

A robust benefits package can strengthen the employee experience — and support efforts to attract and retain top talent. Here’s how self-funding can help organizations offer enhanced employee benefits while managing health care spend.



The Problem

Cost Sharing
Outpaces Wages

Over the last 10 years, both employees and employers have faced cost increases. But the increased benefit plan cost to workers outpaces the increase in wages.



Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2025 Bureau of Labor Statistics



Unpacking Misconceptions About Self-Funding



MISCONCEPTION: Unpredictable Claim Costs

REALITY: In a self-funded arrangement, stop-loss insurance provides protection against catastrophic or unpredictable losses.



MISCONCEPTION: Increased Administrative Burden

REALITY: With the right benefit plan partner, you get a team of experienced professionals with a background in self-funding that act as an extension of your HR department.



MISCONCEPTION: Only for Large Companies

REALITY: Companies both large and small have seen significant savings through self-funded benefit plans.



MISCONCEPTION: Inconsistent Cash Flow

REALITY: A self-funded arrangement allows employers to pay only for claims incurred and build reserves during months with lower-than-expected claim costs.



The Solution

Employee Benefits to
Support Retention

Understanding employee needs and preferences allows employers to make strategic investments that balance benefits, compensation, and flexibility. By highlighting your total rewards offering in a way that aligns with employees’ financial needs, you can help them appreciate the value of their benefits.

Self-funding affords plans greater flexibility to address employee cost sharing through plan modification e.g., plan design and network strategies.

Why Nova?

Nova is a health plan solutions company that prioritizes flexibility, empathy and partnership. We believe the best solutions are built together.

Discover the benefits of self-funded health plans.

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