



Hardenbergh's Diagnosis Resulted in Lower Healthcare Costs

The Challenge:

In today's market, most small group employer plans (2-50 employees) are facing double digit increases upon renewal. Solutions to provide equal benefits at a minimal increase become more difficult each year. This was no different for one of Hardenbergh's South Jersey clients. This client had grown 600% in only 3 years, but was facing a 16% increase for their health insurance renewal. The client is now hovering right below 50 employees and is doing their best to compete with larger national companies to find and retain skilled workers. Keeping great benefits at a reasonable cost is a must for this company to continue to grow.

The Strategy:

Hardenbergh Insurance Group met with the group 120 days prior to the renewal to prepare them for this challenging upcoming renewal. By meeting this far in advance, it gave both the client and HIG the opportunity to create a timeline that made all parties comfortable. The meeting also helped HIG understand the evolving needs of this growing client.

After the meeting, HIG understood what geographic areas the client planned to expand to in the upcoming year

and it helped to identifying fully insured, level-funded and self-insured carriers that could meet the coverage and network needs. HIG quickly realized that the best option for the client was to pursue a level-funded carrier. When it was clear that this was the best direction to go, HIG quickly obtained three alternative solutions in this market. By moving so quickly, the client and HIG were afforded plenty of time to compare the options and decide which plan would be the best fit going forward for both the staff and the ownership team.

The Result:

After HIG analyzed the options, a national carrier was selected producing a \$105,000 savings against the renewal option that was originally presented by the carrier. With the savings, the group increased their contribution toward the plan and saw their overall enrollment go up by 20%. The client also used the savings to add an employer paid life insurance policy; this provided a more comprehensive benefits package. With the better benefit package, the client feels it will produce a higher retention rate of their current employees while allowing them to compete with their competitors to attract top talent.

