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**Custom Design Benefits**



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The annual listing of 10 innovative benefits administration consulting/services that are impacting the industry

# Custom Design Benefits

## Cost Containment Solutions for Employee Benefits

**F**ounded in 1991, Custom Design Benefits (CDB) is the only privately held and independent third-party administrator (TPA) in the Tri-State area.

The company is known for offering creative cost containment solutions to employers while providing their members with high-touch customer service. “We are a TPA of self-funded health care plans along with consumer driven services like administration of FSA, HRA, and compliance services like FMLA and COBRA,” says Ms. Julie D. Mueller, President, and CEO, Custom Design Benefits.

In an interview with Manage HR, Ms. Mueller shares her insights into the company, their offerings and mentions how CDB has maintained the leadership position as a TPA.

### **What are the challenges that your clients are currently facing?**

We always seek feedback from our clients through annual client conferences. While listening to clients’ needs, we realized their biggest concern is to attract and retain their employees. Another challenge for organizations is controlling their healthcare costs to offer a competitive and generous plan design with lower employee contributions. We have been able to assist them in resolving these issues with our solutions. Our annual satisfaction survey reveals that 97 percent of our clients consider our service as excellent.

### **Could you elaborate on the services and solutions that you deliver?**

We believe that any employer with 50 or more employees on their employee benefits plan should be looking at self-funding as a solution. However, self-funding with a TPA is entirely different than self-funding with an insurance company. With the latter, organizations are often struck with carriers’ components such as prescription drug programs, medical management, and claims systems. It becomes more of a financial mechanism.

As a TPA, we work as partners with employers to ensure complete flexibility with self-funding plan design. We are widely recognized for our reference-based pricing plan, TrueCost, which was launched in 2012. This innovative solution enables self-funded employers to



Ms. Julie D. Mueller

stabilize and reduce out-of-control health costs by securing direct contracting agreements with healthcare providers without the additional cost of insurance carrier PPO middle-men. It is also built on a unique copay-only plan design that plays a vital role in keeping payment and paperwork simple for employees and their families.

Additionally, our focus has always been on providing the best service to our customers. Our employees always answer the calls instead of relying on call distribution. Therefore, clients often appreciate our support services.

### **How do your services help clients attract and retain employees?**

Whether employers are self-funded or fully insured, most of them move from carrier to carrier to find the perfect fit. As a result, employers have to deal with increased healthcare costs. This leads to costs shift onto employees in



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the form of higher deductibles, higher out of pocket costs, and increased contributions. With reference-based pricing and unique co-pay-only plan design, we allow organizations to eliminate deductibles and coinsurance. We have observed that due to high deductible, most employees remain unhappy with their employers. We provide clients with the ability to deliver employee benefits plan design that is appreciated by their workforce.

Our solutions help organizations attract and retain their employees by ensuring a cost-effective health care plan without shifting that burden onto the workforce. Therefore, we continuously receive positive feedback.

However, we also administer a few high deductible health plans as per the client's needs through our flexible offerings. Over the years, we have developed several direct contracting with hospital systems and healthcare providers that accept Medicare plus pricing.

#### **How did you help your clients overcome the hurdles that they faced during the COVID-19?**

Due to the pandemic, agencies such as the Department of Human Services (DHS), Internal Revenue Services (IRS) were bringing new set regulations every day. Responding to this situation, we administered COBRA and FMLA on a standalone and helped clients stay compliant. Working with reinsurance carriers, we quickly made a few plan amendments to cover all the compliance issues. Our teams worked 24/7, even during this situation, either from home or office, to ensure seamless customer service.

#### **Please tell our readers about your organizational culture and how it helps you succeed.**

We believe that creating a specific work culture with unique values and behavior is crucial for delivering better services and also gaining a competitive edge over other players. Therefore, we have defined a few core behaviors critical for our company. We call it 'The Custom Way,'

which includes 23 behaviors such as taking care of clients, getting the facts, delivering results, being fanatic about response time, challenging the process, to name a few. When employees recognize and complement each other for exhibiting particular behavior, it improves engagement and creates a positive work environment and culture. Organizing quarterly meetings with our entire workforce, we analyze how they follow or display 'The Custom Way' with each other and clients. All TPAs offer specific programs, but our unique culture sets us apart from others. We have recently recognized amongst the top 25 women-owned businesses and the best place to work.

#### **What does the future look like for CDB?**

We are currently focusing on creating new programs to reduce specialty drug costs and expenses without impacting the members. We see potential growth in direct primary care and thereby trying to bring in self-funded plans to it. Our next big strategy is concentrating on population health management. Using AI and a predictive modeling program, we can predict the potentially high-cost claimants of the future. This will enable us to take the necessary steps to avoid these catastrophic claims in the future. We are continuously updating our technology for the last few years to gain a competitive edge by serving clients better through every medium such as email, calls, portals, and apps. **HR**