

Comparing cost control strategies essay



**ASSIGN
BUSTER**

Comparing cost control strategies of employer-sponsored health plans and self funded health plans employers do what they can and offer plans that will fit the employees.

Employers limit the services or plans to help control cost. Riders are options that employees can add to a plan, like vision and dental plans. There are also complimentary plans that can be purchased like chiropractic services, dietetic counseling and acupuncture. Employers tend to offer plans through an open enrollment period. Open enrollment is offered at certain times of the year, usually at the beginning of the year or the end of the years for the next physical year. Open enrollment allows for the employee to pick the plans that are best for their families needs.

This is a plan that has no third party administrators. There are various types of premiums and deductibles that are offered as well as co-pays. Most people look at what the premium and out of pocket expenses are going to be. Self funded plans have more risk that but there are good coverage's in both plans. Self funded plans are customized to help save money and fit budgets. With the self funded plans the riders cannot be purchased, there is no open enrollment, and there is usually third party administrators to help manage insurance claims and needs. Both plans have benefits that are not transferable or portable. Both plans provide options of provider's networks like PPO's, HMO's, and POS.

With employer sponsored plans the employee has an option to choose which provider network is used, however this may affect the overall cost of the plan as well. The self funded plan cost vary and can depend upon the choice of

which plan is chosen. Reference: CHAPTER 9 Private Payers/Blue Cross and Blue Shield 287-295