The Deductible

How A Small Business Can Lower Costs Without Sacrificing Coverage

When customizing your plan, there are several ways to save money. The deductible is one of them.

1. WHAT THE DEDUCTIBLE ACTUALLY DOES TO YOUR PREMIUM

Higher deductible = lower monthly premium. The spread between a $1,500 and $5,000 deductible plan can be $100–200 per employee per month. For a group of five, that's real money.

2. THE SWEET SPOT

Under $1,000 *Low Deductible*	**$2,500 – $3,000** *The Sweet Spot ✓*	**Above $5,000** *High Deductible*
Looks great on paper. Monthly premiums start to creep up and your savings disappear fast.	Where most groups land. Employee participation stays high and the premium stays manageable.	Lowest monthly premium but employees feel the pinch when they actually use the plan.

3. TWO MAIN PLAN TYPES FOR SMALL GROUPS

	Traditional (Fully Insured)	Level-Funded
Rates based on	Group size only	Group health profile
Who takes the risk	Carrier — 100%	Shared with carrier
Monthly cost	Generally higher	Typically lower
Year-end refund?	No	Yes — if claims run low

The right deductible isn't the lowest one. It's the one that balances what you can offer your employees with what makes sense for your budget.

If cost is holding you back there are other ways to make the numbers work. Let me know how I can help.

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Ted McNeil | Owner, Broker | BenZen Insurance | ted@getbenzen.com | 888-543-9677 | benzeninsurance.com