

HRTECH Outlook

MAY - 2021

ISSN 2644-2477

HRTECHOUTLOOK.COM



RECOGNIZED BY
HRTECH
Outlook



American Benefits Group (ABG)



RECOGNIZED BY
HRTECH
Outlook

*The annual listing of 10 companies that are at the forefront of providing
Employee Benefits consulting / services and impacting businesses*

American Benefits Group (ABG) Navigating the Road to Consumer Directed Healthcare 2.0

The rapid adoption of consumer-directed health plans and accounts is a megatrend. In 2021 over 80 percent of U.S. employers offer a High Deductible Health Plan (HDHP) with a pre-tax consumer spending account or an HSA. According to Employee Benefit Research Institute (EBRI), the average industry-wide Health Savings Account (HSA) balance is about \$2,100, while an average couple will require more than \$285,000 in savings at retirement age to cover their likely out-of-pocket healthcare costs. Moreover, only 30 percent of health savings account holders fall in the 'saver' category, carrying account balances from year to year. These statistics highlight the need for better education, tools, and resources to help consumers better manage the financial responsibility for their current and future healthcare costs.

High-Deductible Health Plans (HDHP) seek to engage employees to become better healthcare consumers. However, inefficiencies and a lack of cost transparency in the fragmented U.S. healthcare market have been a historical impediment in the adoption of a true consumer-directed healthcare model. Empowering consumers requires a coordinated strategy with the integration of on-demand access to resources and tools that deliver cost transparency, provider costs, and quality data, modeling projections to predict future medical costs, and actionable strategies for building tax-advantaged healthcare savings.

American Benefits Group (ABG) is dedicated to transforming how people navigate their healthcare by guiding them to the right coverage, care, and savings strategies. A leading national third-party administrator of pre-tax consumer reimbursement account-based benefits, ABG administers Flexible Spending Accounts (FSAs), Health Reimbursement Arrangements (HRAs), and Health Savings Accounts (HSAs) to Commuter Parking and Transit Accounts as well as COBRA and Direct Premium Billing Administration Services.

Founded in 1988 in Northampton, MA, ABG was one of the nations' first flexible benefits administrators. Today the company delivers a next-generation CDHC account management solution to more than 2000 employers nationwide. The hallmark and unique value proposition of ABG is its ability to execute innovative on-demand benefits



Bob Cummings,
Founder and CEO

administration solutions that blend empowering technology combined with exceptional service delivery that maximizes value and efficiency. An industry innovator and disruptor, the company has a passionate vision to transform how people navigate their healthcare spending and saving decisions with powerful tools that engage them to become savvier and more informed healthcare consumers.

ABG founder and CEO Bob Cummings is driving the evolution and transformation to Healthcare Consumerism version 2.0. "While there has been some progress in the way consumers are managing healthcare spending and saving decisions, there is still a long way to go before the goals of integrated and empowered healthcare consumerism are fully realized. What differentiates ABG in the market is our ability to deliver both next-generation, disruptive technology solutions combined with a robust and highly responsive level of client support and participant experience," he asserts.

Taking the Guesswork out of Employee Spending and Saving Decisions

The ABG Smart Account is leading this transformation with next-generation applications that deliver a personalized, real-time, and self-guided experience with healthcare decision support tools. Smart Account provides consumers on-demand access to powerful self-service capabilities, such as viewing and managing their benefit accounts,

submitting claims, and accessing account alerts. But it also uses AI technology to create actionable insights and recommendations that guide participants to be actively engaged with how they are managing their healthcare.

Smart Account employs innovative and cutting-edge technology that personalizes the employee experience and provides data-driven tools, including a personalized Healthcare IQ success measurement known as the 'Smart Score.' As the account participant interacts with the identified opportunities and actionable insights, their Smart Score rises; it's a guided tour to make informed decisions on how to best spend and save their healthcare dollars. By leveraging the prowess of AI, Smart Account also provides recommendations based on historical spending data of the consumer to enable better future outcomes.

Intelligent cost and quality insights enable employees to review estimated costs of procedures and find providers. A "find care" feature allows the consumer to readily identify and compare high-quality, low-cost, in-network care options based on patient satisfaction scores, provider cost, and quality ratings. A virtual medicine cabinet provides users with recommendations to save on prescription medications and manage monthly drug costs. Real-time transparency tools like the GoodBuy RX card provide instant access to all prescription providers and actual retail costs.

Smart Account also shows the median pricing for major medical procedures in their plan and location and models projected out-of-pocket costs. The app also provides a projection of future costs to manage more than 20 chronic conditions with recommendations to help close the gap on HSA savings needed to manage a lifetime of healthcare expenses. ABG Smart Account is the toolkit that consumers need to drive successful outcomes in all of their healthcare spending and savings decisions.

"Consumerism starts with the power to navigate. ABG Smart Account removes complexity and simplifies decision-making by connecting health and wealth resources in one intuitive, easy-to-navigate experience. At ABG we're transforming how consumers manage their healthcare journey, and at the same time we're bending the cost curve on healthcare for employers," Cummings notes.

ABG is strongly supported by its long-term technology platform partner, Alegeus. As the market leader in healthcare and benefit payment systems, Alegeus provides ABG best-

in-class smart debit card payment technology, sophisticated claims payment, and banking systems, consumer portals, leading consumer engagement tools, and the innovative Smart Account mobile management application. For the last three consecutive years, ABS has been recognized as the leading Alegeus client for operational service, efficiency, and excellence.

The Institute for Healthcare Consumerism also has recognized ABG with an Innovation Superstar award for its live-streaming participant feedback review portal. When participants engage with ABG client support advocates, they are invited to rate their interaction experience and leave a review. An interactive tool to measure service delivery and participant satisfaction, the feedback portal has garnered over 7,000 (and counting) five-star participant reviews to date, and enables a permission to share five-star reviews on public review sites, such as Google and Yelp. These public and private reviews validate ABG's excellence in service delivery and bolster its online reputation and brand identity.

**“
What differentiates
ABG in the market is
our ability to deliver
both next-generation,
disruptive technology
solutions combined
with a robust and
highly responsive level
of client support and
participant experience
”**

Where Excellence Meets Quality

Over the last decade, ABG has experienced a phenomenal growth rate of over 300 percent.

The majority of this growth is driven by clients from the middle-market space, comprising 250 to 5000 employees. ABG primarily works with industry leading benefits consultants and advisors who manage the global employer benefits strategy. The strength of these advisor relationships continues to drive unparalleled opportunities. Cummings has always recognized that the sweet spot is in the middle market: "Our bench is deep enough to seamlessly manage a Fortune 1000 client while also being able to manage a high-touch relationship-based service experience. But we focus primarily on the middle market where the majority of the benefits consulting firms also are centered."

ABG's ascension as a premier benefits solution provider is the long-term result of more than 30 years of passionate focus. Cummings attributes the continued growth and success of his company to the unique talents and dedication of ABG's people. "We've built an incredible 'operations and customer support' organization over several decades. We've learned from experience that when the entire organization is vertically aligned with one unified vision and there is complete clarity on the mission and the core values, incredible things can happen. We relish the journey and look forward with much anticipation to the future," says Cummings. 