

Maintaining and Improving Coverage for a Cost-Sensitive Company

An Alera Group member company that specializes in group employee benefits and estate and business planning was contracted by a start-up national credit counseling company to assist with maintaining the company's employee health benefits while mitigating the costs to the employer.

Previously, Alera had worked hand-in-hand with the company to develop and implement its first-ever employee health benefits offering, while being flexible to accommodate the company's rapid growth. At that time, the company was interested in a traditional health benefits plan and, with Alera's help, executed a contract with a major national health insurance company. However, after the year-over-year renewal rates increased drastically, the company became concerned that it couldn't afford to provide health benefits and would have to discontinue the offering.

Process

Alera continued negotiating with the traditional insurance company while simultaneously educating the company about the benefits of self-funding employee health insurance. When the next year's traditional insurance renewal rate was extremely high, Alera presented the company with another option as a result of proactive due diligence. By researching and comparing these options, the company determined that it could offer more comprehensive health coverage at a lower cost by utilizing the self-funding option. Alera then worked with the company to implement the innovative Lead2Health self-funded health insurance program and cancel the traditional insurance coverage.

Challenges

Because the company was a start-up and therefore relatively new, it was rapidly onboarding new employees and particularly cost sensitive.

Results

Alera was able to help the company maintain affordable health insurance benefits through as its team expanded. The company also realized approximately \$250,000 of healthcare cost savings in the first year with Lead2Health, compared to the previous year with the traditional health insurer. In addition, the company's employees and dependents are benefiting from the many advantages of the Lead2Health self-funded insurance program that aren't always provided through traditional health insurance coverage, including:

- Very high-quality medical care
- Exceptional customer service and user experience
- Use of a dedicated care coordinator, who spends as much time as needed to resolve concerns and answer questions

The company reports being very happy with the new benefits package and particularly enjoys working with Alera. Whenever a competing brokerage reaches out, it responds that nobody could do better than Alera.