

## CASE STUDY

# How HUB's Charter School Health Insurance Captive Helped Move Funds Back Into the Classroom

### Executive Summary

Like many schools, rising health insurance premiums — and the inability to pay for increases — caused DSST to face difficult decisions. DSST partnered with HUB to implement a self-insurance program that resulted in substantial savings, improved care and increased compensation for teachers.

### Denver School of Science and Technology (DSST) Public Schools

INDUSTRY: **Education**

SERVICES: **Charter Middle and High Schools**

LOCATION: **Denver, Colorado**

### CHALLENGE

DSST is a public charter network consisting of 16 middle and high schools, 7,000 students and more than 900 employees. To manage healthcare costs, DSST had switched carriers multiple times and taken other steps that included passing costs to employees. But when it received a non-negotiable 53% increase on renewal for its fully funded health insurance plan, DSST needed to take additional measures.

### SOLUTION

With HUB's guidance, DSST adopted a self-funded health insurance plan through HUB Charter in which DSST paid fixed costs and claims for employees to a pre-determined limit. DSST implemented several claim management tools that reduced the cost of services and joined a captive that helped reduce costs and limit future increases.

### RESULTS

HUB's solution has kept DSST's annual rate increases reasonable and employee premiums stable while enhancing health benefits. Health plan costs have been around 10% below projected budget, and DSST has accumulated a reserve of more than \$2 million. Those savings add up to higher salaries and additional health benefits, such as fertility, and a dedicated mental health counselor.

"Partnering with HUB has really been a game changer for DSST. HUB helped us truly understand the mechanics of health insurance programs: Managing health insurance cost requires a strategic approach but, with HUB's guidance and support, we are able to not only survive but to thrive."

**Ashley Wiegner**

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HUB International's  
Charter School  
Practice



Self-Funded  
Health Plan



Reduced Administrative  
Burden



**Savings that go to improving  
compensation**