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Simplify Complexity, Cut Costs.

Unbundling to Build a Better Health Plan

By Bill Frack, Co-founder & Chief Product Officer

Once upon a time, navigating employee health benefits was straightforward. Employers would buy comprehensive plans from major carriers offering broad access to healthcare services. If dissatisfaction arose, a switch to another big-name provider would suffice. But this one-size-fits-all model has long lost its edge. Over the past decade, the cost of these bundled plans has soared at 2-3 times the rate of inflation.

The Case for Unbundling

For many self-funded employers, the fight to control health plan spend has been an uphill battle. Large provider systems leave little room for price negotiation – and passing costs onto employees is an unpalatable option. However, there is one strategy that empowers employers: unbundling. By leveraging best-of-breed vendors for various health plan services, employers escape the inefficiencies of one-size-fits-all plans, reduce costs and improve member health.

Diverse Workforce Needs

No two workforces are identical. Unbundling allows you to tailor benefits to meet the unique needs of your population based on factors such as location, company size, demographics, and employee risk factors. One-size-fits-all plans and programs often fail to cover such diverse needs, resulting in below average performance. Would your members gain from a behavioral health program? How about care navigation to provide guidance and support for those with multiple chronic conditions – or a Center of Excellence specializing in cardiac care, musculoskeletal disorders, or cancer treatment?

Cost savings

Unbundling health plan vendors empowers you to separate services and shop for the most relevant, competitively priced options for each component of your health plan. It also gives you the freedom to

choose modern vendors, who exploit improved data access to serve your members better. Wellnecity helped one client, a healthcare specialist provider group with 1,200 employees, confidently unbundle and deploy best-of-breed benefit solutions that resulted in a 10% reduction in spend and a \$1 million boost to the bottom line. Read the [case study](#) for the complete savings story.

Managing the Ecosystem

Are you getting the member-level data required to understand benefit utilization, make informed plan decisions, and hold your vendors accountable? Paired with better vendor oversight, you can objectively measure and improve ROI, rather than relying solely on vendor-reported metrics, to figure out what's working, what's not, and how to fix it.

Unbundled healthcare allows for best-of-breed services for each component of your health plan and the ability to continuously tune your plan to best serve your employees and the bottom line.

Have comments? I look forward to hearing from you at b.frack@wellnecity.com.

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