

## CASE STUDY

# OEM Fabricators

Leading custom metal fabrication company

280+ employees

3 locations in Wisconsin



“We care about our team members – a lot. We wanted the savings, and for them to get better healthcare, but wanted to be sure we didn’t stick them with the bill.”

Abby Klatt, Director of Human Resources, OEM Fabricators

### CHALLENGE:

Wisconsin is one of the most expensive states in the nation for healthcare, with employers paying more than three times what Medicare would pay for the same procedure.

In the years leading up to 2019, OEM Fabricators was experiencing double-digit cost increases with their traditional PPO health plan. This compelled the company to switch to a self-funded model and to join a captive insurance program to mitigate potential risk. At the same time, the company introduced a near-site clinic so employees – predominantly blue-collar workers at their three locations – could have convenient access to care.

Despite these efforts, cost increases persisted. For Abby Klatt, Director of Human Resources, the time was right to re-think the way the company paid for healthcare.

### SOLUTION:

Klatt’s benefits consultant introduced Imagine360 as an innovative, cost-saving alternative to traditional carrier plans. The resources and comprehensive support for her HR team, in addition to the potential for deep savings, convinced her to make the switch. While Klatt knew changing health plans could present challenges, the hands-on open enrollment process and ongoing commitment to employee education helped put her at ease.

## RESULTS AT A GLANCE:

41%

savings compared to a traditional carrier plan

50%

reduction in employee deductibles

\$945K

average annual savings vs. traditional

10+

years without premium increase

**More boots on the ground** Increased reimbursement for boots and work gear

## IMPACT:

OEM Fabricators saved **\$1.3M+** off billed charges in year one through Imagine360's industry-leading reference-based pricing (RBP) solution. The savings allowed them to give back to their employees by increasing reimbursements for essential work gear like steel-toed boots and goggles. Members also saw their deductibles cut in half and no increase in their premiums for over a decade.

Klatt also observed a notable improvement in her recruiting and retention goals. Because the company relies on employee referrals as a recruiting strategy, the drastic reduction in healthcare costs and the increased breadth of benefits serve as a point of distinction for job-seekers.

## EXPERIENCE:

Imagine360 attended all onsite open enrollment meetings across OEM Fabricators' multiple locations throughout Wisconsin. As part of the process, educational videos accessible via QR code made it easier for employees and families to learn about their health benefits together.

Klatt appreciates the company's designated client and HR support team and the Imagine360 member portal, which makes it easy for her to assist employees.

## BOTTOM LINE:

OEM Fabricators is passionate about keeping healthcare costs in check for their employees. Klatt credits the Imagine360 solution with enabling the company to give employees what they really wanted - lower deductibles and an attractive health benefits package that puts people first. ***"Take the leap. It will be more work in the beginning, but if you care about your people and retention, doing what you can to lower healthcare costs is extremely important."***

"This is why we do what we do. We are literally giving savings back to our people and that's what drives us to push for better."

Abby Klatt, Director of Human Resources, OEM Fabricators

