

Case Studies – Health and Welfare

- A manufacturing client asked us to assist them with the review of the group life and disability contracts for its seven subsidiary corporations. Following a competitive bid process the client selected the group insurance contract we recommended, which maintained benefit value for all employees, created administrative efficiencies for the human resource managers, and resulted in projected premium savings of \$550,000 over the duration of a 2-year rate guarantee.
- A higher education client had competitively bid its prescription benefit manager (PBM) contract at its last renewal. They were pleased with the services provided by the PBM and asked us to assist them with the negotiation of a new 3-year self-insured contract. Based on our analysis of the contract terms and the client's claim data, we negotiated a contract renewal that will generate projected savings of over \$700,000 in prescription drug costs over the course of the new 3-year contract.
- A multiemployer fund was concerned about the competitiveness of its health benefit contract. We negotiated a new contract that maintained the same provider network and consistent benefit value for the participants, yet generated over \$200,000 of premium savings over the existing contract.
- A retail client was concerned with ensuring that its health plan was effective in attracting and retaining employees and was also cost effective for the corporation. Through our review, we recommended design changes that made the plan more consistent with current competitive practice and actuarially adjusted the rate structure to align the prices of plan options more closely with the underlying value of each option. The resulting plan changes were well received by the employees and generated \$270,000 in recurring plan savings for our client.