

CASE STUDY

California Institute of the Arts (CalArts)

300+
covered employees

30+ years
in traditional plan before
transitioning to RBP

Valencia, CA
headquarters



**“Trust the process. The
grass really is greener
on the other end.”**

Andy Covell, HR Leader, CalArts

Founded in 1961 by Walt and Roy Disney, CalArts is an internationally recognized arts institute spanning animation, art, music, dance, theater and critical studies. Its alumni include the creative talent behind iconic creative forces such as Pixar Animation Studios and *SpongeBob SquarePants*.

CHALLENGE:

After more than 30 years being fully insured with a traditional carrier plan, CalArts was preparing for another significant renewal – this time approaching a 30% increase. Rising costs, limited visibility into where healthcare dollars were going, and an unexpected gap in benefits leadership made it essential to explore new options quickly – without disrupting employees or overloading a busy HR team.

SOLUTION:

In 2024, CalArts partnered with Imagine360 to transition to a self-funded plan with reference-based pricing (RBP). Rather than reducing benefits, the institute launched an intentionally rich plan design – including low deductibles, \$0 copays and low out-of-pocket maximums – to support employees through the plan transition.

Education, communication, and hands-on support were critical. Imagine360’s implementation and account teams worked closely with HR to guide employees through this new model and ensure questions and issues were addressed quickly.

RESULTS AT A GLANCE:

34% savings on facility claims vs. traditional carriers

\$12.6M savings off billed charges

IMPACT:

The move to self-funding and Imagine360's RBP model positioned CalArts to better manage long-term costs while gaining visibility into healthcare utilization — insight they never had with a fully insured plan.

"Now we can actually see what's driving our spend," Andy explained. And while utilization remains high — particularly after delayed care during COVID — the institute avoided the steep increases typical of fully insured plans and gained the data needed to make more informed, strategic decisions going forward.

EXPERIENCE:

From an HR perspective, Imagine360 has become a trusted extension of the CalArts team, providing a designated support representative who helps employees navigate plan questions, resolve issues, and understand how to use their benefits — without adding to HR's workload.

Behind the scenes, Imagine360 manages any provider or billing follow up that may arise, while ongoing member communication and education reinforce understanding and confidence over time. Dedicated phone lines, direct mail reminders and ongoing outreach have helped drive strong engagement.

BOTTOM LINE:

For CalArts, moving to a self-funded plan wasn't about chasing a quick win — it was about building a smarter, more sustainable benefits strategy. Imagine360's RBP approach supported that shift, delivering transparency, true partnership, and consistent support, while helping the institute maintain strong benefits and gain greater control and insight into healthcare spending.

ADOPTION THAT SPEAKS FOR ITSELF:

"People are using the plan — a lot," Andy explained. "That tells us it's working."

