How a Post-Acute Healthcare Employer Stabilized Its Health Plan by **Redesigning the Model**

Story Overview

A Southeast-based post-acute healthcare organization faced rising health plan costs in an already constrained operating environment, with a workforce that included many moderate- to lower-wage employees and a business model shaped by tight reimbursement pressures. To preserve a competitive benefit while avoiding the usual cycle of cost-shifting to employees, the organization pursued a more innovative approach to plan design and care management.

Challenge

The client's healthcare spend was climbing fast enough to threaten the long-term sustainability of the plan. Maintaining the status quo would likely have meant higher employee cost-sharing, weaker benefits, or both. Instead, the client needed a way to improve access and outcomes while taking more direct control over what it was buying from a fragmented, opaque healthcare system.

IMA's Strategy and Actions

IMA's Employee Benefits team acted to support the client by:

+ Guiding a multi-year education process with senior leadership and the benefits committee to build readiness for a less traditional solution.
+ Using data and analytics to identify the highest-impact cost and care opportunities, helping the client focus effort where it would matter most.
+ Advising the client as it established an internal care management model staffed by its own clinical resources to improve outreach, medication adherence, preventive care, and direction to appropriate sites of care.
+ Helping unbundle the traditional carrier model so the client could separate administration, stop-loss, pharmacy, and provider payment strategy rather than accept a one-size-fits-all package.
+ Supporting adoption of reference-based pricing and a more transparent pharmacy strategy so savings could be reinvested in plan stability and lower-cost access to important medications.

Why It Worked

This worked because IMA approached the engagement as a strategic partnership rather than a transaction. The team combined persistence, education, analytics, and change management over several years, while the client's leadership stayed committed to a model that was different, more hands-on, and better aligned to its workforce and mission.

Key Takeaways

This story shows that IMA can help clients move beyond incremental plan tweaks when the economics no longer work. It also reinforces an internal lesson: sustained education and trust-building can create the conditions for clients to adopt more innovative, higher-impact strategies.

THE RESULT:

The client achieved about **$8 million in year-over-year savings in the first year,** with savings later reaching **nearly $10 million annually.** More than **400 associates engaged in care and disease management,** enabling the organization to maintain stronger plan stability, avoid shifting more cost to employees, and improve access to preventive medications and support.