

CASE STUDY

Environmental Clean-Up Contractor Cuts Renewal Increase from 42% to 13%

Maintained rich plan designs, kept employee contributions unchanged, and expanded network access.

Client Snapshot

Industry: Environmental clean-up & remediation

Total employees: 120

Medical enrolled: 62

Starting point: Fully insured medical plan

Challenge & Goals

At renewal, the fully insured carrier delivered a **42% premium increase**. The client needed a way to control costs without cutting benefits or restricting provider access.

- Maintain **rich plan designs** employees value
- Keep **employee payroll contributions the same**
- Preserve or improve **network access**
- Reduce the renewal impact while minimizing disruption

Strategy

We redesigned the funding approach while protecting the employee experience by implementing a **Medical Expense Reimbursement Plan (MERP)** to stabilize costs and maintain broad provider access.

- Implemented a **MERP** structure to reduce overall plan spend while maintaining rich benefits
- Improved plan value by **enhancing network access** and minimizing disruption to care
- Built a transition plan focused on employee clarity, adoption, and confidence

Results

42% → 13%

Overall increase reduced

Same Employee Cost

No added payroll burden

Enhanced Access

Network access improved

Renewal increase held to **13%** with potential for **additional surplus return** based on plan performance.

Smooth Implementation

- Hosted **in-person employee meetings** to explain the change and answer questions
- Collaborated directly with HR to align eligibility and deductions in their **new payroll system**
- Provided hands-on support during rollout to ensure a confident employee experience