

Monthly Competitive Update April 2023

Employee Navigator

April 4, 2023, Employee Navigator, the leading benefits administration and HR software solution for insurance brokers and employers, announced the acquisition of Ease, the leading broker-centric HR and benefits software solution for small businesses. The combined company will support over 150,000 businesses, more than 4,000 insurance brokers, a marketplace of 300 integrated partners and over 13 million employees in the U.S., making it one of the largest benefits administration and HR platforms in the country. Wilson Sonsini Goodrich & Rosati advised Ease on the transaction.

The acquisition will help accelerate the modernization of benefits administration for brokers, employers, and the broader insurance ecosystem. The companies' two products will continue to operate separately, but many of Ease's features will be incorporated into Employee Navigator's platform over time, creating a more compelling product for insurance brokers.

Millions expected to lose dental care coverage after Medicaid review

About 14 million people, or 28% of adults currently enrolled in Medicaid, will lose their dental health coverage now that the Covid public health emergency has ended.

More than 14 million adults across the United States who receive Medicaid are at risk of losing dental health coverage now that the Covid public health emergency is over, according to data exclusively obtained by NBC News.

The public health emergency ended April 1, allowing states to review Medicaid recipients' eligibility and disenroll them from the program for the first time since the beginning of the pandemic. Around 15.7 million people are expected to lose health coverage as a result. The emergency declaration did not allow states to remove enrollees from the program during the pandemic, which caused programs to expand precipitously over the past three years.

An issue that few have identified, however, is that about 14.2 million people, or 28% of adults currently enrolled in Medicaid, will also lose their dental health coverage, according to the data compiled by CareQuest Institute for Oral Health, a think tank dedicated to oral health in the country.

The five states facing the biggest drop in coverage are Hawaii, Wyoming, Indiana, Florida and Illinois.

There are six states that don't offer dental coverage as part of their Medicaid plans: Alabama, Delaware, Maine, Maryland, Tennessee and Texas. It is expected to be a huge effort for state agencies to contend with the redetermination of people's Medicaid eligibility.

Dr. Myechia Minter-Jordan, the president and CEO of the think tank, said her group felt compelled to compile and release the data to ensure that states and public health agencies help people maintain their oral health care coverage.

"As people are removed from Medicaid and seek to secure coverage through other programs, including the private market, there's no guarantee that they will know to seek or know how to apply for coverage that will include dental care," she said. "And this will have a disproportionate impact on those who are lower income, live in rural areas or people of color."

Beam Cuts Workforce

Despite rapidly growing revenue and expansion of its business model, Beam Benefits cut 8% of its workforce, joining a nationwide trend of tech layoffs amid uncertainty about the U.S. economy.

The Columbus digital employee benefits provider eliminated 31 jobs, co-founder and CEO Alex Frommeyer said in a written statement in response to questions from Columbus Inno. That works out to about 360 remaining employees.

"Letting these Beamers go was enormously difficult," Frommeyer said. "They did great work, and we appreciate them deeply. I know they are highly resilient and that they will continue to bring energy, enthusiasm, and passion with them as they continue their careers."

Beam is the latest company in the portfolio of Columbus VC firm Drive Capital to reduce staff, including much larger cuts of hundreds at Olive AI Inc. and Root Inc. Globally, more than 405,000 tech workers lost their jobs since the start of 2022, almost 45,000 this month alone, according to [layoffstracker.com](#).

Beam had increased revenue by eightfold in recent years, according to a press release in November, when the company was named to Deloitte's list of the fastest-growing technology companies for the second consecutive year. At that time it employed nearly 400, the release said.

The 11-year-old insurer changed its name from Beam Dental last year after broadening to multiple ancillary benefits – offering vision, life, disability, and supplemental health coverage. Its founding vision was remaking dental insurance through tech-enhanced preventative care: The dental coverage is paired with a smart toothbrush, with subscription replacement brush heads and toothpaste for members.

The company, incorporated as Beam Technologies Inc., has raised a cumulative \$160 million in venture capital. Half of that was in a 2021 round.

Beam Adds Critical Illness

COLUMBUS, Ohio (March 8, 2023) – Beam Benefits, a digitally-native employee benefits company, today announced the launch of a new critical illness benefits product in 23 states, as well as introduced its supplemental health and voluntary life coverage¹ in new states, allowing employers to set up a flexible benefits plan that offers their employees more choices that better suit their individual needs.

"The addition of critical illness plans and expansion of our supplemental health and voluntary life coverage builds upon Beam's success in the employee benefits space, providing employers with a full suite of ancillary benefits to meet the evolving needs of today's workforce," said Alex Frommeyer, co-founder and CEO of Beam Benefits. "Our new and expanded benefit offerings ensure individuals have an affordable way to pay for the additional expenses that primary health plans may not cover."

Through Beam's critical illness coverage, employers may customize plans for employees with guarantee issue benefit amounts that provide financial protection for a serious illness or condition not covered by a traditional health plan. Product highlights include:

A lump-sum cash payout made directly to an insured individual upon diagnosis of a qualifying serious illness

Flexibility to allocate money for out-of-pocket treatment costs and non-medical expenses

No lifetime maximum benefit amount along with recurrence benefit included

Dependent coverage available for family members

Beam's new critical illness benefits product is now available in Alabama, Arizona, California, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Nevada, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, and Utah. The new plans are underwritten by Nationwide Life Insurance Company in Columbus, Ohio.

Individual Dental Plans to NSWB and NWFA members

NCD Dental partnered with MetLife to offer an individual dental plan with a \$10,000 maximum. The NCD by MetLife association dental plan provides members of the National Wellness and Fitness Association (NWFA) with great benefits, white-glove service, and industry-leading coverage, all backed by MetLife.