

The Challenge

A Minnesota-based company experienced a 49% rate increase in their fully insured medical plan in 2019. The plan called for a 28% increase in 2020. Another increase would not only hurt the company, but it would also increase their employees' monthly costs. The numbers added up quickly:

- 49% increase in fully-insured medical plan in 2019 with a 28% increase in 2020
- Employee monthly cost in 2019: \$300 for single and \$2,250 for family
- For 71 contracts, rates totaled \$1,102,000 in 2019 with a renewal rate suggestion of \$1,416,000 in 2020

The Plan

The company turned to their broker and Ameriflex to implement a plan that would lower their costs and protect their employees from another rate increase. An Individual Coverage HRA with Ameriflex was the ideal choice to meet the client's needs and make the transition easy.

- Moved away from fully-insured medical plan to prevent another rate increase
- Implemented an ICHRA for 2020 plan year with Ameriflex to lower costs
- Leveraged Ameriflex implementation team and Client Relationship Managers to educate team and answer questions

The Outcome

With great consulting work and support between the broker and Ameriflex team, the company will continue to offer competitive benefits and save \$654,000 with the ICHRA in 2020. In addition, with Ameriflex as their administrator, the company will have a dedicated Client Relationship Specialist they can rely on to answer questions and provide day-to-day support.

- 2020 yearly cost for employer: \$448,000 = savings of \$654,000
- Estimated employee monthly cost: \$117.06 = savings of \$182.94 per month

Let us help you customize the perfect savings strategy for your clients.

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