



**Client Success:**  
**Better Benefits, Better Rates**  
**(Lasers and All)**

## Company Name:

Talley Construction

## Location:

Chattanooga, Tennessee

Client Since

2017

Enrolled  
Employees

135

Previous  
Insurance Model

Fully-  
Insured

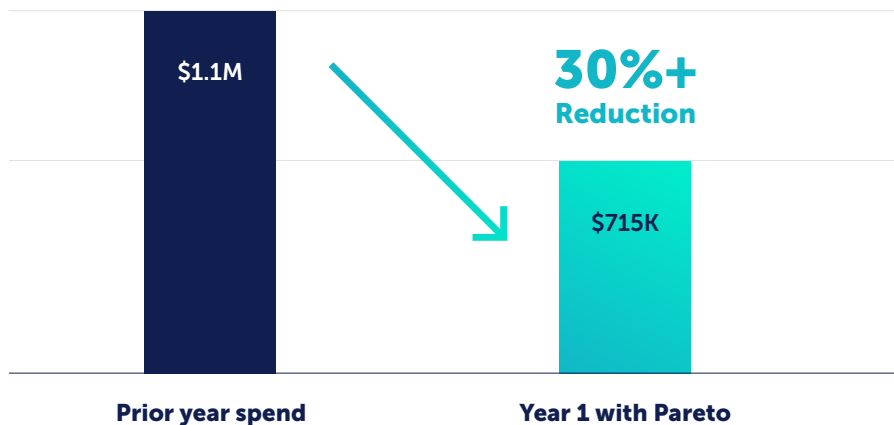
## About:

A highway contractor that has been serving the public since 1966.

## Challenge:

Talley Construction received a 109% rate increase to their fully-insured premium, taking their annual spend up to \$1.1M. To escape a textbook case of “what goes up, never comes down,” they joined one of Pareto’s captives. While the captive remained the most effective way to finance their healthcare, an initial contract was issued with four lasers for employees with known conditions. Their first year in the captive, claims were typical, but not great, so company leaders braced themselves for more significant bills and volatility ahead.

## The Results (By the Numbers):



## The Takeaways:

Talley Construction made the switch to Pareto after realizing that the amount they were paying their insurer would never go down, no matter how good of a claims year they had. Their return on investment speaks for itself:

- Even after taking known lasers and increased claim activity into account—AND matching benefits offered the previous year—**Talley Construction spent just \$715K on healthcare (30% less than the cost they had faced while fully-insured)**
- About 17 months in, with the nearly \$400K saved, the company decided to invest in a direct primary care physician (near-site clinic) as a cost containment measure
- **Employee participation in their medical plan increased to 55% in the first six weeks**
- Higher participation in their medical plan allowed Talley Construction to introduce **significantly better benefits at significantly lower costs**

[learnmore@paretohealth.com](mailto:learnmore@paretohealth.com)