

FranklinCovey

Educating for Remarkable Value from Consumer-Driven Health Care

With 90% of the Fortune 100, more than 75% of the Fortune 500, thousands of small- and mid-sized businesses, and numerous government entities and educational institutions as clients, FranklinCovey is a global consulting and training leader.

In 2008, in the face of annual health plan premium increases of 18%, FranklinCovey decided to take the lead in sustainably controlling health care costs while still providing high-quality, affordable medical benefits among employees. It saw consumer-driven health care (CDH) as a solution for reducing costs; but concerned about employee perception, set out to find a health savings account (HSA) administrator that could help drive CDH/HSA plan adoption.

FranklinCovey chose HealthEquity. And to ease employees into CDH, FranklinCovey offered its traditional plan alongside the new CDH/HSA option year one and set a goal of 25% adoption for the CDH/HSA plan.

Partnering to Educate

HealthEquity, the FranklinCovey HR team, and FranklinCovey's benefit consultant developed an education plan. HealthEquity created illustrations and talking points for the FranklinCovey HR team to deliver before and during open enrollment.

The education plan illustrated how associates would win financially with the CDH plan as compared to the traditional plan by comparing the front-loaded company contribution, premium costs, co-pay costs, deductibles, and out-of-pocket maximums of each of the plan options. The ability to save money tax-free was emphasized and several saving scenarios reviewed. The education helped associates look at the whole year and beyond while acknowledging the need to plan and manage costs that might be incurred earlier in the year.

By showing employees CDH basics, the financial win in choosing CDH, and what they could expect from HealthEquity's approach to service and support, the FranklinCovey HR team was able to get employee buy-in. Employees were also encouraged to contribute a portion of the premium dollars saved to their HSAs for future use.



CHALLENGES

- Rising health care costs
- Maintaining perceived value of benefits while lowering costs
- Convincing employees consumer-driven health care (CDH) is a win-win

SOLUTION

- Partnering with the right HSA administrator
- Educating about the CDH option before, during, and after enrollment

RESULTS

- 67% CDH/HSA adoption year one
- Savings for both employer and employee
- Accelerated full-replacement timeline
- Average three-year post-CDH rate trend: 1.7%
- Average three-year HSA balance increase: 151%
- Average monthly HSA employee contribution increase: 111%

QUICK STATS

- Industry: Management consulting
- Total employees in US: 480
- Employees enrolled in HSA in 2011: 300
- Average pre-CDH rate trend: 18%

"Selecting HealthEquity was one of the best benefit decisions we've ever made."

—Todd Davis
Chief People Officer
FranklinCovey



HealthEquity
Building Health Savings™

Exceeding Expectations

Excellent Education + Outstanding Service = Real Results

By partnering with FranklinCovey and the benefit consultants, HealthEquity helped develop an attractive plan design and an educational approach that drove CDH/HSA adoption to 67% in year one—well beyond the original target of 25%. Adoption was so high that FranklinCovey accelerated its timeline to fully replace its traditional plan.

In the second year, FranklinCovey eliminated its traditional plan and now offers two different CDH options—one with a higher deductible and employer HSA contribution and one with a lower deductible and employer HSA contribution. With the CDH/HSA options, FranklinCovey's three-year premium trend is just 1.7%. "That's remarkable, especially in light of the fact that the pre-CDH trend was 18% annually," said HealthEquity Senior Vice President of Operations Steve Lindsay.

HealthEquity's HSA administration with live service specialists available 24/7/365 and integrated online member portal gives FranklinCovey employees a consistent experience and high service level along with easy, seamless online claims payments, and hassle-free enrollment experience in both the health plan and the HSA.

The end result is that FranklinCovey, in addition to a 67% adoption rate, had an average employee contribution of almost \$1,500 year one. And over the program's first three years, employees' HSA balances have increased an average of 151%, and employees are saving an average of \$250 on income taxes each year. Plus, FranklinCovey has benefited from FICA savings as well as lower health care costs.

"Selecting HealthEquity was one of the best benefit decisions we've ever made," said Todd Davis, chief people officer at FranklinCovey. "HealthEquity has been fantastic to work with, and the results well worth it."

"HealthEquity helped us develop and execute an educational plan to use before, during, and after enrollment. And adoption year one was beyond our wildest expectation. We'd hoped for 25% and ended up with 67%!"

— Todd Davis
Chief People Officer
FranklinCovey

HealthEquity is the nation's oldest and largest dedicated health savings trustee. It helps individuals and families build health savings while it helps employers spend less on benefits through innovative integrated health care account (HSA, HRA, FSA, VEBA) administration and investment platforms backed by 24/7/365 service, personalized savings strategies, and consumer education.

DISCOVER HOW A PARTNERSHIP WITH HEALTHEQUITY CAN BENEFIT YOUR COMPANY AND ITS EMPLOYEES. CONTACT HEALTHEQUITY TODAY.

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