

CASE STUDY

Signature HealthCARE

Long-Term Care | 5,500 covered employees | Louisville, Kentucky



- ✓ Award-winning company in long-term care industry
- ✓ 100+ locations in 10 states
- ✓ Imagine360 client since 2019



CHALLENGE

To manage risk under its self-funded insurance model, Signature HealthCARE contracted with a big-box carrier to provide claims administration, network access, utilization review, disease management and program management concepts, etc. Eventually, Signature grew frustrated with the lack of transparency. "What really drove us nuts was not being able to see what was behind the contracts that the carrier had with providers," said Nick Porter, Vice President, Total Rewards for Signature HealthCARE. "We had millions of dollars riding on contracts that we couldn't see."

In 2016, due to a drastic increase in healthcare costs, Signature was forced to increase premiums and deductibles for employees. This hit to their benefits package had a negative impact on staffing, and made it more difficult to fill positions, especially nurses.

"We're taking every dollar that we've saved and we're reinvesting it to enhance our benefits package to be one of the best in the country."

Nick Porter, VP, Total Rewards for Signature HealthCARE

SOLUTION

Porter's research to contain costs led him to Imagine360's reference-based pricing (RBP) solution, which is backed by 360-degree member and client support. Imagine360's model considers both the cost of service and the Medicare reimbursement rate to determine a payment that is fair and reasonable for employers, members and health systems.

RESULTS

Since implementing RBP as a pilot in 2018, the results have been staggering. And in 2019, when Signature HealthCARE gave their employees the option to choose RBP or a traditional PPO plan, more than 70% chose the more affordable RBP model. In 2020, they fully adopted RBP for all covered employees and family members.

✓
\$11 MILLION
NET SAVINGS*

✓
20% REDUCTION
premiums/deductibles

*Savings based on estimated PPO charges.

THE GIVE BACK

Signature's invested all of its savings into Employee Benefit Programs.

- Subsidized daycare/babysitting
- Free ride-sharing to work
- Tuition forgiveness
- Rewards and recognition programs
- \$250K increase in benefit support staff
- Enhanced wellness programs

"By moving away from big-box carriers, we are saving a ton of money – probably 40 or 50 percent in admin fees alone," said Porter. "That's in addition to the money you're saving on claims."

Since introducing the enhanced benefits package made possible by the savings they've realized with Imagine360, Signature HealthCARE has more than doubled the size of its staff each quarter and reduced turnover. Signature reinvested all their savings into employee benefit programs.

BOTTOM LINE

After shifting models and working with Imagine360 the past few years, Porter has become a staunch advocate of RBP. When it comes to choosing an RBP firm, he adds that he would hands-down recommend the solutions provided by Imagine360. "If you're going to do reference-based pricing, I don't know that I trust anyone else to manage a program like this."

"Before reference-based pricing, we were scraping for pennies and trying to figure out how to do a presentation to a group of employees and have them leave with a smile even though we were increasing their premiums by 10 to 15%."



It's way more than a health plan.
It's a promise.



info@imagine360.com | imagine360.com