



CASE STUDY

Proactive Strategy Reduced Employer Health Plan Increase from Nearly 35% to Just 4%

ISSUE

Company was facing a \$1 million increase from its incumbent insurer on a \$3 million medical insurance program renewal for its employees. Absorbing such an increase had potential to negatively impact employee morale and recruitment in an expanding division of the business.

ACTION

CohnReznick Benefits Consultants analyzed the prior year claims and made a strong case that the plan could run favorably on a projected basis if a substantial claim was eliminated. In addition to securing a significant reduction in the nearly 35% increase from the incumbent, our team led an aggressive marketing campaign with two national carriers battling it out to win the business, further reducing the increase to just 4%. This was all done while ensuring there was **no impact** to the current benefit levels provided to the employees.

IMPACT

Instead of experiencing a \$1 million (nearly 35%) increase in its medical insurance program for its renewal, the company was able move forward with a different national benefit provider and absorb the entire 4% increase without reducing the benefit levels or changing employee contribution amounts. The company is now expanding and recruiting employees in a very aggressive business environment. It has gained considerable advantage in a competitive employee marketplace.

ABOUT COHNREZNICK BENEFITS CONSULTANTS

As a joint venture between CohnReznick and Chernoff Diamond & Co. Inc. LLC, CohnReznick Benefits Consultants provides comprehensive advisory implementation, and administrative services for employee benefits and retirement plans. Our benefits consultants also have experience in merger and acquisition environments, compensation plans, and group health and welfare plans.

For more information on how CohnReznick Benefits Consultants can help you, please contact:

JOHN TURGEON
CohnReznick Partner & Managing Director
CohnReznick Affiliated Companies
959-200-7014
John.Turgeon@CohnReznick.com

To learn more about CohnReznick's Affiliated Companies, visit:
www.cohnreznick.com.