

Popular Pays Improves Benefits Offering, Cuts Annual Healthcare Costs with Launchways

Executive Summary

As fast-growing tech-forward company Popular Pays prepared to raise a round of funding, they sought a benefits broker that could provide cost-effective, innovative benefits plans tailored to their workforce's preferences. Launchways conducted a healthcare utilization analysis, redesigned their health and dental plans, added additional ancillary coverages, and implemented online benefits enrollment technology.

Company Overview

Popular Pays changes the way marketers create content. Their software solutions allow for an agile approach to content creation. Marketers can access a global community of creators through Popular Pays or come with their own. From briefing to asset delivery, Popular Pays' workflow tools allow for full creative and strategic control. Leading brands and agencies use the Popular Pays' software to create high performing diverse content for the scale of social. Popular Pays is based in Chicago, IL with offices in New York City. To learn more about Popular Pays, visit www.popularpays.com.

Case Study Highlights

Challenges

- Overpaying for out-of-the-box online broker benefits
- Low plan utilization
- Lack of employee education around benefits offerings

Results

- Reduced annual medical premiums by over 10%
- Increased employee satisfaction from
 - Plan choices that mirror employee needs and preferences
 - Additional dental coverage with more appropriate contribution levels
 - Availability of additional ancillary coverages

Solutions

- Conducted employee survey and healthcare utilization analysis
- Modified existing plan to align with employee preferences
- Improved HSA plan offering to reduce deductibles
- Implemented dual-option dental plan
- Added several ancillary coverages including short-term disability and a voluntary life policy
- Conducted an in-person educational enrollment meeting

Challenges

As Popular Pays prepared to close a Series B round of funding, they identified their benefits program as an area to cut costs and improve burn rates. Prior to working with Launchways, Popular Pays had used a popular online broker and payroll provider for small businesses. Nathan Parkins, Finance and Business Operations at Popular Pays, said "At the time [the online broker] was a good solution for our size. However, as Popular Pays grew the broker's out-of-the-box employee benefits package no longer met our needs." Nathan added "with the benefits provided through our online broker we weren't getting favorable rates and we were paying for

coverage we didn't need. We wanted a benefits program that could be customized to our team's specific needs."

When Popular Pays was considering benefits brokers, they ultimately opted to go with Launchways for the high level of service and innovative plan designs offered. Nathan emphasized "With larger big-box brokers you're just a number and have to call into a general hotline to get help. We decided to go with Launchways because of the dedication to exceptional service. I like the fact that with Launchways, we're a major focus for the team and Launchways is truly invested in our success as a company."

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Solutions

The Launchways team began by conducting a survey on employee network and facility utilization. The results of this survey were analyzed to identify employee healthcare priorities. After identifying employee healthcare preferences, Launchways benefits experts put together several plan options for the Popular Pays leadership team to review. Based off survey data, Launchways presented a range of healthcare options including ultra-rich plans and more cost-effective plans. "It was great to be able to look at the data and work with Launchways benefits consultants to create a strategy that would save Popular Pays money while getting our employees more and better health benefits" said Nathan.

Ultimately, Launchways modified Popular Pays' existing plan to better align it with employee healthcare preferences. Launchways redesigned Popular Pays' existing offerings, consolidating plans and emphasizing affordable deductibles. Launchways benefits experts revamped Popular Pays' HSA plan, significantly reducing deductibles and adding a critical illness policy.

Additionally, Launchways made significant changes to Popular Pays' dental plan. To start, Launchways negotiated with Popular Pays' dental plan carrier to ensure they did not have a premium increase at renewal. Launchways' benefits experts then implemented a dual-option dental plan, allowing Popular Pays employees to choose between an ultra-rich dental plan or a more affordable dental plan.

Finally, Launchways augmented Popular Pays' ancillary coverages to create a well-rounded benefits program. Using cost savings from changes to their medical and dental plans, Launchways implemented a short-term disability benefit. Launchways benefits consultants negotiated an extended guaranteed rate on the STD product. Additionally, to address employee concerns about financial wellness, Launchways enhanced Popular Pays' existing life insurance offering by adding a voluntary life policy.

Results

After implementing changes to Popular Pays' medical, dental, and ancillary plans, Launchways spearheaded Popular Pays' open enrollment. Launchways implemented an online benefits enrollment platform which allowed Popular Pays employees to enroll in their benefits plans digitally. Nathan noted "The online benefits enrollment system Launchways implement is great." Additionally, a Launchways benefits expert conducted an in-person open enrollment meeting to educate Popular Pays employees on their new benefits. "The open enrollment meeting was phenomenal for our team. Before working with Launchways, a lot of our team

was undereducated about their health benefits and needed more guidance to make sure they were picking the right plan. Launchways was always right there to provide the assistance they needed" added Nathan.

Due to a combination of plan redesign and increased employee healthcare education, many Popular Pays employees opted to switch to a plan better suited to their needs. Nathan said "It was nice to watch 90% of our team move from the most expensive plan option to spread across our new plan options." After a Launchways-hosted HSA education session, over 25% of Popular Pays' employees moved from an ultra-rich plan to an HSA plan. "One of our main company goals was to create a better strategy around our HSA. Seeing our HSA utilization go from one or two employees to more than 25% of our team was awesome. Now our HSA plan does exactly what we want it to do: it gives our team great health benefits and empowers employees to take control over their healthcare."

As a result of the changes made by Launchways, Popular Pays saved over 10% in annual medical premiums. Nathan noted "Launchways is well-versed in the industry and leverages powerful connections with various vendors to get their clients competitive pricing." Popular Pays employees now enjoy more flexibility in their benefits plans, all while improving the company's bottomline. Nathan said "Launchways took the time to understand our business and incorporated our company culture and vision to drive the best health insurance options for our team. Launchways more than exceeded our expectations with their extensive knowledge in the healthcare industry and was able to save us money while offering better benefits to our employees."

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