

**BUSINESS NEWS PRESS RELEASE**

**Media Inquiries:**

**ParetoHealth**

**Catharine Thurston**

**thurston@paretohealth.com**



## **FOR IMMEDIATE RELEASE**

### **ParetoHealth Grows as Employers Seek to Tackle Rising Healthcare Costs and Inflation**

*Employers are flocking to self-funding strategies to reduce costs of health insurance by leveraging scale*

**Philadelphia, Pennsylvania** - ParetoHealth has achieved a significant milestone with the 2000<sup>th</sup> employer joining its captive program, marking 715,000 covered lives. The company, which reduces the cost and volatility of [self-insured employee health benefits](#), launched its captive program in July 2012 and has grown to be the nation's leading manager of employee benefit group captives.

The addition of the 2000<sup>th</sup> captive member represents significant growth for the program in the last 12 months. Given the momentum of the market and with a portion of the 2022 new business season still to come, these figures will rise by year-end.

Employers nationwide have turned to the ParetoHealth solution to reduce health insurance costs and improve the health of their employees, spurred by rising medical costs and economic inflation. These factors fuel employer demand for the type of long-term, sustainable benefit strategies offered by ParetoHealth.

This year's [average cost of fully insured premiums](#) was \$7,911 for single coverage and \$22,463 for family coverage, and inflation will increase these costs. Premiums are rising at a rate that is unsustainable for many employers. Data shows that ParetoHealth saves employers an average of 7.5% over fully insured rates in their first year. The savings grow over time, so an employer facing \$2M in fully insured premium this year could save over \$150,000 in their first year with ParetoHealth, \$1.3M in five years, and \$5.8M in ten years. The solution works, as evidenced by the company's explosive growth and further reinforced by ParetoHealth's 97% member retention rate.

“This is an incredible achievement and the result of passion-fueled work by the ParetoHealth team, our insurance consultant partners, our carrier partners, and most importantly, the employers that have become a powerful community of captive members. Together, we have created one of the only “network effects” in the benefits space. The greater the number of captive members, the better the program, and the better the program, the more employers want to be a part of it.” said Andrew Cavenagh, Chief Executive Officer of ParetoHealth. “Scale is absolutely vital to a successful captive program. When the inevitable large medical claim hits, you want it distributed across the largest pool possible, so no employer feels the impact. For a program of our size, a large claim is like a ripple in the ocean.”

**Reducing volatility** is just one benefit of a program of this size. “With each employer that joins the ParetoHealth community, with each bold decision to pursue a better way forward for health benefits, the solution gains buying power and access to new endpoint solutions, new ways of controlling costs, and the fresh perspectives of a diverse group of like-minded individuals,” said Cavenagh.

“As exciting as the number 2,000 may be, **the number that stands out is ‘one.’** We are one powerful community of captive members and the insurance consultants, risk management teams, and carrier partners who have come together to support them,” said Andrew Clayton, President of ParetoHealth. “Together, we’re achieving great things.”

### **About ParetoHealth**

ParetoHealth is the country’s largest health benefits captive manager, with over \$3B in healthcare benefits at hand, \$900M in stop-loss premium under management, and over 700,000 covered lives. Contact Catharine Thurston at [thurston@paretohealth.com](mailto:thurston@paretohealth.com) and visit [www.paretohealth.com](http://www.paretohealth.com).

###

**Website:** [paretohealth.com](http://paretohealth.com)

**LinkedIn:** <https://www.linkedin.com/company/pareto-health>