

WHITE PAPER

Management Company and 14 Buildings



A Section 125 Cafeteria Plan Case Study in Zero-Net-Cost Healthcare for Skilled & Assisted Living Workforces

Prepared by UnifyWell and Compass Total Benefit Solutions

Executive Summary

Across the workforce, 749 employees can get enrolled in the ACA Wellness Benefits program, generating a 100% maximum \$1,070,253 in aggregate employee savings and \$683,351 in employer payroll tax savings, all at zero net cost to the organization.

1. The Challenge

Skilled nursing and assisted living operators face a uniquely difficult staffing environment: thin margins, high turnover, and a workforce that is often underinsured or unable to absorb rising healthcare costs on a modest hourly wage. Traditional group health plans are frequently too expensive to extend broadly, leaving many hourly and part-time staff with little to no coverage for everyday care. This includes primary care, prescriptions, mental health support, and dental.

Compass Total Benefit Solutions has partnered with ACA Solutions to close this gap using a zero-net-cost model: a benefit funded entirely by the payroll tax savings the plan itself generates, rather than new spend by the employer or a paycheck reduction for the employee.

2. Plan Design Overview

The Four Plans

The program offers four tiers, each built on the same core benefit suite, with the premium level and resulting savings scaled to fit different wage bands.

Plan	Bi-Weekly Premium
Plan 1	\$675
Plan 2	\$1,000
Plan 3	\$1,200

Plan	Bi-Weekly Premium
Plan 4	\$1,500

Core Benefits Included in Every Plan

- Virtual & Clinical Care — 24/7 virtual urgent care, ongoing virtual primary care, virtual mental health counseling, and discounted in-person office visits.
- Pharmacy Benefits — free generic acute medications, up to 80% off brand-name and other prescriptions, and pickup at 70,000+ pharmacies nationwide.
- Diagnostics & Specialty Care — discounted labs, imaging, and procedures.
- Dental & Vision — up to 60% savings across a 263,000+ dentist network, with no insurance, copay, or deductible needed.
- Wellness Support — WoW Health Dashboard, a monthly Health Risk Assessment, and a full group session library (grief support, chronic pain management, sleep coaching, smoking cessation, men's groups, parenting support, and more).

Plan 1 — \$675 Bi-Weekly Plan

This is sample data. If your salary is in this range, this is an example of what you could receive under this plan.

Sample Paycheck (based on \$2,000 bi-weekly gross / \$31,200 annual salary)

	Without Plan	With Plan	Difference
Bi-Weekly Gross Income	\$2,000.00	\$2,000.00	\$0.00
Pre-Tax Premium	\$0.00	\$311.54	\$311.54
Taxable Income	\$2,000.00	\$1,688.46	-\$311.54
Tax Withholding	\$726.41	\$556.64	\$169.77 saved
Post-Tax Reward	\$0.00	\$288.46	\$288.46
Net Take-Home Pay	\$1,273.59	\$1,420.28	+\$146.69

Annualized increase: **\$1,760.28/year**

Plan 2 — \$1,000 Bi-Weekly Plan

This is sample data. If your salary is in this range, this is an example of what you could receive under this plan.

Sample Paycheck (based on \$2,000 bi-weekly gross / \$31,200 annual salary)

	Without Plan	With Plan	Difference
Bi-Weekly Gross Income	\$2,000.00	\$2,000.00	\$0.00
Pre-Tax Premium	\$0.00	\$461.54	\$461.54
Taxable Income	\$2,000.00	\$1,538.46	-\$461.54
Tax Withholding	\$726.41	\$474.91	\$251.50 saved
Post-Tax Reward	\$0.00	\$426.92	\$426.92
Net Take-Home Pay	\$1,273.59	\$1,490.47	+\$216.88

Annualized increase: **\$2,602.56/year**

Plan 3 — \$1,200 Bi-Weekly Plan

This is sample data. If your salary is in this range, this is an example of what you could receive under this plan.

