

# An Exchange Garner's Kudos from Both Employers and Employees

**Company:** A 100-employee commercial insurance agency with various locations across the U.S.

## Why They Switched to a Private Exchange

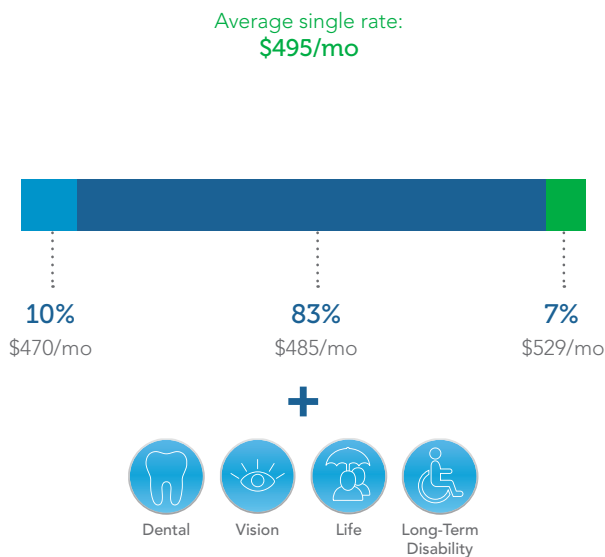
The Company had traditionally offered very limited options in benefits in the years before moving to an exchange. Their employees started to ask about more benefits choices to meet their needs.

At the same time, their CEO was tired of seeing premium increases each year and not getting value for their benefits dollars. They needed to provide more options that employees wanted in a way that was beneficial for the bottom line, too.

## Employees Got More Choice with a Private Exchange

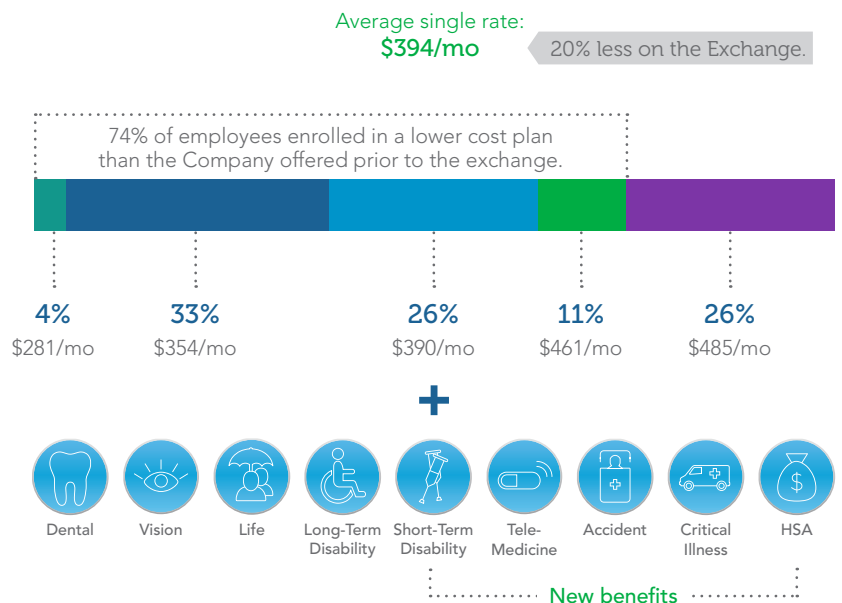
### Prior to the Exchange

The Company offered a choice of 3 Medical plans and 4 ancillary benefits. Most employees (83%) gravitated toward the mid-level Medical plan.



### With the Exchange

The Company offered a choice of 5 Medical plans, including an HSA-qualified option. They also offered 9 ancillary benefits, including new offerings of an HSA, Accident, Critical Illness, and Telemedicine. There was a nice spread across all the Medical plans with **no more than one-third of employees falling into any one plan.**

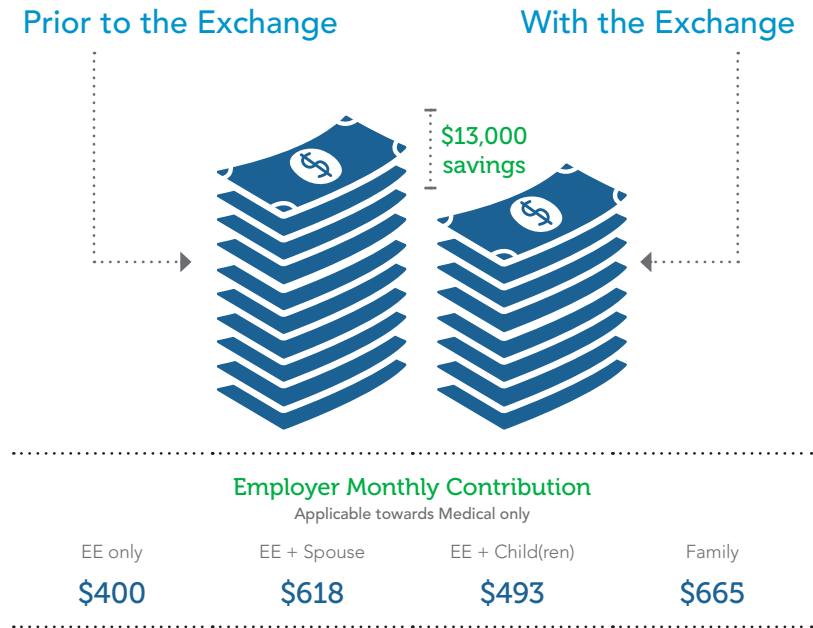


More than half of their employees enrolled Telemedicine (51%) and STD (64%). In addition, 30% enrolled in Accident and 36% in Critical Illness.



# The Power of Defined Contribution

With their private exchange, employees were able to see the Company's benefits contribution for the first time – and this made all the difference.



## Company's contribution went further on a private exchange

### For the Company

**Prior to the Exchange:** Employees used 100% of the Company's contribution to enroll in one of three Medical plan choices.

**With the Exchange:** Because 36% of their employees chose a Medical plan that was less than the Company's defined contribution, the Company saved almost \$13K.

### For the Employees

For some employees, being able to pick their benefits using defined contribution on an exchange meant they had no out-of-pocket costs for Medical – and were able to choose a plan better suited for them. Employees took the money they would have spent on Medical in the prior year and applied it to other, ancillary benefits, giving them more bang for their benefits buck and a well-rounded portfolio of benefits.

## Employer and Employee Satisfaction

"Exchanges level the playing field for all types of employees living in different states. Across all, it was the most positive Open Enrollment experience I've had in many years."

"Everything was very user-friendly, and it was easy to pick and choose between the plans."



- Company HR Director



- Company employee

