Turning a High-Cost Claims Pattern **into a Sustainable Health Plan**

Story Overview

A self-funded construction employer in rural Colorado was facing unusually high medical spend driven by multiple end-stage renal disease claimants on a plan with roughly 140 enrolled employees. With a dispersed workforce and limited care access in its market, the employer needed more than a routine renewal strategy. The existing setup was not built to handle these claims in a different, more cost-effective way.

Challenge

Over several years, the plan posted sharp year-over-year increases, including 42% in 2020, 25.9% in 2021, 14.6% in 2022, and 29.6% in 2024. For a group this size, having three ESRD claimants at once was highly unusual. The status quo was not sustainable, and several TPAs would not support the dialysis-focused carve-out solution needed to address the issue directly.

> Focused analytics can uncover a specific, solvable cost pattern inside what looks like general trend.

IMA's Strategy and Actions

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

+ Using monthly claims reviews and IMA Analytics powered by Cedar Gate to identify ESRD as a major cost driver
+ Going to market with TPAs only after confirming which partners would allow the Renalogic solution to remain in place
+ Evaluating total cost, network access, and disruption together rather than solving for a few claimants at the expense of the broader workforce
+ Recommending a carrier and network change that improved both access and pricing for a rural employee population
+ Supporting employee outreach so affected members understood the new process and used the correct ID cards for care

Why It Worked

IMA did not accept a carrier "no" as the final answer. The team used claims data to isolate the real problem, then found market partners willing to support a less traditional solution and helped the client implement it in a workable way for employees.

Key Takeaways

This case shows how focused analytics can uncover a specific, solvable cost pattern inside what looks like general trend. IMA helped the client move beyond standard carrier constraints, align network and funding strategy, and act decisively when a recurring claims issue threatened plan sustainability.

THE RESULT:

In the first year after the ESRD solution was implemented, the plan's costs decreased 20% after rising 29.6% the year before, generating about $650,000 in savings against budget. That gave the employer a more sustainable path forward and room to address pharmacy spend next.