

Trovia: A Solution When You're Out of Solutions

CASE STUDY

"I can't afford this. What do I do?" was the response a broker received from her client as they faced a 3rd year with a 30% renewal increase on their fully insured plan. "They were out of options they could afford," shared the broker, "but then, we looked at Trovia and found the solution."

The Trovia Solution

"During the renewal process, we couldn't find other group plan options due to their catastrophic claims. No one else was going to quote them," shared the broker. "They had no choice except to take the 30% increase. Then, Trovia came along and we found a potential 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.

"Trovia was able to help my client avoid the 30% renewal increase they would've faced. With Trovia, they could keep their cost level and offer more plan options to their employee group which meant we could meet two of their goals – cost control and employee retention."

As the broker and client explored Trovia, another goal was to find affordable ways to keep top talent.

"Attracting and retaining employees is difficult in their industry and it's been challenging to come up with ways to keep the plan affordable. Trovia, and the cost predictability coupled with more choice, was going to allow them to remain an attractive employer – this was huge for them."

The last goal was finding a feasible option for the client's employees aged 65 and older. "They have many employees that are 65+ and Trovia provided a solution to offer Medicare coverage," stated the broker. "Another critical component was the dedicated Medicare certified specialist who was available every step of the way. That was extremely helpful."

Switching to Trovia resulted in the client saving nearly \$200,000 in total costs and positioned the broker as innovative and solution-oriented when it came to their needs. **"If you don't show your client an ICHRA solution, your competition will. And, it's not that hard to open the conversation and explore what Trovia can do for your clients,"** the broker advises.

CLIENT OVERVIEW

- **Industry:**
National Freight Transportation
- **Headquarters:**
Minnesota
- **Locations:**
MN, NE, CA
- **Benefit Eligible Employees:** 98

KEY CHALLENGES WITH PRIOR PLAN

- **Current Funding Type:** Fully Insured Group Medical Plan
- **Renewal Month:** January
- **Enrolled Employees:** 53
- **Employer Premium Cost:** \$405,891
- **Employee Premium Cost:** \$275,562
- **Total Annual Cost:** \$681,453

CLIENT GOALS

- #1. Cost control
- #2. Employee recruiting and retention
- #3. Options for employees aged 65+

The Results

#1: Reduced the overall premium costs by 27.9% or \$211,690.

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

The contributions accounted for premium pricing differences in two different markets. The employee monthly premium contributions for that plan are shown at right.

#3: Employees selected 49 unique plans with 18 different carriers. Enrollment compared to the previous plan enrollment increased by 11% (59 vs. 53).

#4: The client was able to provide options to employees located across 26 states.

Age Band	Enrollment Market 1	Enrollment Market 2
20	\$159	\$345
30	\$202	\$404
40	\$228	\$455
50	\$319	\$636
60	\$484	\$750 (54+)
64+	\$536	

THE FINANCIAL RESULTS*

	Renewal Plan	Trovia	Savings	% Change
Employer Premiums	\$451,841	\$361,878	\$89,963	19.9%
Employer Other Cost	—	\$14,160	(\$14,160)	—
Employee Premiums	\$306,757	\$185,030	\$121,727	39.7%
Total Cost	\$758,598	\$561,068	\$197,530	26.0%

NOTEWORTHY KEY METRICS*

Renewal plan rates reflect the 30% increase. **Actual employer savings was 26%**, keeping overall costs in line with the prior year.

Employees saved an average of \$2,063 per year due to lower premiums and greater choice of health plan options.

The employer saved an average of \$1,284 per covered employee.

* Financial Results and Key Metrics summaries assumes 59 employees (vs. 53) for comparison purposes.

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