

Pairing a Direct Partnership Plan with Telehealth for \$0 Deductibles and 2X Participation

When John Challenger purchased Office Furniture Resources (OFR) 20 years ago, the installation and moving company had two employees, two pickup trucks, two warehouses, two storage units and a 16-foot box truck. Today, OFR has more than 50 employees and three locations with warehouses and offices in Boise, Idaho Falls and Helena.

As the company has grown, so has its health insurance needs.

When asked about his employee benefits experience on a fully insured, traditional health plan, John doesn't mince words.

"Terrible. That's the only word I can use. I absolutely feel like big box insurance is the biggest legal scam in this country," John says, explaining that a family of four could pay over \$1,000 a month, and then if something happens and they need care, they still have to meet a \$13,000 deductible. "I got sick of it."

John wanted a better health coverage solution for his company and his employees, as well as his own family, so he asked his employee benefits agent for a new solution. She introduced John to Health2Business (H2B).

Taking the Plunge

H2B offers a direct partnership program that enables employers to contract directly with healthcare providers in their community, without having to deal with insurance carriers. The arrangement can result in major cost savings, but it's a big change.

"The big thing is the what if. What if we have somebody who has major medical needs, like an open heart surgery type of thing?" says John, admitting that he had concerns initially, but he overcame them quickly. "The nice part about this is the plan is underwritten. So if there is a major medical event, it's covered. So you don't have to worry about that."

Once John decided to move forward, it was time to get to work.

"There's a lot to do initially," John says, describing all the paperwork that was necessary to get a direct partnership in place. "But once we got through it, it's pretty much been on autopilot."



Office Furniture Resources at a Glance

INDUSTRY

Installation and Moving

SECTOR

Private

EMPLOYEES

50+

HEADQUARTERS

Idaho

Boosting Participation and Supporting Retention

When OFR used a fully funded, traditional insurance plan, participation was low because the plan simply wasn't affordable. With H2B's direct partnership plan, participation doubled.

The plan has also helped with recruitment. OFR covers around half of the health plan's cost, and members have a \$0 deductible. "That catches the eye of a lot of people," John says.

As the employer, OFR pays lower premiums with its direct partnership program, but for John, that's only part of the appeal. "I will also tell you that I would still do it even if it cost more," John says. He has a family of his own, and he rests easier knowing he won't have to pay a \$13,000 deductible if they get sick.

OFR has been using H2B's direct partnership program for two years now. "My renewal was good," John says, explaining that it was an easy process, and not much of a price increase. "There was a little bit of an increase, but there wasn't a big one."

Keeping Costs Down

John's goal is to give his team affordable healthcare, and to do that, he and H2B collaborate to implement cost-effective strategies, including the addition of telehealth and prescription solutions.

"We tell our team members not to just run to the hospital emergency room unless the really truly need it. Try to address the problem with Nice first unless it's urgent," John says, explaining that Nice is the telehealth service he provides as an employee benefit. His company covers 50% of the membership cost, leaving employees with just a \$12 deduction per paycheck.

For that, they get virtual care as well as at-home blood draws, for their entire household, without any additional out-of-pocket costs.

For prescription coverage, John uses another partner that helps him save money. "They actually take the time to look at your plan, and to review the medications you're on, before making recommendations to save you money," says John. He's seen the difference firsthand. He takes a medication that used to cost around \$2,000 a month. His new prescription service found a better way to fill it at a steep discount.

Not as Scary as You Might Think

In the end, John is glad he made the switch to H2B's direct partnership program.

"I would tell any employer, take the plunge, do it," John says. "It's not as scary as you might have been led to believe."



Key Takeaways

- + Employees went from a high deductible to a \$0 deductible.
- + Employee participation doubled after switching from a fully funded plan to a more affordable self-funded direct partnership plan.
- + Pairing a direct partnership plan with telehealth maximizes cost-effectiveness without sacrificing quality of care.
- + Initially, implementation required some paperwork, but since then it has been mostly on autopilot with easy renewals.

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John Challenger
Owner, Office Furniture Resources

Ready to transform your healthcare program?

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