

SUCCESS STORY**Employee health & benefits case study**

Manufacturing company reaps the cost benefits of HSA plan

The goal

A manufacturing company was offering three similar Preferred Provider Organization (PPO) plans with little price difference for employees. The company was experiencing years of double-digit healthcare cost increases, while also realizing employees were unsatisfied with their benefits.

The action plan

Marsh McLennan Agency (MMA) suggested that the company redesign its PPO plans and offer an HSA plan, the employer structured contributions to entice the employees, including a generous contribution to the employees' HSA bank account to offset the deductible. Additionally, MMA helped create a customized education campaign providing tips and resources for how to effectively shop for lower cost, high quality care. This education was reinforced through a variety of mediums including mailings, webinars and on-site meetings throughout the year. MMA also provided bilingual support and communications for Spanish-speaking employees.

The results

Since the plan's inception, HSA participation more than doubled — increasing from 17% in the first year to 38% during their most recent open enrollment. In addition, the manufacturer's total cost per employee per month (PEPM) has decreased from \$875 to \$757 — a total savings of over \$300,000. These improvements are clear indication that this workforce has adapted to consumerism. The success is proven through many key areas, including an increase in generic utilization and a reduction of emergency room visits. This resulted in lower annual costs for the employees and employer.

Client profile

Manufacturing company

\$300K+

healthcare cost savings

123%

increase in HAS plan participation

Learn how MMA's Employee Health and Benefits team can help you obtain measurable results.

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