

# UMR Case Study: Wabash National® Corporation & Impact Interactive

*Dependent eligibility audit solution  
combats rising health care costs  
and health care spending*



## Client

Wabash National® Corporation is one of the leading manufacturers of semi trailers in North America. Established in 1985, the company specializes in the design and production of dry freight vans, refrigerated vans, flatbed trailers, drop deck trailers and intermodal equipment.

## Challenge

Wabash National® wanted to identify and remove currently covered spouses and children who did not meet the plan's dependent eligibility requirements. Always alert to new ideas in health care cost control, the client asked UMR about a dependent eligibility audit solution... with one caveat: It did not want to conduct a typical audit where every associate was required to submit verification documents. Wabash National® wanted it to be less invasive, but no less effective.

## Solutions

UMR helped implement an online audit solution through its partnership with Impact Interactive. In business since 1988, Impact Interactive is a Web-based enrollment and dependent audit firm. Impact Interactive divided Wabash National's® audit process into three key phases: 1) summary plan description (SPD) analysis, 2) online audit and 3) proof document review.

## SPD Analysis

The foundation of any successful dependent audit process is to have well-defined eligibility rules. Impact Interactive analyzed the Wabash National® SPD, compared it to market standards in 47 categories and recommended improvements to clarify rule definitions.

## Online Audit

The new eligibility rule definitions were loaded into an online audit questionnaire for Wabash National® employees. To increase participation, UMR, Impact Interactive and Wabash National® created a communications campaign which resulted in 95 percent of associates with covered dependents completing the audit. The questionnaire contained only factual questions which pertained to individual employee situations. They did not have to interpret rules, make decisions or determine eligibility.

The rules-based engine, along with Wabash National's® built-in SPD criteria, uncovered a significant number of ineligible dependents who were consequently removed from the medical plan.

*Continued ...*



## Demographics:

### Headquarters:

Lafayette, IN

### Satellite facilities:

10 branch locations and  
two manufacturing plants

### Employees:

2,000

### Effective Date:

2001



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## *Proof Document Review*

During the final phase of the audit, Impact Interactive requested legal verification documents from a small segment of associates (about 7 percent) who had inconsistent answers. This last phase, coupled with the survey answers, was a check-and-balance system that ensured the most valid and truthful responses were reported.

Clearly, the audit process delivered important benefits to Wabash National®. It decreased legal and claim risks and reduced current and future health care costs. It also helped meet fiduciary and Sarbanes-Oxley obligations.

Wabash National® Benefits Manager Todd Payne said the audit was a great success.

“The audit produced excellent results and conveyed the message that we are good stewards of our valuable health care dollars,” Payne said. “And, for that, we received positive feedback from both associates and management. UMR and Impact Interactive were outstanding partners in the project. Their skills, expertise, professionalism and flexibility allowed us to customize the entire process to match our needs, style and culture.”

*To learn more about how UMR can help reduce your costs through dependent eligibility audits, please contact your UMR sales representative.*

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*Wabash National® Benefits Manager  
Todd Payne*



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## **2010 Results** (Savings over previous year)

- ✓ Outstanding Participation: 95 percent of all associates with dependents completed and submitted the eligibility audit.
- ✓ Ineligible Identification: 6 percent of dependents were identified as ineligible and removed, resulting in reduced claim costs.
- ✓ High Return on Investment: Wabash National® estimates the audit saved them \$750,000 in claim expenses compared to the previous year, yielding a return of 15 times the original investment.