



The Protect Plans

Safe and Simple
Fixed-Cost Self-Funded Medical Coverage Plus
Refund Assisters

Overview

April 1, 2020

Disclaimer

But first a word from our lawyers:

This presentation summarizes information concerning the benefits, networks, underwriting and other elements of the Protect Plans. It is not a controlling document and does not supersede the most current versions of The Protect Plan Underwriting Guide, Summary of Benefits and Coverage, Summary Plan Description and the stop-loss policies. All information in this presentation is subject to change without notice. It is intended for brokers, not employers or employees.

**In other words, we've tried to be accurate.
If it's wrong we apologize, but it's not binding.**

What Employers Want

Something different ... and better

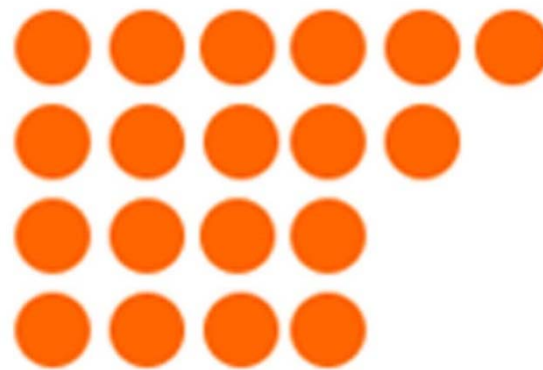
An advantage

Something like fixed-cost, self-funded plans

Like the safe and simple Protect Plans

Self-Funded Made Simple

Self-Funded can be complicated ...



... but it doesn't have to be

Self-Funded Made Simple

Claims lower than expected = refund

Claims higher than expected = stop-loss

Heads clients win. Tails they don't lose



It's that simple

Agenda

1. Self-Funded Basics and Key Terms
2. The Protect Plans Overview
3. Plan Designs and Underwriting
4. Quoting and Enrolling
5. The Team
6. Resources: www.ProtectPlans.Info



SELF-FUNDING BASICS AND KEY TERMS

Self-Funded Basics: Part I

Traditional Insurance:

- **State** regulation
- **Insurer** pays claims – keeps surplus

Self-Funded Programs:

- **Federal** regulation
- **Employer** pays claims –keeps surplus



8 Key Terms

Claims Fund ... 1

Claims Surplus ... 2

Stop-Loss or Excess-Loss Coverage ... 3

- Specific Stop-Loss ... 4
- Aggregate Stop-Loss ... 5

Attachment Point ... 6

Contract Period ... 7

Run-Out ... 8



Key Terms

Claims Fund: money sets aside by employer to pay claims

Claims Surplus: money remaining in the claims fund after the contract period



Key Terms

Stop-Loss or Excess Loss Coverage: protects plan sponsor from excessive claims

- **Specific:** caps claims on any one individual
- **Aggregate:** caps overall claims

Attachment Point: the claim amount at which stop-loss coverage kicks-in

- Like a deductible for stop-loss coverage



Key Terms

Contract Period: time period during which eligible claims must be incurred and paid for to be covered by excess loss carrier

- Expressed by two number: aa/bb
 - First defines plan year (usually 12)
 - Second defines claim payment deadline
12/12 12/15 12/18 12/24
- **Run-Out:** the difference between numbers
 - 12/18 has a six month **run-out**
 - 12/24 has a 12 month **run-out**



Traditional Self-Funding: Employer replenishes claim fund as claims are approved

Fixed-Cost* Self-Funding: Employer pays fixed monthly payment regardless of claims paid

Fully-Insured Plans: Employer pays fixed monthly premium regardless of claims paid

* Also known as “Level Premium Self-Funding



Self-funding Basics: Part II

Traditional Insurance:

- State-by-state plan design
- Subject to all ACA fees and premium tax

Self-Funded Program:

- Can offer one plan nationwide
- Exempt from some ACA fees and pays premium tax only on excess-loss coverage



Fixed-Cost Self-Funded

Can look like traditional health plans

	Traditional Fully Insured	Fixed-Cost Self-Funded
Comprehensive Medical Coverage	✓	✓
Fixed Monthly Employer Costs	✓	✓
So far so simple		

The Fixed-Cost Self-Funded Advantage

What makes them different makes them better

	Traditional Fully Insured	Fixed-Cost Self-Funded
Protects Employers When Claims Higher Than Expected	✓	✓
Who Gets Surplus When Claims Less Than Expected	Insurer	Employer

Heads you win. Tails you don't lose.



