

Broker Delivers Options, Solutions and \$848K in Savings for Growing Client

CASE STUDY

Throughout their 20+ year relationship, the client's insurance broker has watched their workforce grow from 50 employees to more than 1,000 with plans to nearly double in size within the year. Much of this growth is happening outstate. The unknown of what they would be inheriting with growth, a workforce that is diverse in age and the option to save over \$848,000 in their first year led them to choose Trovia's ICHRA-marketplace solution.

"When I heard their goals, I knew Trovia was a good match for what they wanted to achieve in their 2021 renewal," said the client's broker. "The key factor for the CFO and COO was that Trovia provided cost control. They were previously self-insured so having the employer contribution not change throughout the year was extremely appealing to them."

The Trovia Solution

Trovia, an ICHRA-solution (Individual Coverage Health Reimbursement Arrangement) provides individual plan choice and cost predictability. Trovia empowers employees with the ability to choose individual health coverage and pay for it on a pre-tax basis, like other group health plans, while keeping costs predictable for employers.

"With Trovia, we learned that it could provide a cost savings of over \$848,000. We informed the client's previous carrier that we may not

renew and they came back with a lower price. But, it wasn't low enough and my client was focused on an ICHRA-solution," says the broker.

Trovia's marketplace technology also allows for employees to shop for and compare individual health plans that fit their needs best. The end-to-end platform provides them greater choice while taking the heavy lifting off of the clients' HR departments or benefits administrators.

"The portal needed to be extremely user friendly so it would be easy to navigate and complete the enrollment process – this was really important to my client," shared the broker. "After a demo of the Trovia marketplace, learning that there would be a customer service number to assist with employee questions AND knowing there would be \$848K in savings was when we made the decision to go with Trovia."

CLIENT OVERVIEW

- Industry: Professional Care Provider
- Headquarters: Minnesota
- Locations: MN, IA, WI
- Benefit Eligible Employees: 1,084

KEY CHALLENGES WITH PRIOR PLAN

- Current Funding Type: Self-Insured
- Renewal Month: January
- Enrolled Employees: 563
- Employer Budget Cost: \$2,697,967
- Employee Contribution Cost: \$1,833,424
- Total Annual Cost: \$4,531,391

CLIENT GOALS

- #1. Controlled stipend structure
- #2. Offer greater choice to employees
- #3. Reduce cost

The Results

#1: Reduced the overall premium costs by \$848,531 or 17.4%.

#2: The broker and employer collaborated on an age-banded contribution strategy.

The contributions considered the individual premium pricing differences in four different markets. The employee monthly premium contributions for the plan:

Age Band	Enrollment Market 1	Enrollment Market 2	Enrollment Market 3	Enrollment Market 4
0-35	\$195	\$245	\$270	\$295
36-42	\$225	\$275	\$300	\$325
43-49	\$285	\$335	\$360	\$385
50-54	\$325	\$375	\$400	\$425
55+	\$350	\$400	\$425	\$450

#3: Employees selected 91 unique plans with 12 different carriers. Enrollment increased by 7.5%, from 563 to 605.

#4: The client was able to provide options to employees located across 13 states.

THE FINANCIAL RESULTS*

	Prior Plan	Trovia	Savings	% Change
Employer Premiums	\$2,899,236	\$1,835,553	\$1,063,683	36.7%
Employer Other Cost	—	\$145,200	(\$145,200)	—
Employee Premiums	\$1,970,198	\$2,185,350	(\$215,152)	(10.9%)
Total Cost	\$4,869,434	\$4,166,103	\$703,331	14.4%

NOTEWORTHY KEY METRICS*

The employer saved a net average of **\$1,518 per covered employee.**

Employees spent on average **\$30** more per month than the prior year, with many selecting gold (43%) and silver (36%) plans.

* Financial Results and Key Metrics summaries assumes 605 employees (vs. 563) for comparison purposes.

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