Challenges
- Get ahead of health care cost curve
- Quick turn-around (5 weeks before OE)
- Communication and education to team
- Helping team members take ownership of their health care
- Addressing concerns of HSA ineligible population

Solution
- Plan design considerations include January seeding, matching contributions and allowing contribution changes any time
- Education that resonates with team members
- Partner with an experienced HSA Administrator
- Contribution to personal savings accounts for HSA ineligible

Results
- Participation now at 97%
- Controlled health care costs
- Over $1000 increase in average HSA account balances year-over-year

Quick stats
- Industry: Do-it-yourself moving
- U.S. Team Members: 18,000 employees
  (9,500 benefits eligible)
- Current HSA Enrollment: 6,583

U-Haul has been serving do-it-yourself movers and their households since 1945. Like many other successful ventures, the concept for U-Haul was generated from a perceived need. Meeting that need has made U-Haul among the most prominent consumer-recognized and used brands nationally. The company requires the hard work of 18,000 team members and 15,000 U-Haul dealers.

As 2008 was approaching, U-Haul leadership made a quick decision to get in front of their medical cost curve by introducing a consumer-driven health care (CDH) solution. With just a 5-week lead time before open enrollment, a CDH plan was designed for the Arizona team members as a pilot program. The new benefits option was communicated with a special message of support from CEO, Joe Shoen. As a result of fast work by the benefits team, attractive plan design, and quick communication, U-Haul realized a better than anticipated 31% CDH adoption in its first year.

“HealthEquity provided a true partnership with U-Haul to meet tight deadlines and adjust quickly as U-Haul’s requirements changed.”

– Angie DeWinter; Director of HR Operations, U-Haul International

Evolution
Going into year two, U-Haul accepted CDH as their long-term health care strategy and introduced the plan nationwide. They also chose an experienced HSA administrator, HealthEquity. In partnership with HealthEquity they helped their team members transition to educated and engaged health care consumers who take control of their health care. The CDH plan design combated the consumer “pricing numbness” caused by co-pays and a lack of visibility into the actual cost of care. One of the most effective plan design changes was “seeding” the HSAs with 100% of the employer contribution in January. The 2009 adoption rate for the nation-wide introduction of the CDH plan matched the impressive pilot adoption rate of 31%.

In 2010, the employer contribution was changed to seeding 50% on January 1 and the remaining 50% was contributed over the first three months of the year. The team launched an educational program using online tutorials and FAQs created to educate team members about money saving prescription drug programs and their other wellness programs.
Realizing the only way to move team members to a place of engagement required CDH plan adoption, U-Haul decided to only offer a CDH plan coupled with an HSA for 2011. Angie DeWinter, U-Haul’s Director of HR Operations, said of their full replace decision, “We had done all we could without going full replace CDH, so we decided to stop the band-aids and heal the patient.” To further increase team member engagement and to increase savings, 50% of the U-Haul contribution to HSAs was designed to come as a dollar-for-dollar match of team member contributions. Furthermore, communication and education was amped up to promote understanding and awareness of the benefit strategy.

Communication and Education that Works

Because of the deep and heartfelt commitment to team members held by U-Haul leadership, communication and education within U-Haul has always been viewed as critical. In a practical sense, however, it is challenging to communicate new concepts, especially those requiring change and involving money and health. The U-Haul benefits team took the approach of using analogies from the business that their team members love so much to educate around these new principles. Key concepts were identified, like the importance of preventive care and building health care savings. Those concepts were then taught and communicated using analogies including moving trailers and trucks familiar to team members. This commitment to communication and education on terms familiar to team members will yield great results over time.

What’s Next?

In year five of the CDH strategy, U-Haul is making material progress in promoting team member ownership of health care expenses, advocating preventive care and disease management, and building team member health savings. A personalized concierge benefit service for team members is now available. The integration of dental and vision claims into the HealthEquity member portal is also in the works.