



Real World Problem Scenario

Scenario:	Reducing Costs Impact
Business:	Memorial Health System
Business Participant:	Erin Castor - Decision Support Analyst
Career Cluster(s):	Finance
Grade Level:	9-12
Standards & Skills:	5.NBT.7 Solve real-world problems by adding, subtracting, multiplying, and dividing decimals using concrete models or drawings and strategies based of place value, properties of operations, and/or the relationship between addition and subtractions, or multiplication and division; relate the strategy to a written method and explain the reasoning used S.MD Calculate expected values, and use them to solve problems

Problem Description:

Memorial Health System needs to determine the impact of reducing insurance costs by 10%.

Things to be considered or defined for the solution:

- Budget Impact
 - Calculate current insurance costs for MHS and employees(90/10)
 - Calculate proposed insurance costs for MHS and employees(80/20)
- Non-financial impact
- Employee satisfaction