FICTIONAL RENEWAL EXAMPLE

One renewal decision across 15 states

A fictional technology company has 1,500 employees across 15 states. Finance is comparing two medical renewal options for 1,000 employees enrolled in employee-only coverage.

A · Keep the current network

$8.10 million

Annual employer contribution

Per enrollee each month: $675 employer and $150 employee.

Retains the hospitals employees use in both major hiring markets.

B · Change networks

$7.80 million

Annual employer contribution

Per enrollee each month: $650 employer and $140 employee.

One hospital used by the remote team is outside the proposed network.

Illustrative figures for 12 months at constant enrollment. Other coverage tiers, fees and claims costs are outside this comparison.

Decision for Finance

Option B would reduce annual employer contributions by $300,000 and each enrolled employee’s contribution by $10 per month. Finance must decide whether that difference justifies the change in hospital access.

What to verify before approval

Before choosing, HR checks which work locations are affected, SSGI coordinates the network review, and the carrier confirms participation and rates in writing. Finance then approves the contribution budget.