

HRA ADMINISTRATION

Employers use our HRA Administration services to solve the problems associated with rising healthcare premiums and to fill the holes that their insurance contract doesn't accommodate for.



PROBLEM: Employer receives a 12.3% increase on Group Health Plan Premium, the fourth year of double-digit increases.

DILEMMA: In the past, Employer has made the choice of cutting benefits and/or charging employees for a portion of the increase. The Employer acknowledges this is not a solution.

ANALYSIS: After a detailed review of Group Health Plan and survey of employees, it was determined that the majority of the plan usage was office visit and prescription related.

SOLUTION: Alternative Funding... the Employer contracts with an insurance carrier for a high deductible health plan, and then offers a lower deductible to the employees. The difference between those two deductibles, the employer reimburses eligible expenses to the employee and/or their dependents.

RESULTS: Employer reduces their first year cost by 16.8%, continues to offer a Group Health Plan the employees and their dependents can appreciate, and for the first time, has a long-term answer.

Alternative Funding Case Study

MONTHLY PLAN COMPARISON		OLD PLAN	NEW PLAN	SAVINGS
		\$500 Deductible	\$2000 Deductible	
Employee	15	\$351.98	\$292.55	\$59.43
Employee + Spouse	2	\$703.98	\$585.10	\$118.88
Employee + Family	4	\$985.54	\$819.14	\$166.40
Employee + Child(ren)	2	\$633.56	\$526.59	\$106.97
TOTAL	23	\$11,896.93	\$9,888.19	\$2,008.74

MONTHLY PREMIUM SAVINGS VERSUS RENEWAL	16.88%
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ANNUAL PREMIUM SAVINGS	\$24,104.90
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ANNUAL UTILIZATION vs. SAVINGS

Utilization	Deductibles	Savings
10%	4	\$ 21,694.41
25%	9	\$ 18,078.68
45% (Breakeven)	16	\$ -

Total Deductibles = \$64.5 (EE Only = 1, EE+Spouse = 2, EE+Family = 3, EE+Child(ren) = 2.5)

Coordinate with an FSA for even more savings!

24/7 Online Access

No Minimum Monthly Fees

2 Business Day Claim Turnaround

