, given time 5%-10% of the workforce is missing at any from work affecting your production, goals, and bottom-line.", "80% of US employees spend 12-20 hours/month dealing with financial concerns at work." (cited from Colonial Life), and "A company with hourly employees has the potential to reduce costs by 3.2% of total payroll by reducing absenteeism." A small cartoon character is visible at the bottom right of the graphic.

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*Paul McGee*

repair coverage directly to drivers through web and phone enrollment. With Toco At Work, the company introduced a new distribution model—bringing vehicle protection into the workplace as a voluntary or employer sponsored benefit. Toco At Work integrates with employer payroll systems, allowing employees to enroll during open enrollment and pay for coverage through payroll deduction. This shift not only simplifies the purchase

process but also positions vehicle protection alongside core benefits like health, dental, and life insurance—meeting employees where they already make financial protection decisions.

"We've seen employees respond positively when vehicle protection is offered through the same trusted channels as their health and retirement benefits," said Paul McGee, EVP at Toco Warranty. "Milliman helps us deliver that experience with the sophistication and reliability today's HR teams expect. Vehicle service contracts have historically been purchased through dealerships or aftermarket sales, but with Toco At Work and Milliman Connect, we've transformed the process into a simple, affordable, and stress-free enrollment—right alongside other core benefits."

Over the past four years, the average cost of vehicle repairs has risen by approximately 44%, climbing from around \$500 in 2020 to nearly \$720 in 2024. Vehicle repair bills have grown more unpredictable and expensive due to a combination of factors, including labor shortages and rising technician wages, the growing complexity of modern vehicles equipped with advanced technologies like ADAS, and ongoing supply chain disruptions that have inflated parts costs.

The program is currently offered in select regions and will be available nationwide by Q1 2026. Brokers and benefit platforms can now include vehicle service contracts in their core and voluntary enrollment portfolios.

#### About Toco Warranty Corporation

Toco Warranty Corporation is a leading provider of vehicle service contracts, offering repair protection for drivers across the U.S. Founded to bring transparency and simplicity to a traditionally complex industry, Toco offers straightforward coverage plans with nationwide repair network access, roadside assistance, and flexible payment options. With the launch of Toco At Work, Toco became the first company to offer vehicle service contracts as an employer-sponsored benefit, helping employees protect their vehicles through convenient payroll deduction.

#### About Milliman

Milliman is one of the world's largest independent actuarial and consulting firms, bringing together deep expertise, actuarial rigor, and advanced technology to help clients navigate complex risks and evolving market demands. The firm serves organizations in insurance,

financial services, healthcare, life sciences, and employee benefits, supporting both public and private sector clients in meeting their business, financial, and social goals. Milliman's benefits administration solutions are trusted by major employers and carriers to manage enrollment, compliance, and employee engagement across a wide range of benefit programs. Founded in 1947, Milliman operates globally with offices in major cities around the world.

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Toco Warranty

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