

# Three Strategies to Manage Health Insurance Renewal Increases



THE  
**PARTNERS**  
**GROUP**

Employee Benefits Team



# Questions?

- Please submit your questions in the form at your right
- We'll email a Q & A afterwards along with a recording of this webinar

# 3 Ways to Mitigate Medical Renewal Increases....



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# As January approaches....



- Approximately 70% of employers who offer health benefits to their employees are getting ready to begin their renewal process
- Most organizations feel they have very little control or insight into why premiums continue to rise
- Which makes budgeting for health benefits very difficult

# 1) Understand your options and negotiate



- To bid, or not to bid?
- Insurance carriers will often offer a reduction on the renewal if the employer is willing to forgo a market review
- How do you know your getting the best deal?
- Access to claims data or a sophisticated broker can eliminate renewal surprises
- Many employers don't have access to their claims data
- A skilled broker should be able to point out considerations insurance carriers should take

## 2) Consider a refunding contract



- Historically, most employers are fully insured without access to their claims data
- When the renewal was released, it created a mad scramble to look for more cost-effective solutions while negotiating with the incumbent carrier
- Employers with 25 or more employees can purchase health insurance on a refunding contract
- Paid with a fixed monthly premium
- Opportunity to get money back at the end of the plan
- Provides insight into how your plan is running
- Ensure you are working with a broker who clearly understands the benefits and pitfalls of each carrier contract

### 3) Look at high performing health networks



- Also known as “narrow networks”
- Steer their members to high-value healthcare providers
- Hospitals and providers who participate have a financial incentive that is tied to the health outcome of their patients
- In the Pacific Northwest, we’ve seen insurance carriers provide a 10% premium differential which has caused greater adoption throughout our region
- Employer *must clearly understand any impact* a narrow network would have on employee population

# Questions or Feedback?

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# Thank You

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