



CASE STUDY

Helping a healthcare provider control benefit costs, streamline HR processes and reduce enterprise risk to support and empower their growth through M&A

To realize their organizational objective of building an integrated healthcare platform, one client focused on acquiring and integrating a variety of providers in the healthcare space. The integration of disparate subsidiaries into one new entity required the organization to reassess its property and liability risk to address their coverage overlaps and fill the gaps. Additionally, the organization had to consider the implications to its benefits and HR programs as employees of the various entities did not have equitable choices in benefit plans.

The situation created a significant administrative burden on the HR team as they tried to manage ongoing enrollment while still controlling benefit costs. How could the client build an integrated healthcare platform and bring their benefits program and organizational risk challenges under control?

Gallagher assembled a team of specialists to consult with the client, taking the time to learn about the organization's challenges and identifying opportunities for cost savings, better risk coverage, and a benefit program that worked for employees across the spectrum. The Gallagher team negotiated:

- \$8 million in projected savings for a private provider stop-loss program
- 24% savings on more complete medical malpractice coverage
- 18% savings on property and liability coverages
- Improved commercial auto coverage at 65% of market rate
- Improved fleet safety program
- Integrated healthcare platform with high deductible health plan options; annual increase held to under 5%
- 18% savings on ancillary benefits, enabling healthcare provider to provide long-term disability coverage with buy-up for highly compensated employees
- Additional voluntary benefit offerings to increase employee options and satisfaction with benefit plan
- 409A deferred compensation retirement plan for physician members

Gallagher also assisted with outsourcing of human resources functions, and continues to hold open enrollment meetings as new acquisitions come on board.

Building an integrated healthcare platform means managing disparate benefits programs and increased property and liability risk. Gallagher Healthcare delivers a comprehensive approach and solutions to help.

Employers are increasingly interested in working with provider organizations to improve employee health and control total costs.

Healthcare is transitioning from volume to value. Providers are looking to differentiate their healthcare delivery capabilities and engage employers.

- Research and develop your strategies to position and market public health management (PHM) and healthcare service value propositions directly to employers as well as the community and insurance plan partners.
- Utilize benchmark survey data and analytics to validate your PHM outcomes on your own health benefits plan.
- Leverage your relationship with community employers who are increasingly interested in working with provider organizations to improve employee health and control total costs.

To market direct-to-employer relationships, healthcare providers need to be able to quantitatively, as well as qualitatively, demonstrate their value. Gallagher's Healthcare Analytics Consulting practice has helped large self-funded employers manage and measure employee population health for over a decade:

- Fine-tune your strategy to turn your medical benefits program into an incubation chamber for PHM approaches.
- Embrace fresh communication to educate and engage participants and physicians.
- Quantify the health risk score and per capita cost impact you have on your own employee program.



Broad Expertise

Gallagher partners with:

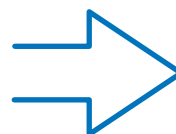
- Hospitals and integrated health systems
- Senior care communities
- Physicians and medical groups
- Healthcare associations
- Group purchasing organizations and performance improvement alliances
- Health plans
- Collaborative and managed care organizations
- Home health companies and agencies
- Ambulatory care centers
- Pharma organizations
- Other ancillary providers

Gallagher Healthcare Can Help

Your Gallagher Team...



Puts you first



Runs to your problems, not away



Empowers your decisions with data



Manages your risk, anywhere