Cooper Benefits helps clients cut insurance costs

BY JOYCE TSAI | STAFF WRITER

Less than nine months from its formal launch, the wellness and insurance unit of Cooper Aerobics Enterprises Inc. is saving money for its corporate clients.

Cooper Benefits combines wellness programs with insurance brokerage services for small and mid-sized businesses. Its goal: keep health insurance costs in check.

Thus far, the firm has negotiated rate increases of 10% or less for clients in a climate where 12% to 16% rate increases are typical.

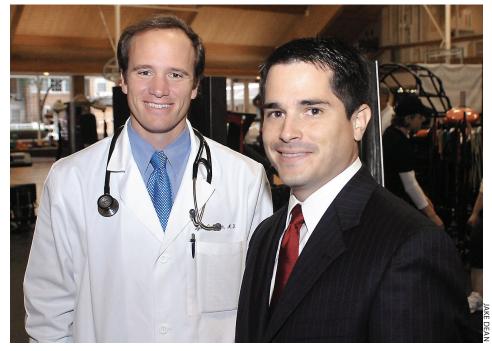
"Our success was clear and demonstrable," said Christian Moreno, vice president and executive director of Cooper Benefits. "We can now show success in the small to mid-sized market."

Before launching Cooper Benefits, Cooper Aerobics had been doing similar work in conjunction with Dallas-based Health at Work, a health, life and accident insurance company for several years.

At the launch of Cooper Benefits in October 2007, seven companies that had been working in the Cooper Aerobics/Health at Work initiative became Cooper Benefits clients

Cooper Benefits now has 10 client companies, Moreno said. But it has been tracking data for about three years for its longest-standing clients: Boston-based Network Engines and Plano-based Kaye/Bassman International Corp. Beyond that, it's still too early to track the success of its other clients of eight months of less, Moreno said.

At Network Engines, the Cooper Benefits



WELLNESS PAYS: Dr. Tyler Cooper, left, and Christian Moreno have teamed up to offer Cooper Benefits LLC, an insurance brokerage and wellness program division of Cooper Aerobics Enterprises Inc. They say that their company proved successful in negotiating improved insurance rates as well as providing tailor-made wellness programs for small to midsized companies.

forerunner was able to hold insurance renewal rates flat for 2006 and 2007, said Lois Farkas, vice president of human resources at Network Systems, which was previously based in Plano and operated as Alliance Systems Inc.

The company, which has about 280 employees, saw its rates increase this year less than

10%, she said. Before joining with Cooper and Health at Work, it saw a 26% increase in its insurance rates in 2005.

Cooper Benefits creates incentives to encourage participation in wellness programs by tying the cost of an employee's premium to his or her attendance at the wellness activities, such as 5K walks and runs, and lunchtime speakers panels on nutrition and fitness.

"If you participate in 90% of the activities, the company will pay 90% of your premium and you pay 10%," Farkas explained.

Keith Barnes, regional vice president of small to middle-market companies for Aetna, said by offering lower insurance premiums for increased participation in wellness programs, Cooper Benefits is offering an innovative approach in the Southwest, that he hadn't seen before.

But "most, if not all, the insurance carriers, have fairly robust wellness programs in place," that are also free, he said. The cost for those wellness programs, like for Cooper Benefits, is also built into the cost of benefits.

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WELLNESS AWARE

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