ApexBenefits

Case Study

Peer Review Reduces PEPM Cost by 42% for Global Consultant

Strategic benefits expertise drives plan innovation and a 42% reduction in PEPM medical costs.

Client

An operational and professional services consultant operating in regulated industries with a global footprint and over 500 employees.

Challenge

The client's prior advisor was providing basic services and managing the plan. But the client was not satisfied with the level of innovation. They were also experiencing significant administrative burden. The Human Resources team of two members supported over 500 employees around the globe.

The client was curious if they were receiving the best support and resources. Could innovation within their plan create savings? The client decided to explore their options and engaged Apex to conduct a peer review.

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Solution

Apex delivered a no-cost, no-obligation peer review of the client's existing benefits plan. This review left no stone unturned to identify potential areas of improvement.

Apex market analysts examined stop-loss contracts, medical claims and ancillary benefits. The pharmacy benefits team dissected pharmaceutical contracts to identify disadvantageous contract terms and potential savings opportunities.

Save More to Do More

All-in medical spend was reduced by 7%. PEPM cost is now down 42% after 2 years working with Apex. This client was able to invest in their organization and their employees by staying curious.

Results

The peer review identified savings within several components of the current plan. Apex delivered savings of $154,115 on their stop-loss premiums and added a No New Lasers provision and a Rate Cap guarantee to the plan.

These changes reduced total health plan spend by nearly $457,000 (7%). The client also saved $60,000 within their ancillary benefits program.

Apex also delivered a $20,000 plan implementation credit and $29,000 in strategic carrier funding. This funding allowed the client to invest in a communications and engagement platform. This reduced the burden on the HR team and improved employee engagement with the plan — all at no net cost to the organization.

Benefits cost per employee per month decreased by 42% over 2 years with no disruption to employees or plan design.

By exploring their options, the organization uncovered immediate plan savings and improvements to administrative and employee experience. Basic services were replaced with a strategic partnership that created deep, sustainable cost savings.

$29K

The client's new funding strategy allowed them to invest $29,000 in their employees.

-42%

Apex decreased the client's PEPM by 42%, with no disruption to employees.

$154K

Apex delivered over $154,000 in stop-loss premium savings.

$457K

The client's total health plan spend was reduced by nearly 7%.