

Exploring a Captive Arrangement for Funding Alternatives

Company Overview

A mid-sized company located in New York City, employing 375 workers in the financial services sector.

Key Challenges

This client, like so many other businesses, continued to face ongoing challenges since emerging from the pandemic, including staffing issues, rising cost of goods and services, and an unpredictable demand level from its own customers. Although they had enhanced benefits to better attract and retain necessary talent, expenses were an ongoing issue, so they turned to us for cost saving opportunities.

MBA Solution Presented

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Compared to their traditional, fully insured program, the captive benefit program would allow the company to retain more control and transparency. Additionally, although the arrangement would involve more work and oversight administratively, it also would allow for greater plan flexibility and the chance to create healthcare savings.

Measurable Results

The combination of changes to their funding mechanism and a restructured benefit plan design allowed this company the ability to achieve significant savings without implementing any changes that negatively impacted employees. Through the enrollment in an actively managed pharmacy program, they were able to save over 30% in prescription costs alone.