

Customer Story

→ Situation

North American Family Institute, Inc. (NAFI) and its four subsidiary corporations comprise NAFI/NFI, a multi-state human services organization. NAFI/NFI's mission is to create community environments based upon principles of dignity and respect that help children, adults and families to grow and change in order to better their lives and the world around them. NAFI/NFI currently operates programs in ten states.

Founded in 1974 by Dr. Yitzhak Bakal, the Agency's President, NAFI/NFI is a leading human services organization that works with numerous state and local agencies throughout the country in the delivery of human services programs. It also has gained a national reputation for pioneering interactive, inclusive trainings that have significantly impacted public and nonprofit service organizations.

→ Critical Issue

For NAFI/NFI, the design and implementation of a comprehensive medical benefits program has always been a priority. Finding a balance between plan design and budget has been a challenge. In order to recruit and retain skilled employees, NAFI/NFI has consistently offered a rich medical benefits program. Over the years, the Agency became concerned that it would have to diminish the scope of the program, as medical costs continually skyrocketed.

Since funding for NAFI/NFI's services comes primarily from contracts with various states, the organization watches with great scrutiny how it allocates its dollars. More than 14 years ago, NAFI/NFI decided to conduct an in-depth evaluation of its medical benefits program and began to look at alternative funding mechanisms.

→ Solution

Working with Stephen Peck and his staff at United Benefit Services (UBS), NAFI/NFI learned that the cost of its medical benefits program could be significantly reduced. UBS was asked to tailor a program that maintained current levels of coverage and scope.

The solution adopted by the organization was a self-funded program, which contained enhanced cost-containment measures and afforded NAFI/NFI a great deal of flexibility with regard to overall plan design.

→ Result

Since 1994, NAFI/NFI has achieved its primary goal of offering a comprehensive medical benefits programs to its employees and estimates its average savings to be \$.5 to \$1M each year, when the costs of its self-funded plan are compared with those of a traditionally-insured plan with a similar plan design.