

Controlling costs and offering choices

Challenge

A college prep school established in 1746, Linden Hall has weathered plenty of changes over the last two and a half centuries. The most recent involved skyrocketing health insurance premiums.

Following the standard model of selecting a single plan and covering 100% of the individual premium cost for its 60 full-time employees, Linden Hall was paying higher premiums while assuming more risk through health reimbursement accounts (HRAs). They knew something had to change when they were facing a 30% increase for the upcoming year.

“A critical element of employee compensation is the benefits package. Providing its employees with ample choices and with information to help them understand the choices---based on age, lifestyle, family situation, and cost---is a tangible way for an organization to help its employees understand risk and to provide them and their families peace of mind”

– James C. White II, Ph.D., Head of School, Linden Hall



Solution

Moving to a defined contribution model through the Bright Choices® Exchange made sense financially and philosophically for Linden Hall. It allowed the school to more accurately predict and control benefits costs. It let employees — who range from singles in their 20s to empty-nesters in their 50s — choose the right coverage to fit their situation from a menu of:

- ▶ 12 Aetna health plans
- ▶ Dental plans
- ▶ Vision plans
- ▶ Life insurance
- ▶ Short- and long-term disability
- ▶ Legal services, and more

Results

StoudtAdvisors had a representative on site to help answer questions, which combined with the online guidance provided by Bright Choices to make enrollment easier for employees.

Not only are Linden Hall’s costs more predictable, they are now more equitable. Each employee receives the same contribution toward benefits, rather than the school putting more dollars toward heavier benefits users through an HRA.

And while change can be challenging for any organization, the staff at Linden Hall understood the need for a new solution and appreciates the opportunity to make their own benefits choices.

For more information visit stoudtadvisors.com
or call us at 717-581-8382.