



*Founded in 1966,  
Hyde School  
is a family-based  
character education  
college preparatory  
school.*

*With more than 150  
students 80 faculty  
and staff, the school  
is focused on the  
five key areas of  
courage, integrity,  
leadership, curiosity  
and concern.*

## CASE STUDY: TRANSPARENCY

### Background:

Health insurance is expensive because health care is expensive. Unfortunately, the fully-insured market for small and mid-sized schools makes it nearly impossible for anyone to understand what those health care costs actually are. One of the hallmarks of a partially self-insured captive arrangement is the ability to lift that cloak of concealment and provide transparency to participants.

When Hyde School of Maine began investigating Captivated Health, the school had absorbed multiple double-digit renewals and was facing a 19% increase on their fully insured plan. As is the case with most small and mid-sized schools in the fully-insured marketplace, they had limited access to their plan data.

The initial Captivated Health proposal came in at a 6% increase to the fully insured equivalent and projections indicated a turn toward long term stability and intelligent, claims-driven decision making.

### Significant Actions:

Captivated Health worked the team at Hyde School to analyze their data and suggested that the school set their initial pricing at a conservative level. This approach anticipates and accommodates the “unknown unknowns” that may happen during the first year of a switch to a partially self-insured captive arrangement.

The Captivated Health team advised that a critical component of the successful implementation would be using the data to provide transparency to faculty and staff. Captivated Health’s risk management team educated them on cost drivers and how to utilize the full set of onboard plan tools to become better health care consumers.

### Results:

#### YEAR 1:

Due to conservative pricing projections, the plan built a significant reserve of \$90,000 at the end of the first year. Those reserves act as shock absorbers for any future unexpected claims, and minimize volatility to help build a climate of predictability and stability.

#### YEAR 2:

A favorable plan increase of 13.4% and reserve increase of \$60,000 allowed the school to forgo any changes for employees.

#### YEAR 3:

Beginning to realize the results of their multi-year strategy, the school had no rate increase in year three.

#### CONCLUSION:

When the school, faculty and staff are given the facts and the tools to become better health care consumers, everyone wins.

*For more information contact*

*David Saltzman, Director of Marketing & Business Development*

*dsaltzman@captivatedhealth.com | 978-802-7000*