

Regence

Committed to Accountability



Regence offers health, life, and disability insurance as well as wellness programs to companies and consumers nationwide. Headquartered in Portland, Oregon, Regence has satellite locations throughout Oregon, Washington, Idaho, and Utah.

In 2005, Regence expanded the health coverage options for its employees, offering a high-deductible health plan (HDHP) with a health savings account (HSA) along with two existing traditional plans.

Regence's motivation to offer an HDHP-HSA option wasn't driven by cost savings, but instead, by its belief that the plan rewards participants for taking accountability for their own health decisions—something key to Regence's corporate philosophy. "It was more about that than a savings target for us. We were trying to create a more accountable culture," said Regence HR Director Denise Johnson.

A Long Learning Curve and Adoption Cycle Made Longer

A significant number of Regence employees work in customer service—positions traditionally on the lower end of the pay scale. One of the challenges the new HDHP-HSA offering faced was dispelling the myths and inherent fears created by a higher deductible. "A high-deductible plan tends to frighten people. We found that generally, people in lower pay grades didn't want to opt for this coverage," Denise said.

Another challenge had been ease of use. "An HSA can be a complicated, regulated program. We found that if an employee elects an HSA, but then has a particularly expensive year in terms of health issues, they opt out the next year due to the out-of-pocket costs associated with the plan and/or the hassle of trying to figure out which expenses are their responsibility and which aren't. Education was key here."

Both education and ease of use were made more difficult by Regence's first HSA administrator. "The previous vendor scared a lot of people off. Employees had gone in and then got back out. We're still working through it.

"The previous administrator missed deadlines, had poor implementation, and record keeping. I can't really tell you much that they did right. It was a side business for them. They didn't pay any attention to problems. It was very difficult," said Denise.

CHALLENGES

- Getting employees to take accountability
- Convincing lower-paid employees of HDHP-HSA's value
- Shaky HDHP-HSA start with original administrator

SOLUTION

- Adding HDHP-HSA coverage option
- Ongoing employee education and continued use of cost estimator
- Choosing HealthEquity as new plan administrator

RESULTS

- Increasing employee enrollments in HDHP-HSA
- Excellent service helping drive more enrollments

QUICK STATS

- **Industry:** Health insurance
- **Total employees:** 5,900
- **Employees enrolled in HDHP-HSA:** 1,800
- **Employees enrolled in traditional plans:** 3,490

"I wish HealthEquity could train other vendors how to achieve flawless implementation and provide stellar customer service."

—Denise Johnson
Human Resources Director
Regence

Righting a Wrong Turn

Taking a New Direction

In 2009, Regence investigated several possible replacements for its HSA administrator with the criteria of finding a way to improve employees' low satisfaction ratings and a vendor focused on HSA administration as its core business, one that offered strong service and automation. After four years of problems with its previous HSA administrator, Regence changed directions with the 2010 plan year, choosing HealthEquity to administer the plan instead.

"HealthEquity's willingness to partner, its web portals, its 24/7/365 customer service, and its dynamic implementation team, made HealthEquity a pretty easy choice," Denise said.

Regence also uses its medical plan cost estimator to show employees that the HSA is frequently the best choice—often even when they have an expensive year in terms of health issues.

Service and Education Yields Success

HealthEquity's commitment to both service and education has helped Regence undo its shaky start with an HDHP-HSA. HealthEquity has also spent time talking with employees during meetings to get those who originally enrolled and then dropped out to try the plan again.

"We've found that the education, and especially the face-to-face time with HealthEquity, has made the plan even less concerning for employees," Denise said. "I've had good feedback about the web portal, and I've heard repeatedly that our employees never end a conversation with HealthEquity without their questions answered. To me, this is the hallmark of someone who knows how to do it right."

Having HealthEquity has benefitted both Regence and its employees.

"I can truly say this program is fully outsourced and trust that it's being administered according to regulations. I also receive the best possible service as the program sponsor. And our employees are well-served and satisfied," said Denise. "I wish HealthEquity could train other vendors how to achieve flawless implementation and provide stellar customer service."

"I've heard repeatedly that our employees never end a conversation with HealthEquity without their questions answered."

— Denise Johnson
Human Resources Director
Regence

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.**

866.346.5800 toll-free

801.727.1000

www.healthequity.com

info@healthequity.com

Copyright © 2010 HealthEquity, Inc. All rights reserved.
HealthEquity and the HealthEquity logo are registered trademarks and service marks of HealthEquity, Inc.

This information is provided in connection with HealthEquity. No license, express or implied, by estoppel or otherwise, or warranty is granted by this document. HealthEquity does not warrant that this material is error-free and reserves the right to update, correct or modify this material, including any specifications and product descriptions at any time and without notice. For the most current information, visit www.healthequity.com.

Each customer's results may vary based on its unique set of facts and circumstances.

15 W Scenic Pointe Dr, Ste 400, Draper, UT 84020
866.346.5800 • www.healthequity.com

HESS RG 20120426/KM/MR



HealthEquity
Building Health Savings™