

From Budget Strain to Benefits Gain: A Fire District's Bold Move in Chicagoland

Discover how a forward-thinking fire department restructured its healthcare approach to reduce costs while enhancing support for their union workforce.

CASE STUDY

Insurance, Employee Benefits



KEY STRATEGIES

- Moving off Co-Op
- Increasing benefits offerings
- Providing dedicated contact for Customer Service
- Rolling out resources dedicated to Fire Protection District clients
- Supporting the HR department with compliance & HR seminars, webinars, and access to OneDigital experts

SITUATION

When a Fire Protection District in the Chicagoland area, home to just over 100 employees, began facing steep increases in their employee benefits costs, leadership knew it was time to explore new options. For years, they had been part of a local government co-op self-funded pool, which offered little flexibility: only four plan choices and consistently poor customer service. Frustrated by the lack of control and rising expenses, the Deputy Fire Chief turned to OneDigital with a challenge: "Get creative." They wanted to know if breaking away from the co-op and moving to a stand-alone arrangement with the carrier could offer better value and service for their team.

"They asked us to lift up the hood, tell them what they can be doing better from a strategy point and let's start implementing."

- ONEDIGITAL CONSULTANT

AT A GLANCE

- Small HR department needed support
- Limited plan options available to members
- Controlling premium costs to help recruit and retain employees

SOLUTION

The new program gave the Fire Protection District the opportunity to enhance their medical plan design and overall benefits package—all without increasing employee contributions.

We encouraged them to think of their benefits offering as a "business within a business," where strategic planning could drive better outcomes. By shifting from a reactive mindset to a proactive strategy, OneDigital helped the district take control of their healthcare approach leading to smarter decisions, improved employee satisfaction, and more sustainable costs.

"Our partners at OneDigital have been an absolute pleasure to work with. They are constantly evaluating our claims experience to provide us with real data, trends, and benchmarks that help us shape our benefits strategy and contain costs. They have helped us implement programs that ensure our employees get the best possible care at the most reasonable prices. In addition, our employees appreciate the innovative services we have added to our benefits lineup, programs OneDigital researched, vetted, and presented for our consideration. The team at OneDigital is knowledgeable, supportive, and is a responsive partner for the club and for our employees."

- GENERAL MANAGER, VP, HUMAN RESOURCES

MEASURABLE OUTCOMES & SAVINGS

↑ **\$365K**
Year 1 Savings

↓ **10.5%**
Reduced Costs

APPROACH

We started by evaluating the district's current healthcare coverage and comparing it to stand-alone options available in the market. Our team carefully reviewed their collective bargaining agreement to ensure any new offerings would meet or exceed the standards already in place.

Next, we identified cost-saving opportunities across several areas of the medical plan, including network access, steerage strategies, fixed costs, and claims performance. With these insights, we designed a tailored benefits program aimed at reducing overall medical spend while also supporting recruitment and retention goals.

2025 FIRE DISTRICT CHALLENGES

Budget Constraints: Furloughs, Vacancy Cuts, Resource Reallocation
Aging Workforce: Retirements & Recruitments
Staff Retention: Volunteer Shortage, Increased Resignations
Talent Acquisition: Competitive Labor Market, AI, Employer Value Proposition
Training Gaps: Upskilling & Certification (which take time & funding)
Union Contract Negotiations: Delayed Contracts & Pay Raises
Rising Costs: Salaries, Healthcare, Equipment & Safety Upgrades, Inflation & Supply Chain Pressures, Budget Deficit



\$75K–\$100K
Average Cost to train a
new 2025 Chicago
Firefighter*


\$22K
Monthly Savings


\$264K
Annual Savings

"Our clients have been fantastic to work with because they view us not just as a benefits provider but as a true business partner. They trusted us to advise them with best-in-class HR, compliance and wellbeing solutions and were willing to embrace the opportunities we brought to them. They really were committed to making the necessary changes to produce the outcomes they were seeking."

- ONEDIGITAL CONSULTANT

*Data based on National Averages and Municipalities



- Chicago hires ~200 new firefighters per year
- Firefighter hires are exempt from the hiring freeze despite \$1B deficit in Chicago. Firefighters are critical.

**Data from Chicago.gov