

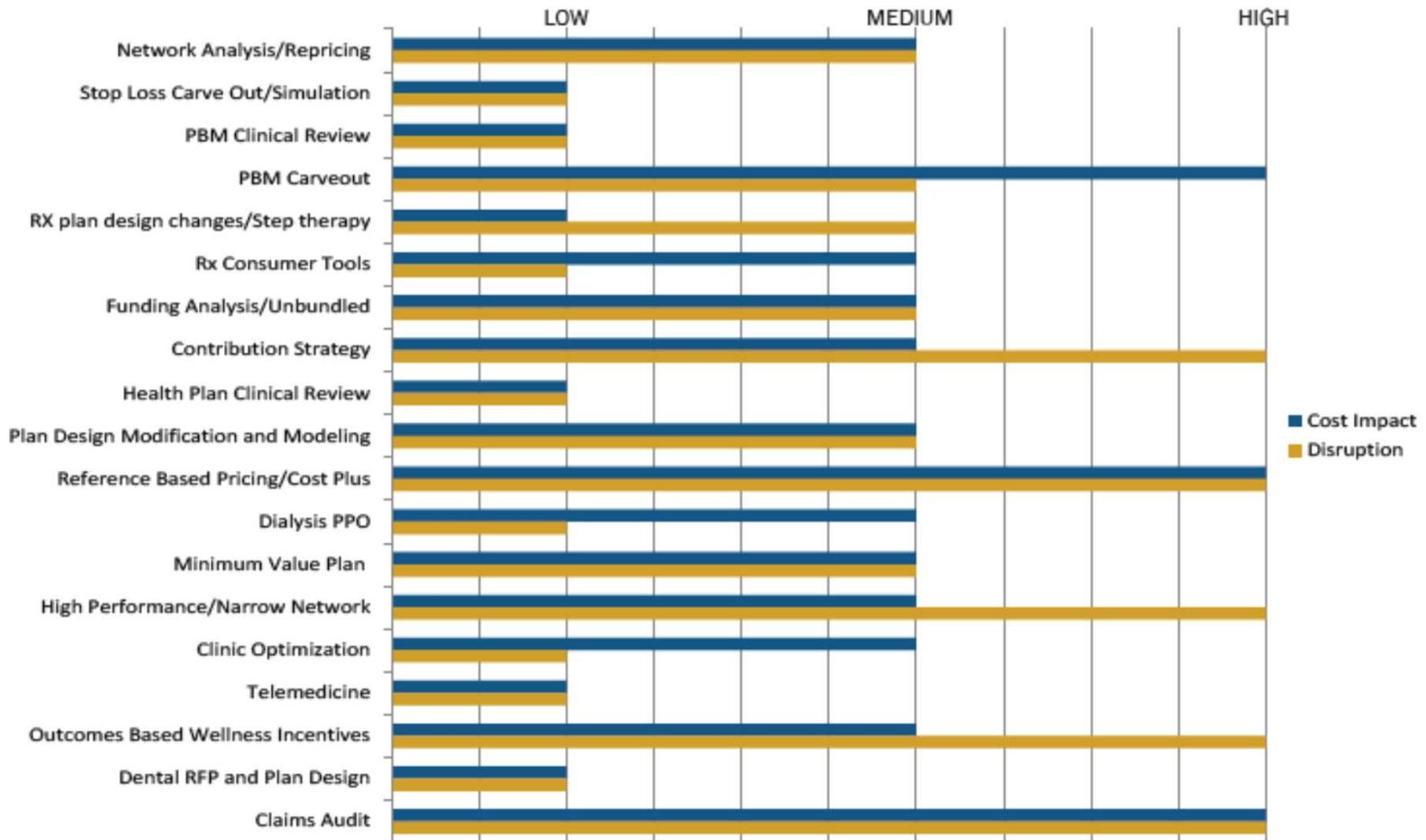
CBIZ

Strength Matters Financial Management Conference

# Controlling Costs in Managing Employee Benefits

Presented by Greg Callahan  
CBIZ Employee Benefits

# COST-CONTAINMENT STRATEGIES



# RECENT THEMES



Alternative  
Funding for Small  
Employers

Captives for  
Small and  
Intermediate  
Employers

Matrix-Based  
Pricing

Pharmacy Carve Out  
for Self-Funded Plans:  
Pharmacy Tourism



ACO's/Narrow  
Networks

Telemedicine

Leave  
Management

Association  
Health Plans

# INNOVATIONS



QSEHRA for small employers

Decision support technology

Non-medical insurers paying for communication, enrollment and administrative technology

Direct provider contracts

Wellbeing v. Wellness

# BEST PRACTICES FOR YOUR TEAM



## CHALLENGE

**YOUR CURRENT COMPLIANCE  
MINDSET**

Review processes, best practices and employee communication material for the latest compliance updates.