Sample Paycheck (based on \$2,000 bi-weekly gross / \$31,200 annual salary)

	Without Plan	With Plan	Difference
Bi-Weekly Gross Income	\$2,000.00	\$2,000.00	\$0.00
Pre-Tax Premium	\$0.00	\$553.85	\$553.85
Taxable Income	\$2,000.00	\$1,446.15	-\$553.85
Tax Withholding	\$726.41	\$424.61	\$301.80 saved
Post-Tax Reward	\$0.00	\$484.62	\$484.62
Net Take-Home Pay	\$1,273.59	\$1,506.16	+\$232.57

Annualized increase: **\$2,790.84/year**

Plan 4 — \$1,500 Bi-Weekly Plan

This is sample data. If your salary is in this range, this is an example of what you could receive under this plan.

Sample Paycheck (based on \$2,000 bi-weekly gross / \$31,200 annual salary)

	Without Plan	With Plan	Difference
Bi-Weekly Gross Income	\$2,000.00	\$2,000.00	\$0.00
Pre-Tax Premium	\$0.00	\$692.31	\$692.31
Taxable Income	\$2,000.00	\$1,307.69	-\$692.31
Tax Withholding	\$726.41	\$350.66	\$375.75 saved
Post-Tax Reward	\$0.00	\$588.46	\$588.46
Net Take-Home Pay	\$1,273.59	\$1,545.49	+\$271.90

Annualized increase: **\$3,262.80/year**

Note: All figures above assume a \$31,200/year salary example. Actual results vary by individual wage and state/federal tax circumstances (see Disclaimer).

3. The Math: How Zero Net Cost Works

A portion of gross wages is set aside before taxes are calculated. That lowers the payroll tax withheld from each paycheck, and those savings fund the benefit.

Wellness activities earn employees a reward that is added back to their paycheck, so take-home pay goes up slightly. The paycheck comparisons in Section 2 illustrate this math.

This is the core mechanic that funds the entire program, and it is the same across all four plans.

On the employer side, the same payroll tax reduction FICA match savings applies per enrolled employee. This is the mechanism that funds the employer's zero net cost.

4. After Account Activation

Once assigned a plan, employees:

- Activate their WoW Health Dashboard account and complete a Health Risk Assessment, a few-minute intake used to personalize monthly wellness content.
- Receive a personalized educational wellness module each month via text or email.
- Get enrolled in sessions with a wellness professional.

5. Results Summary

Full data tables, methodology detail, and employee-level breakdowns are provided in the attached detailed proposal. This section presents the top-line summary only.

5.1 Enrollment Breakdown by Tier

Plan	# Enrolled	% of Total Enrollment
\$675 Plan	12	2.2%
\$1,000 Plan	101	18.8%
\$1,200 Plan	23	4.3%
\$1,500 Plan	402	74.7%
Total Enrolled	538	100%

5.2 Total Employee Savings

Individual employee savings vary depending on salary level and plan type.

5.3 Total Employer Savings

\$453,084 in aggregate annualized FICA/payroll tax savings

Savings under each plan:

Plan Type	Enrolled	Monthly Savings	Total Monthly Net Savings
675 Plan	12	\$16.64	\$199.65
1000 Plan	101	\$41.50	\$4,191.50
1200 Plan	23	\$56.80	\$1,306.42
1500 Plan	402	\$79.75	\$32,059.50

6. Compliance & Trust

The program operates under a compliance framework designed for employer confidence:

- IRS Section 125 approved
- HIPAA compliant
- Audited by a top-5 CPA firm
- Licensed nationwide
- Delivered in partnership with WoW Health

7. How to Opt Out

Enrollment in this program is voluntary. Employees who do not wish to participate can opt out at either of the following stages:

Timing	What It Takes to Leave
Before your plan start date	Reply to your enrollment email before a 30 days time period starting from your plan activation date, or notify your employer. You may also opt out by calling 844-513-3311 or emailing support@unifywellbenefits.com .
After your plan start date	A qualifying life event is required. This is a federal rule that applies to all pre-tax benefit plans, not something specific to this program.

8. Conclusion

For organizations like this Management Company and 14 buildings, operating in the skilled nursing and assisted living space, workforce stability and cost pressure are constant tensions. This model demonstrates that meaningful healthcare access and increased take-home pay can be delivered without new employer spending, funded entirely by the payroll tax efficiency of a compliant Section 125 structure.

Disclaimer

Nothing in this document constitutes legal, financial, accounting, tax, or health advice. Actual tax outcomes vary based on individual wage, state, and federal tax circumstances.

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