

## CASE STUDY

SIGNIFICANT SAVINGS, INCREASED CONTROL AND EFFICIENT ACCESS TO HEALTH SERVICES.



### Overview

For years, the approximately 4,000 employees of Sumner County School District in Gallatin, Tenn., were on two separate health plans. One for certified employees, such as teachers, and another for classified employees, including bus drivers, food, maintenance and other service workers.

While certified staff were on the State of Tennessee's health plan, classified workers were covered under the county government. Not only was it an unusual and inefficient setup for the suburban Nashville school district, perhaps more importantly, the employees were unhappy. The plans had different benefits, different rates, different networks and differing access to perks such as an onsite clinic.

**"It's hard for two people working side by side at times to really understand why they're not treated equally for benefits," says Amanda Prichard, Sumner's CFO.**

### The Challenge

Not to mention the school district had little control over health plan management. Classified employees were lumped in with unrelated county employees, such as police officers, and certified employees were at the mercy of a statewide board's pricing decisions

**"It's not a model that gives you the ability to control your cost or to give any input for your employees as far as their healthcare is concerned," says Del Phillips, Sumner's director of schools**

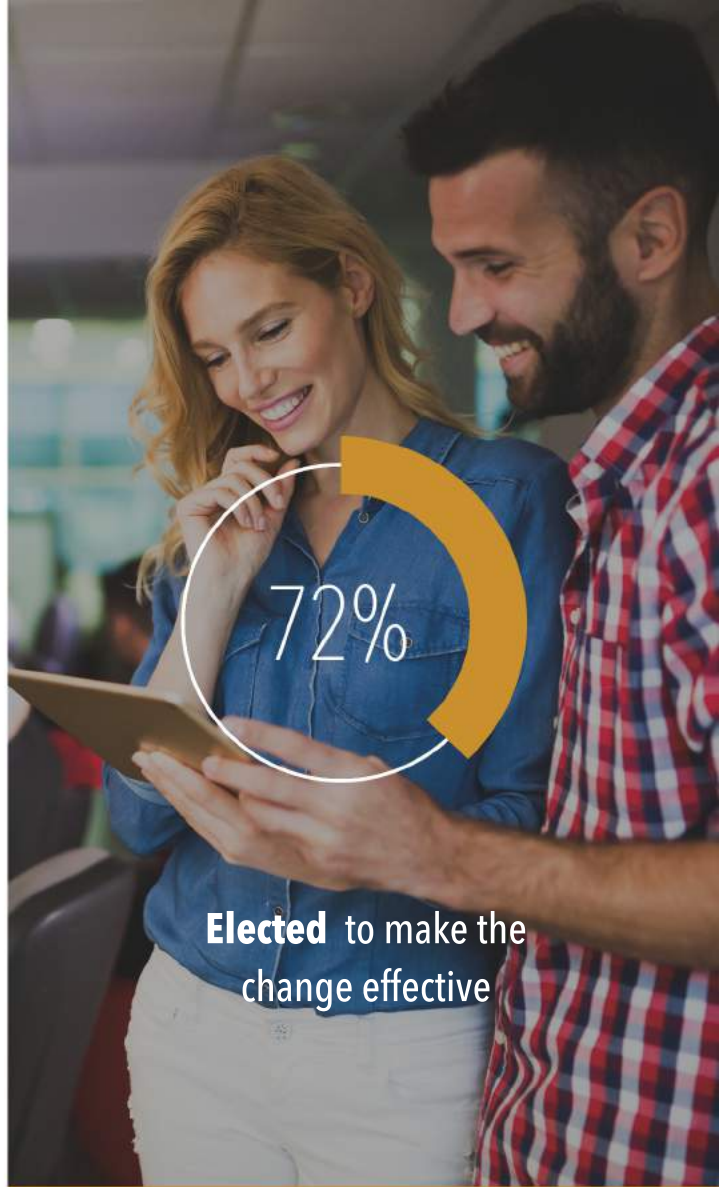


The first step was forming a representative committee of 24 certified and classified employees who meet multiple times a year. The committee shares feedback on the plans, works strategically on future initiatives and makes employee-led recommendations to leadership. Given the challenges of their prior situation the committee developed 6 primary goals:

- Strengthen and improve the healthcare plan
- Stabilize and lower (NOT SHIFT) the overall cost of the plan
- Maintain current benefit levels while adding enhancements
- Improve the management of the plan
- Streamline administration
- Broad-based employee support

The vast majority of Tennessee school districts – 109 of 118 – are on the state plan. In order to leave, the state requires all certified employees, even those not participating in the health plan, vote in favor of the transition through a certified election.