## COMMUNICATE

**WITH EMPLOYEES USING  
INNOVATIVE TECHNOLOGY**

Develop custom brand for benefits and allow employees to customize benefits without adding more paperwork.

Find ways to leverage cloud-based software backed by data analytics.



## PACKAGE

**NON-MEDICAL BENEFITS**

Manage efficiency and cost by bundling ancillary lines together.

Leverage subsidies from carriers to help offset cost of enrollment technology.

# BEST PRACTICES FOR YOUR TEAM



## REVIEW

### PROCESS CONSISTENTLY

Annually review utilization data, claims patterns and funding types.

Don't get caught in the trap of, "we have always done it this way."

Look for administrative efficiencies throughout the entire process.



## GO PAPERLESS

### UTILIZING MOBILE

Golden Rule: Communicate with employees the way they want to communicate.

Going mobile will allow your employees to customize benefits.



## ENGAGE

### THOUGHTFUL STRATEGY

Develop 3-5 year strategic plan to help you stay on course. Accountability is key.

Prioritize potential strategies that align with your organization's goals.

Re-evaluate current contribution strategies.



# CASE STUDY

## Situation

Lack of lasting cultural results impacting the company's employees.

## Strategies

- 1 Partnered with CBIZ Wellbeing Solutions to craft a comprehensive wellbeing strategy including the five key drivers
- 2 Listened to employees by evaluating engagement surveys and assessments
- 3 Provided financial resources to support team-building events
- 4 Developed a wellbeing committee with a management sponsor

Client Profile	
Industry:	Home Service Specialists
Type of business:	Family Owned
Number of employees:	200+
Number of years as a client:	6+
Geographic footprint:	Kansas City, MO



BEST PLACES TO WORK EMPLOYEE FEEDBACK SCORES SHOWED **IMPROVEMENT IN ALL 30 CATEGORIES**



THIRD PLACE NATIONAL FITBIT - SPRINGBUK AWARD RECIPIENT OUT OF 500 FOR COMPREHENSIVE WELLNESS STRATEGY



INCREASED GOOGLE CUSTOMER RATINGS TO **4.8 / 5**



EMPLOYEE TURNOVER RATE **15% LOWER IN 2017** AND INCREASED OVERALL HAPPINESS OF CUSTOMERS & EMPLOYEES

“Last year was a positive change in helping to meet employees needs by creating a better environment.”

- Shirley Posladek, Owner  
A.B. May



# CASE STUDY

**SITUATION:** Public entity aims to hire national broker to provide both benefits consulting and property & casualty insurance.

## 1 CHALLENGES

- Lack of long term strategic plan
- Poor employee perception of benefits
- Lack of independent analytics to review claims data
- Unsustainable cost increases year after year

## 2 GOALS

- Increase employee perception of benefits
- Provide appropriate funding type for risk
- Create unified strategic plan
- Improve Employee Communications and Presentations
- Simplify Enrollment and Administrative Processes
- Provide Day-to-Day support for HR and Payroll
- Integrate Wellbeing and Worker Compensation programs

## 3 STRATEGIES

### 2018

- Actuarial review and underwriting of risk
- Branding for employee benefits
- Online enrollment with 24/7 access
- Defined contribution for budgetary predictability
- Marketplace for customized employee benefit experience
- Leverage technology and client services to increase engagement

### 2019

- Wellbeing assessment and strategy
- Defined contribution strategy

## 4 RESULTS

**76%** of employees selected customized benefits

**20%** increase in employee benefit participation

**4,300** page views of benefit guide

 Transferred risk to fully insured premium

**30%** enrollment in HDHP