CASE STUDY

Medical Insurance Mismanagement

Set it and Forget it Plan Turned into Major Cost Liability

CLIENT

Large Retail (portfolio company)

SCENARIO

The client was experiencing higher than average turnover which led to higher training and medical insurance costs

DISCOVERY

The high turnover and defragmented corporate structure made it difficult to control costs and create efficiencies in employee engagement and administrative processes.

OBJECTIVES

Engage employees, improve benefits, and reduce costs. We provided a benchmarking analysis to align the reconfigured company with fewer employees to same-size peers in the industry and region. We conducted a bidding process to identify carriers who could provide competitive pricing and support, and we identified processes that could be outsourced reliably and cost effectively. Additionally, we performed a dependent audit where we found many ineligible dependents driving up claims and costs. Finally, we implemented a wellness system that incorporated financial and health wellness to help all of the employees become more engaged in their employee benefits program.

SOLUTIONS

Impact reports cater to a variety of audiences, so it's best to adjust them accordingly. First, identify your target reader. Next, you can shift your focus on what they need to know. For example, your future plans are in the interest of your beneficiaries.

Some readers might prefer details like a breakdown of your funding while others, like your trustees, will be more interested in the challenges you encountered and the lessons you learned from them.

AT A GLANCE

Challenges

The high turnover and defragmented corporate structure made it difficult to control costs and create efficiencies in employee engagement and administrative processes.

Outcome

Bryson generated enough savings to:

- Offset the administrative costs of an online system,
- Lower the medical loss ratio from 120% to 78%, which created a zero increase in year two,
- Lower turnover, and
- Allow increased contributions to retirement plan for key executives.