



Washington County - HSA Success Case Study

How a state governmental
administrative division
successfully implemented
Further's HSA

Washington County, Minnesota, is a county of 256,348 people (as of the 2017 census) that borders the St. Croix River on the eastern side of the state. About 1,209 full-time benefit-eligible county employees in public service roles, from road maintenance crews to social workers, and about 843 retirees, currently rely on the Washington County health plan.

In 2015, Washington County offered a rich copay plan in addition to a health savings account (HSA) through a large national bank. However, HSA adoption was subpar, with seven percent of the overall employee population enrolled. Upon learning that the bank administering the county's account planned to exit the HSA market, Washington County leaders decided it was time to reevaluate its health care benefits and began the process of finding a new HSA administrator, ultimately selecting Further in 2016.

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Katie Berggren
Washington County Benefits Manager

Communication Key to Introducing the Health Savings Account

Although Washington County employees with existing HSAs were automatically rolled over to the new HSA from Further, education was needed in order to increase adoption by employees, who were skeptical about the merits of having an HSA. As such, the county hosted multiple information sessions, providing employees with the opportunity to meet representatives from Further, the new plan administrator, and ask questions. This ended up coinciding with open enrollment preparations for the following year, providing a natural touchpoint opportunity.

However, over the course of the next year, there was still a lot of employee resistance to joining an HSA plan, and many remained on one of the county's other health plan options. "There was a lack of understanding of how HSAs could be leveraged, and the premium differential [between plans] just wasn't there yet," Katie Berggren, Washington County Benefits Manager, explained. "So, after we came out of the 2017 open enrollment season, and we found that we had only gained 24 percent total enrollment into the HSA plan, at that time we decided to do a little bit with the premium differential. Not significant. We had gotten rid of one of the copay plans, but it still wasn't really a big motivator."



Fostering Understanding; Focused on Benefits

In 2018, Washington County offered three types of plans: a high deductible health plan (HDHP), a copay plan, and an open access plan (which was not eligible for an HSA). Knowing adoption was low in the previous year, and there was confusion about how HDHPs work, Washington County made a concerted effort to adjust its HSA plan educational messaging. With many employees believing that having an HDHP meant they did not have insurance at all, as they were now seeing bills that didn't appear on the previous copay plan, it became clear that many employees still did not understand what the various insurance options meant. Part of the focus was a messaging shift to increase understanding of HDHPs, what the offerings are and how an HSA can benefit employees.

"We had to really go out and educate our group about what the high deductible health plan was, that it was the same physicians, same quality of care, that you actually did have insurance," Berggren said. "And then once we got that understanding, teaching them about what HSAs are, how they can be leveraged."

Moreover, in order to better illustrate the advantages of an HSA, employees were shown an example for what a standard year of care might look like in terms of cost in a side-by-side comparison of each of the offered plans. In looking at the menu of options for services such as a knee surgery, an MRI, or treatment for the flu, employees were able to see what the costs ultimately would be. County employees were able to see that the HDHP was now the least expensive option.

For especially change-averse employees, the light bulb moment came when Washington County shared a breakdown of what employees could anticipate if they put in the same amount of money as the more expensive copay plan into the HDHP.

Because of the difference in premium costs, these individuals could end up with funds left in their HSA at the end of the year. If they had a good healthcare year, that money could start to build in their HSA.

These cost comparison efforts, which made the options relatable for employees, resulted in an exciting jump from 24 percent enrollment to 49 percent enrollment the following year.

Positive HSA Adoption and Usage

Today, 56 percent of employees participate in the Washington County HSA plan, and overall sentiment is extremely positive. Admittedly, there are still questions about HSA contributions, but they are all standard questions regarding contribution maximums and retirement.

Ongoing education is also bolstering efforts to keep employees informed, including seminars to teach people how to shop for care (including virtual or convenience care), how to compare costs at clinics, using apps to find care, and even how to shop around for more affordable prescriptions. The county incentivizes employees to attend these sessions, boosting attendance and resulting in a more informed employee base.

Overall, very few employees have reverted back to the copay plan. Even those employees who had catastrophic medical events following the switch to the HDHP reported that after doing the math, they determined they were still financially ahead using the HSA plan. Others have come forward to share they are managing chronic illnesses and are now receiving better prescription coverage than they were on their previous copay plans. "Having those kind of testimonials has been really powerful," Berggren said.

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