

**CASE STUDY: SMALL BUSINESS BENEFITS**

# Simplified Underwriting and Level Funding with Reference-Based Pricing



**WHO:** Clayton Wood, CFP®, C. B. Wood Financial LLC and a small group employer

**INDUSTRY:** Manufacturing

**EMPLOYEES:** 66

**CHALLENGE:** The client, with a fully insured medical plan, received a 15.9% increase from their BUCA carrier that increased the employee-only cost of coverage almost \$100 to \$750/month.

The client did not review their 12/1 renewal until the first week of November. Due to the short timeframe and because they were not presented with other options, the client felt they would have to accept the renewal.

**SOLUTION:** I introduced myself to the client the first week of November. Understanding I had the **simplified underwriting** capability, I was able to confidently say that we could turn around a proposal for a **level-funded plan design with reference-based pricing within a week.**

**OUTCOME:** We met with the client a week after our initial introduction meeting with a proposal. Our proposed Trustmark Small Business Benefits reference-based plan design:

- **Lowered the deductible by \$1,000**
- **Lowered the out-of-pocket maximum by \$1,400**
- **Saved the client over \$80,000**

## More about this success story

### What was the problem or unmet need for you or your small business client?

Small businesses have a preconceived notion that their only healthcare benefit options are the BUCA carriers because that is what brokers have always brought them. My client felt as if there were no other affordable healthcare benefits options to offer to their employees.

## Did you or your client attempt to find a solution but couldn't?

Because the client had a short amount of time until their renewal date, they felt their only solution was to accept the 15.9% increase.

## How did you help your clients overcome the odds and resolve the problem?

Knowing that we only had two weeks to find a solution, the Trustmark Small Business Benefits level-funded, self-funded plan design with reference-based pricing provided significant savings over their fully insured medical plan renewal, with better benefits and quick implementation with simplified underwriting.

The proposal with final rates was presented within a week of the introduction meeting.

## What was the outcome?

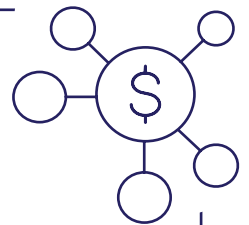
Within two weeks of meeting the prospect, my sales consultant and I were able to offer a self-funded plan design with reference-based pricing that saved the client over \$80,000 and improved the health benefits offered to employees.

### Practical solutions are available for your clients.

Affordable solutions and a quick turnaround with the simplified underwriting capability are available for your clients.

Self-funded reference-based pricing plan designs and level funding can be a viable solution for your clients.

This arrangement offers predictable monthly payments, offers enhanced plan designs, allows employees to choose and keep the physicians they want and provides transparency of expenses with claims data.



Reach out to your sales consultant/broker for a quote or more information!

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Trustmark Small Business Benefits®

Plan design availability and/or coverage may vary by state. Self-funded plans are administered by Star Marketing and Administration, Inc., and stop-loss insurance coverage is provided by Trustmark Life Insurance Company.

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