

# Case Study: Grand Rapids Public Schools uses the PlanSource Dependent Eligibility Audit to save over \$800,000 annually in healthcare costs.



**Location:** Grand Rapids , Michigan | **Industry:** Education | **Employees:** 2,700 | **Website:** www.grps.org



Grand Rapids Public Schools (GRPS) is Michigan’s fifth largest public school district and the third largest employer in the City of Grand Rapids, serving nearly 17,000 students with 2,700 employees, including 1,400 dedicated teachers.

*“Overall, the audit was a huge success and upon its conclusion, the savings to the district was seven times what was projected.”*

**Lisa Steed**  
GRPS Benefits Supervisor

CHALLENGE	SOLUTION	RESULTS
<p>On a typical employer medical plan, 6.2% of the covered dependents are ineligible for coverage. Maintaining compliance with insurance carrier eligibility requirements was critical for GRPS, as well as proving that their healthcare funds were being spent within government regulations. Their solution needed to:</p> <ul style="list-style-type: none"> <li>Identify wasteful spending</li> <li>Ensure compliance with Summary Plan Descriptions, HR policies and rules</li> <li>Require minimal time, effort and resources to implement</li> <li>Handle all employee data with care and security</li> </ul>	<p>GRPS hired PlanSource to conduct a Dependent Verification. Rather than implement cost cutting measures like reducing benefits or increasing co-pays, PlanSource’s solution was utilized to root out those who were not eligible. The PlanSource Dependent Verification offered:</p> <ul style="list-style-type: none"> <li>Exceptional experience and process with audits for various industries across the nation since 2007.</li> <li>Comprehensive service, managing every step of the audit, freeing their human resource team to focus on more important strategies and day-to-day needs.</li> <li>Complete communication with employees, including mailings and call center support.</li> </ul>	<p>GRPS mitigated the steep costs of benefits while continuing to offer exceptional coverage to those who qualify. The results far exceeded expectations. The PlanSource team handled all paperwork, communications, and documentation, as well as removing dependents from coverage as necessary.</p> <ul style="list-style-type: none"> <li>1,625 employees received the original audit mailing</li> <li>3,898 total dependents were audited</li> <li>15.54% of enrolled dependents failed to meet plan eligibility requirements</li> <li>Reduced ineligible dependent burden by over <b>\$800,000.00</b> annually in healthcare costs</li> </ul>



**3898 Dependents Audited**



**15.54% Found Ineligible**



**\$800,000 in Annual Savings**

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