

Cost-Sharing Balance Plans

A GROUP HEALTH INSURANCE SOLUTION

THE COST-SHARING BALANCE APPROACH

- INNOVATIVE PLAN DESIGN
- COST-CONSCIOUS BEHAVIOR
- VALUE-BASED BENEFITS
- MEMBER EDUCATION



In response to rising medical costs and group renewal rates, employers typically consider three approaches: (1) absorb the cost increase, (2) scale back health benefits and/or (3) increase employee contributions. There is another solution. Long Island Employee Benefits Group (“LIEBG”) presents: the “Cost Sharing Balance” concept.

A group health solution to rising medical costs

What Is the Cost-Sharing Balance Concept?

The Cost-Sharing Balance concept is group health insurance coverage with two components: (1) a primary medical plan with aggressive cost-sharing exposure (i.e., high deductibles and co-insurance) for employees who utilize certain high-cost services and (2) a supplemental indemnity plan that “fills the gap” in the primary plan by paying cash benefits to the employees with cost-sharing exposure.

The Cost-Sharing Balance design shifts expenses from the employer to the small percentage of employees who utilize certain high-cost services, which reduces medical premiums and incentivizes cost-conscious behavior. The cost-sharing exposure is then offset by the custom-designed Cost-Sharing Balance product. The result is that both employer and employee costs are minimized, and benefit structure is maintained.

INNOVATIVE PLAN DESIGN

The Cost-Shifting Balance plan structure includes a cost-sharing, comprehensive medical plan and a supplemental indemnity plan custom-designed to “fill the gap” in coverage.

COST-CONSCIOUS BEHAVIOR

The Cost-Sharing Balance plan design incentivizes employees to assess the cost, quality and relative value of provider and service options.

VALUE-BASED BENEFITS

The value-based approach encourages the use of high value-services (e.g., generics and preventive care) and healthy lifestyles.

MEMBER EDUCATION

LIEBG works as your partner in incentivizing employee behavior and educates employees on how to maximize their benefits under the Cost-Sharing Balance approach.



To learn more about this Cost-Sharing Balance concept, Contact:

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“Crafting complete and comprehensive employee benefit solutions for your business”