Sumner and Arista went to work creating an extensive education campaign to inform teachers and staff of the potential benefits of leaving the state and county plans. When it came time to vote, 72% of certified employees elected to make the change effective Jan. 1, 2014.



**“That was a big milestone for us,”  
says Phillips.**



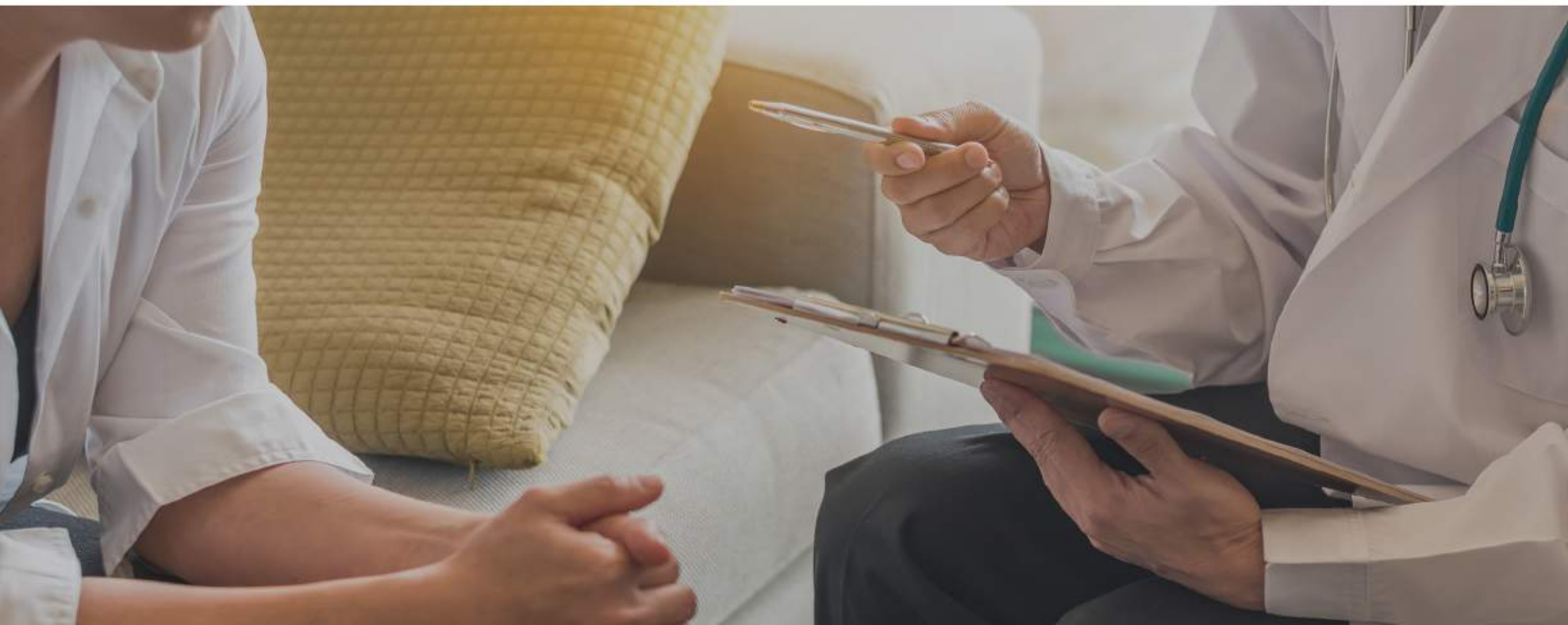
**In the years since the transition, Sumner has seen significant savings, Medical claims in the most recent 12 months decreased year over year by 10%.**

They have also received premium refunds on their stop loss insurance premiums since the plans have consistently run better than expected.



## **Benefit Boosts and Employee Engagement**

- Access to onsite clinic at no cost to covered employees and dependents
- Utilization of population health strategies that proactively identify targeted disease management and wellness strategies so that large claims can be prevented.
- Top-tier provider networks and a price transparency tool that incentivizes employees to choose high quality, cost-efficient providers.
- Improved benefit plans with lower premiums.
- Plan participant experience improved as well with online enrollment capabilities, a benefits website, mobile app and a year-long call center for continual support.





Closing .....

Looking toward the future, Prichard appreciates the partnership Sumner has with Arista in implementing incremental strategic changes to improve the plan each year.

**"Arista is always looking ahead for us trying to look down the pipe, keeping us abreast to changes," she says.**

**"Instead of always reacting, we are trying to be proactive to get ahead of some of the national issues in the medical industry. I really rely on them for that guidance."**

