



HIP PROVIDES FLEXIBILITY AND CREATIVITY TO MANAGE HEALTHCARE COSTS

It's the dilemma of any business leader – offering benefits to attract and retain talented employees while balancing the cost of those benefits. For many employers, self-funding is a wise alternative to fully insured healthcare plans to meet this objective. For some, a transition to something in between the two is more comfortable.

At Custom Design Benefits, we offer an innovative product that meets the need between fully insured and self-funded benefit plans. HIP – Hybrid Insurance Plan – works as part fully-insured and part self-funded.

HIP includes:

- Utilization of a Health Reimbursement Account (HRA), coupled with a fully-insured, high-deductible health plan
- Enrollment and eligibility tracking
- Toll-free customer service, member ID cards and claims processing
- Assistance with employee enrollment meetings
- Optional pharmacy benefit
- **Monthly reporting on utilization and claims**

HIP offers savings on your fixed-cost premiums, as well as the flexibility of designing your own HRA. With the HRA portion of the plan designed by you and administered by Custom Design Benefits, you gain greater control and access to cost containment and management strategies.

PERSONALIZED SERVICE
ADVANCED TECHNOLOGY
CREATIVE SOLUTIONS



Contact your Custom Design Benefits representative today at 800.598.2929 to learn how your company can benefit.

CREATIVE

A personal, caring approach to employee benefits

HOW DOES IT WORK?

In a typical self-funding arrangement, employers select stop-loss insurance coverage – the maximum amount of liability for individual members in your plan, usually beginning at \$20,000. For HIP, that amount is much lower and exists as a High Deductible Health Plan (HDHP).

For example, you purchase an HDHP with a \$5,000 deductible from a fully-insured carrier, and you select a \$500 deductible for your employees.

At Custom Design Benefits, our experience has shown that 65% of employees incur less than \$1,000 in claims per year. You'll pay less for an HDHP and can use the premium savings to offset the costs of your HIP HRA benefits.

By The Numbers

- Custom Design Benefits clients using HIP have saved between 25% and 50% compared to fully insured plans
- The average savings of Custom Design Benefits clients is 30%

CREATIVE AND FLEXIBLE DESIGN

This is among the most flexible options for your benefit design. At Custom Design Benefits, we help you tailor it to the specifics of your population, offering wellness initiatives, cost containment strategies and creative benefit plans to drive cost-conscious consumer behavior.

HIP also gives your company more control, delivering in-depth reporting to help you identify trends and opportunities for cost management. You can use these insights to leverage better pricing from the insurance carrier for the HDHP.



Your business selects:

- HDHP from any insurance carrier
- Co-pay/co-insurance for your HRA plan below the HDHP
- Level of high deductible insurance

Custom Design Benefits:

- Administers the HIP HRA, serving as your employees' point of contact for all claims below the HDHP
- Pays providers for the portion covered by HIP
- Tracks claims to ensure all costs are applied against the high deductible insurance
- Provides monthly reporting on plan activity

Hybrid Insurance Plan (HIP)

