



Austin Madison SVP, HUB International A Consultant's Story:

**How Pareto gives Hub Mid-South levers for
healthcare cost control to ensure client confidence.**

Before working with Pareto, Austin Madison was skeptical about captives.

“Where the light bulb really went off for me was when I ran into a CFO client coming out of a Pareto member’s meeting. He was so excited: **‘Austin, This is incredible. I want to implement this, this, and this.’** He listed off maybe four different things talked about in the meeting. I’ve never had a client do that. They weren’t value-adds that we were giving away for free. All the things he talked about were going to cost his company money. I realized I really needed to start paying attention.”

That’s when things started taking off according to Madison, who oversees benefits producers for Hub in Kentucky and Tennessee. **“For a client to get excited about doing work around insurance? Employers hate insurance. So for them to want to roll up their sleeves and really dig in on this, I knew that there was something special.”**

“Over a two year time period, our average renewal increase for our clients in the captive was 2.7% – where the national trend is about 9%. Ninety percent of that is down to Pareto. Pareto is one of the best I’ve seen for bringing (cost management) ideas to the table that make sense.”



Nashville
Headquarters

Founded
(as Crichton Company)

1979

Joined Pareto
(as Crichton Company)

2014

// **Benefit number one is stability— and reducing volatility.**

With Pareto, there are lots of levers for us to pull. We just need to determine which lever works for which organization, and we’re able to better manage costs and benefits.”

// We have become better consultants for our clients, as a result of our involvement with Pareto. We have been able to increase our knowledge and expertise around self-funding, and our experience with Pareto has helped us hone our approach for both captive and non-captive clients alike.”

Pareto isn't a hard sell for Hub Mid-South's clients, says Madison.

“First, Pareto is the largest captive for a reason. They're number one by far. Nobody's even close.” Next is that the Pareto captives are member-owned—so the interests of member companies always come first. Lastly is Pareto's commitment to stop-loss innovation over the long term, ranging from their no new laser policy to their rate cap on renewals, which Madison says is the best they have seen in the market, period. **“There's nothing else out there like it,”** he says. **“Nobody can compete with any of those things.”**

The data that Pareto provides also makes it easier for Hub to serve as a trusted advisor to each client. “It's way easier to sit down with a client and explain why they are having a bad year.” With data, he says, the question then moves away from shopping around for a better rate and how to use the resources at their own fingertips and manage those more effectively. “When we have all these levers to pull, I think we're constantly learning and constantly getting better,” says Madison. **“We are better at understanding how those (cost management) tools can help. We're constantly maximizing for the new things that Pareto is constantly putting out there.”**

“It's a lot more fun for the client,” says Madison, “and it's a lot more fun for us as consultants.”