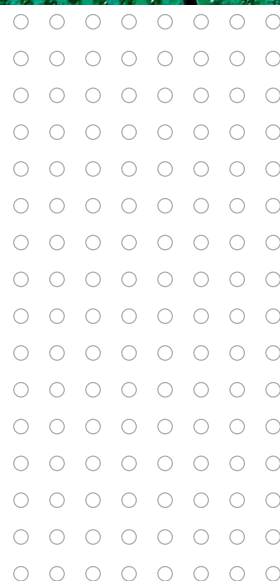




Case Study:

## Helping Employees Bridge Coverage Gaps

National tank cleaning company leverages voluntary benefits to reduce claims costs and enhance employee satisfaction





# Helping employees bridge coverage gaps

Over the last decade, steady growth fueled by a number of acquisitions helped Quala, the largest provider of tank cleaning services in the U.S., expand its geographic footprint to 63 service locations in 25 states. As the company grew so did its need to manage benefits costs and maintain employee satisfaction. Quala knew they needed to revisit their offerings and make some needed changes. But their geographic expansion led to yet another obstacle for the company -- the ability to communicate a potentially new benefits package with their predominantly blue collar workforce operating in three shifts over a 24-hour period.

In the fall of 2015, Quala hired HUB International to examine their total approach to employee benefits, with an eye on cost management, reviewing their current voluntary benefits offerings and, most importantly, engaging employees to be more involved and educated in their benefit choices.

HUB's solution was a multi-year employee communications campaign designed to show employees how voluntary benefits can bridge coverage gaps – and most importantly, truly help them understand their options and how to make benefits choices around their lifestyle. HUB chose a three-pronged approach: a communication campaign, group and one-on-one meetings, and a webinar for new hires. Ultimately, this new, effective communication and education platform enhanced employee satisfaction and increased plan participation.

## A New Strategy

The first part of the strategy helped Quala better manage plan costs by migrating from four medical plans to just two – a single copay plan and one high deductible health plan (HDHP) with an HSA. However, this was just one half of the equation needed to get Quala to where they wanted to be.

While the HDHP gave Quala a strategy to rein in benefits costs, it was time to take a closer look at ancillary benefits to complement the core medical plans and provide the coverage and individual choices their workforce wanted. Quala already had a few voluntary benefits options in place, but lacked meaningful employee participation. After some examination, it was clear that these benefits, which included employer-paid disability policies and other typical voluntary benefits like dental and vision, were still a fit for the company and its employees. The challenge now was how to communicate it to the employees.

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Our biggest hurdle with 650 employees and 63 locations in 25 states is getting out and reaching all the employees,” said Paul Woodbury, VP of Human Resources for Quala. “We switched to HUB to generate new ideas, get our premiums down and most importantly, educate our employees on voluntary benefits that would ultimately make them more satisfied with their benefits options.

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## Enhancing Employee Communication and Satisfaction

The focus on benefits communication was critical to driving home the idea that the change in medical plans wasn't a reduction in benefits, but instead, combined with Quala's voluntary benefits at little or no cost, was a more customizable benefits offering with less up-front costs taken out of the employee's paycheck. In order to ensure employees took advantage of the voluntary benefits offered, HUB's benefits team traveled to a large portion of Quala facilities to reach employees at the local level – in their field office, on their shift.



Group meetings began at locations with the most employees. Follow-up, in-person, one-on-one meetings were scheduled, and for locations with five employees or less, one-on-one meetings were facilitated over the phone. The communications campaign used handouts to describe each benefit offering, while a webinar was created for new hire training. **In the first six months working with HUB, 93% of Quala employees were seen in a one-on-one benefits advisory meeting.**



As Quala experienced increased participation in their HDHP, enrollment in their voluntary benefits also increased to 63 percent. The direct result of the new employee communication strategy led by HUB's benefits team that traveled to many Quala offices, each location adopted the employer-paid short and/or long term disability policy, while 63 percent enrolled in the additional voluntary benefits, with accident and critical illness insurance being the most popular.

Thanks to both the reconfiguration of medical plans and the increased participation level in the company's voluntary benefits program, Quala has already experienced a significant decrease in its medical claims trend – from \$840.37 to \$524.64 per employee per month (-37.57%). This reduction, which happened in the first six months of the HUB program, resulted in a real cost savings for the company and employees, more employee engagement and improved overall health for employees.

#### It's Only Just the Beginning

Now approaching a full year since the new benefits communication initiative has been in place, Woodbury and his HR staff are grateful for the positive response they've received from employees, both about the initiative itself and their current benefits options.

"Educating our employees helps them understand their costs and make a wise decision on a personal level for themselves," said Woodbury. "We really do care about our employees and just want them to live a truly healthy lifestyle."

#### Awash with Success

**80%**

uptake on the high deductible health plan

**93%**

of all employees seen in a one-to-one benefits advisory meeting in the 1st year

**38%**

of claims are down per employee per month. From \$840.37 to \$524.64

“

Education is huge – absolutely huge,” said Woodbury. “We’ve been asking for a formal program for years, but we were told we couldn’t because we were spread out and only have three people in our HR department. Now that we partnered with HUB, everyone has a true understanding of their benefits options and which are best for them. It really helps employees make a wise decision on a personal level.”

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And the numbers prove it. Prior to the new benefits communication efforts with HUB, just eight employees were enrolled in Quala's HDHP. After, plan participation rose to 80 percent in just six months.

#### Bridging the Gap with Voluntary Benefits

To complement the core medical plan and address coverage gaps, HUB helped Quala repackage their existing voluntary benefits in an effort to increase employee engagement. Contributing employer-paid short and long term disability, Quala also offers optional voluntary benefits at low cost to employees, including a dual option dental plan, vision, employer sponsored life insurance, voluntary life, cancer, hospital indemnity and an accident policy.

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