



Top 10 Money Saving Ideas

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Whenever we meet with potential clients, we immediately search for the big money savers. Sure, every client is unique, but many of the indicators are universal. Here are the top 10 things you should consider:

1. **Plan Type** – What type plan are you in? HMO, PPO or POS? If it's a PPO or POS, why are you in that plan? Many times the decision was made because a particular doctor was in-network or you wanted the ability to go outside as needed. Times change and so do networks. That doctor may now be in the HMO network or the need to go out of network may not be so great. If we can get back to an HMO, it's always a big money saver.
2. **Number of Plans** – How many plans do you offer? If you only offer one, this is another money saving area. By offering two, you can lower costs by offering a "Base" plan and the employees can pay the difference to purchase an "Enhanced" plan. This also has the benefit of giving your employees more options – making your benefit package more attractive.
3. **Co-Pays** – What are your co-pays? What do you pay when you see a physician? If we see a plan with a \$5 or \$10 copay, we can definitely save money by raising the co-pay. Most plans are now written with a \$20 or \$30 co-pay.
4. **Co-Pay for Hospital Stays** – Is there a co-pay for inpatient hospital stays? If not, your plan is "too rich" and you're leaving money on the table. Most plans now have a co-pay of \$250 to \$500 for each hospital confinement.
5. **Deductible** – Is there a deductible plan in your benefits package? A large percentage of our insureds now have a deductible plan in their benefits package. Deductible plans offer great savings yet their benefits are identical to non-deductible plans for items like doctor visits and pharmacy. Since the deductible usually only applies to hospitalization and diagnostic tests, many people in these plan will never experience the deductible.

6. **HRA or HSA** – Do you offer an HRA or HSA? This is similar to deductible plans in that these plans all have large deductibles, but in an HSA plan the deductible applies to all health care. The idea is if the savings in the HSA plan monthly premium are enough to pay the deductible, then the employer can help pay employee deductibles with the savings. You save more money because rarely do all employees use their full deductible.
7. **Prescription Co-Pay** – Check the co-pay on Rx's. If it's low, such as \$10/\$20/\$35, you can save by increasing the co-pays or by putting in a deductible.
8. **Turnover** – Has there been a lot of turnover in your list of insureds? If there has, we can re-run the average age. If it goes down, we can have the groups rates recalculated at the lower age and probably see some rate reduction. Keep in mind, this can usually only be done at renewal.
9. **Plan Distribution** – Like the previous note about offering two plans, the same can be said for the reverse. If you have 2 plan offerings but most of the employees are in one plan, you may get a discount by consolidating into a single plan. This makes it easier and cheaper for the company to administer.
10. **Consolidate Carriers** – If you offer ancillary coverage (dental, life, disability, etc.) do you have all your lines of coverage with one company? If you have dental with one company and life with another, you can save money by combining all lines with one company. This is also much easier for you to administer.