



CASE STUDY:

Health & Welfare Redesign With Union Negotiation

Issue

A not-for-profit group was facing union negotiations and an overall renewal increase that well exceeded the group's budgeted increase for all of its Health and Welfare programs. Cowden was asked to assist the group in meeting three core objectives: (1) meet their budget, (2) maintain their philosophy of offering an affordable, comprehensive benefit package and (3) avoid a work stoppage.

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Solution

To achieve the group's three core objectives, Cowden:

- Completed a request for proposal process to ensure pricing offered was competitive.
- Conducted a benchmarking study against the industry and region to evaluate the competitiveness of the current benefit programs.
- Conducted a funding feasibility study to determine if the group had the appropriate funding arrangement in place.
- Participated in union negotiations, provided alternative plan designs, cost estimates and necessary education.
- Prepared open enrollment communication materials for employees and fostered the open enrollment process.
- Participated in the implementation of all new vendors.

**Client savings
in excess of
12% of total
premium costs.**



Result

Cowden accomplished the following:

- The group remained in an insured funding arrangement based on the results of the funding analysis.
- Benchmarking data supported that opportunities existed for plan design and contribution structure changes that would reduce costs and maintain a competitive comprehensive benefit package.
- The competitive marketing process provided premium savings through alternative carriers. Cowden negotiated multiple year rate guarantees.
- The aggregate savings for the client was in excess of 12% of total premium costs.
- A work stoppage was avoided.

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