



CASE STUDY: SWITCHING FROM FULLY-INSURED TO SELF-FUNDED PLANS

“

Switching to a self-funded plan to avoid a \$200,000 rate increase seemed frightening, but the Skyway team ensured a seamless transition. SkyCare saved us and our employees thousands of dollars, while delivering excellent care.

”

– Rob Durham
President
HKM Direct Market Communications

CASE STUDY





OVERVIEW

As part of their benefits package HKM provides health care benefits to their employees, covering 70% of the costs. For many years, health care was offered through traditional insurance companies, meaning that HKM had a “fully-insured” plan. Unfortunately, as most businesses continue to experience, insurance renewal rates were rapidly increasing year after year. When faced with another large rate increase from their insurance company, HKM reached a breaking point.



CHALLENGES

The new rate would increase HKM’s contributions by \$16,000-\$17,000 per month, which was not only not feasible for this small company, but also represented a real hardship to HKM’s employees. HKM needed a new “outside the box” solution that would allow them to continue providing health care benefits to their employees.



APPROACH

Working with Skyway, HKM learned that switching to a “self-insured” or self-funded plan—with stop-loss protection, they would be able to control health care costs while giving their employees access to greater benefits including a low-deductible plan. HKM opted for Skyway’s SkyCare solution (formerly MetroHealth Select) a customized provider health network option for self-funded employers giving members full access to the Skyway network of top-quality providers.

The Skyway services team ensured that HKM staff selecting SkyCare could seamlessly transition and access the doctors, appointments and services they needed.



RESULTS

HKM saw a dramatic 19% reduction in their health care costs, and employees continued to access quality health care services while saving money through lower deductibles. Additionally, those selecting SkyCare had access to the services team guidance and support. HKM worked with a third-party-administrator (TPA) and with the Skyway Population Health Management team to analyze utilization, costs, and to quantify the **substantial savings—on average 30-38% lower than other local care providers**. Because of the positive experience, the following year HKM decided to make SkyCare the only health care offering for their employees. The cost savings provided HKM with the means to develop an employee wellness program. The Skyway population health management team helped design an award-winning program combining the SkyWell program with a health coach onsite at HKM’s facilities to help employees stay healthy and motivated to make better, healthier decisions.

HKM Direct Market Communications is a Cleveland-based business providing integrated marketing solutions to customers throughout the United States. They have approximately 140 employees and annual revenues of \$22 million.