From Volatility to Control **in a Self-Funded Health Plan**

Story Overview

A senior living organization was struggling with the instability of a fully insured health plan. Rising costs, limited transparency, and repeated provider disruption made it hard to protect employees while planning responsibly for the business.

Challenge

The client needed a more sustainable way to offer health benefits without annual surprises. Under its prior commercial arrangement, it had little access to its own data, which limited its ability to understand cost drivers, shape benefits, or build an effective wellness strategy. Staying the course meant continuing to absorb volatility with very little control.

> Strategic guidance helped transform the organization's approach to benefits.

IMA's Strategy and Actions

IMA's employee benefits and captive advisory team acted to support the client by:

+ Guiding the transition from fully insured coverage into a self-funded group structure and helping the client navigate the early learning curve
+ Turning claims data into action, so the client could shape a stronger wellness program and align benefits with prevention and financial stewardship
+ Developing and implementing strategies to address high-cost pharmaceuticals for both employee and plan savings
+ Advising on broader cost-management options, including network expansion and annual evaluation of self-insurance risk levels
+ Providing consistent reporting and education so leadership could make informed decisions over time

Why It Worked

This worked because the approach was built as a long-term strategy, not a yearly renewal exercise. IMA helped the client move from reacting to rate increases to using data, governance, and peer learning to make more confident decisions.

Key Takeaways

IMA helped the client solve more than a pricing problem. By pairing data visibility with practical plan strategy, the team helped leadership gain control, reduce disruption, and make benefits decisions with more confidence.

THE RESULT:

Since joining the program in 2013, the client reported an average cost increase of 6.3% through 2025, with a 2.3% average increase over the most recent five years. Its ownership stake in the program also grew to more than $668,000, with more than $400,000 in cash distributions over 12 years.