zizzl health

From unpredictable renewals to a more sustainable benefits strategy

How one multi-state healthcare employer used ICHRA to gain budget predictability while giving employees more choice.

The challenge

- 1,000 employees across 7 states
- 680 benefits-eligible employees
- 138% year-over-year turnover
- Budgeted $2.5 million for employee medical benefits
- Actual costs reached $6 million

Despite the exponentially higher costs to the employer, eligible employees weren't enrolling in the company's traditional group health plan because it wasn't affordable for them or didn't meet their family's needs.

Renewing another group plan wouldn't solve the real issue.

The solution

Working with their broker and supported by zizzl health, the organization transitioned to an Individual Coverage HRA (ICHRA).

The objective was to:

- Lower costs
- Create a more predictable benefits strategy
- Give employees flexibility of choice
- Deliver employee education, enrollment support, and ongoing guidance
- Enhance the broker's trusted advisor role

The results

Defined budget strategy

The employer replaced unpredictable healthcare claims with a defined monthly contribution after healthcare costs climbed from a $2.5 million budget to $6 million in actual spend.

90% paid $0 for coverage

By benchmarking employer contributions against a Gold plan, 90% of enrolled employees paid nothing toward their monthly premiums, while still choosing the plan that worked best for them.

A stronger employee experience

Rather than fielding complaints during enrollment, HR began hearing from employees who finally found coverage that fit their families.

> *"For many of our employees, it was the first time they found health coverage that truly met their family's needs."* - Chief People Officer

Start with your broker

If rising renewals are making benefits planning more difficult, **ask your broker** whether ICHRA could be the right fit for your organization.