



BENEFITS INSIDER

CASE STUDY

CHALLENGE

This group was fully insured and had several notable annual increases in premium costs in a row. They had dealt with rising costs by raising deductibles and copays. Ultimately they received a 40% increase from BCBS and hired our consulting team to find alternatives that could lower and stabilize the cost without sacrificing or reducing benefits. This company operates in a competitive labor market and the benefits package is important for recruiting and retention of talent.

SOLUTION

The group implemented the Benefits Insider health plan which lowered their costs by 19% while expanding and improving coverage. This health plan allowed the client to combine with other like-minded employers to buy insurance at scale like a Fortune 100 company.

The client implemented Hotchkiss' healthcare supply chain management, using direct contracts, bundled cost care all which reduced the cost of claims, which in-turn lowered the cost of insurance premiums needed to cover claims costs.

A new pharmacy program was implemented that stripped out waste previous carriers allowed, resulting in lower overall pharmacy costs.

IMPACT

The group has successfully lowered and stabilized costs of medical insurance using a multi-year strategy and rate guarantees. Their benefits have been enriched to the point members can have their deductibles waived for thousands of major procedures and medications (free healthcare to employees) which has made their benefits a shining star in recruiting talent in today's challenging labor market.

Ownership is pleased with lower costs, higher profitability and financial stability of the new plan.

COMPANY PROFILE



INDUSTRY:
Financial Services



COMPANY SIZE:
140 Employees



CHALLENGE:
Rising cost of medical insurance, declining coverage, no control over claims cost, needing competitive package to recruit talent.



BENEFIT PROGRAMS:
Benefits Insider Health Program, PBM Carve-Out, Direct Contracts, Data Analytics

19%

Overall Cost Savings in Year 1

Rx

51% Reduction in Prescription Savings in Year 1



1,800 procedures & high-cost medications provided at NO-COST to members!