

MBA Helps Client Overhaul Benefit Portfolio

Company Overview

This Civil and Structural Engineering company was a prospect we had been working on for several months with 121 employees. They are located in Chicago, IL.

Key Challenges

Like many small to mid-sized businesses, this company faced rising employee benefits costs, particularly in health insurance premiums. With their last three renewals averaging 9%, they found it challenging to balance competitive benefits and manage costs at the same time. Additionally, due to high deductibles, only 65% of eligible employees were enrolled in the health plan, leading to a higher rate of dissatisfaction among the workers.

MBA Solution Presented

Upon the conclusion of a comprehensive benefits audit, our team made the following recommendations:

- Transition to a self-funded plan with level funding. This would reduce fixed costs while maintaining predictable monthly expenses.
- Introduce a high deductible health plan (HDHP) with a Health Savings Account (HSA). This would provide tax savings to both the employer and the employees.
- Incorporate Voluntary Benefits to add benefit options without adding to employer cost. We suggested adding voluntary dental, vision and disability programs.

Additionally, we offered to help design and establish quarterly benefits workshops to better educate the company's workforce on the details of the benefit portfolio so they can better take advantage of the programs.

Measurable Results

The company decided to move forward with our proposal and immediately implemented the changes. One year later, with enrollment in the medical plan rising to 83%, the company saw an increase of just 3% and reported an increased level of engagement among employees.