The Protect Plans

Safe and Simple
Fixed-Cost Self-Funded Medical Coverage
with Refund Assisters
that improve the health of **employees**
and the bottom line of **employers**

The Protect Plans Position

Self-funding with training wheels

- Safe and comfortable way for clients to start self-funding medical coverage

Mimics traditional insurance while delivering benefits of self-funding

Safe and Simple

Safe	Administrative Services: Meritain Health™
	Stop-Loss Coverage: AM Best Rated "A" or higher
Simple	9 PPO Plan Designs: 6 Co-Pay + 3 HSA-compatible
	1 Medical Network: Aetna
	1 Pharmacy Network: OptumRx
	1 Contract Period: 12/18

Fixed-Cost, Self-Funded

Fixed-Cost	<ul style="list-style-type: none">• Level premium payments• Composite rates• Claim costs advanced if exceed employer's payments to-date
Self-Funded	<ul style="list-style-type: none">• Employer finances claims• Stop-loss coverage caps employer risk (both specific and aggregate coverage)

The Protect Plans Difference

	Traditional Level Funded Plans	Protect Plans
Fixed Monthly Costs	✓	✓
Claim Surplus Refund	Partial-to-100%	100%
Offer Refund AssistersSM	?	✓

Why Refund Assisters Matter

Level-funded plans **offer** the chance to earn claim surplus refunds

The Protect Plans helps **deliver** them

Refund Assisters: Wellness

Wellness rewards for employees and spouses

- \$100 reward for annual physical exam
- \$100 reward for compliance with chronic condition protocols
- Preventive care paid at 100%
- Smoking Cessation:
 - Co-Pay Plans: \$25 co-pay
 - HSA Plans: 80% after deductible

Refund Assisters: Telemedicine

A low-cost, quality alternative to an in-office doctor visit that's convenient, private, and fast using board certified, U.S.-based physicians.



Refund Assisters: Expense Review

Review of claim payments including:

- Payment timeliness review
- Subrogation
- Pharmacy data review
- Medicare-primary claims
- Claim audit monitoring

INSURGENCY
benefits



PLAN DESIGNS **AND** UNDERWRITING

Protect HSA-Compatible Plans

	Co-Pay 500	Co-Pay 1000	Co-Pay 2000	Co-Pay 3000	Co-Pay 4000	Co-Pay 5000
Deductibles	\$500	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000
Annual Max	\$1,500	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000
Family	2x					
Co-Insurance	90/10	80/20				
Office Visit	Primary Care: \$25 / Specialty: \$50 / Telemedicine: \$10					
Prescriptions	In-Network Only Apply to medical deductible and out-of-pocket maximums					
Generic	\$10					
Brand	\$35					
Non-Formulary	50%					
Specialty	35% up to \$300 co-pay per prescription					

Contract Period: 12/18

Lifetime Benefit: Unlimited

Protect Co-Pay Plans

	HSA 3000	HSA 4000	HSA 5000
Deductibles	\$3,000	\$4,000	\$5,000
Annual Max	\$5,000	\$5,500	\$6,000
Family	2x		
Co-Insurance	80/20		
Office Visits	20% after deductible / Telemedicine: \$10 after deductible		
Prescriptions	In-Network Only Apply to medical deductible and out-of-pocket maximums		
Generic	\$10		
Brand	\$35		
Non-Formulary	50%		
Specialty	35% up to \$300 co-pay per prescription		

Contract Period: 12/18

Lifetime Benefit: Unlimited

A Word About Prescription Claims

Medical claim costs capped by both specific and aggregate stop-loss limits

Prescription claim costs capped by only aggregate stop-loss limit

- Prescription claims may be brought under specific stop-loss limits with a 2%-to-5% increase to specific premiums
 - Must request at time of quote

Participation Requirements

Participation	Protect Plans
Groups 25-to-50 employees	75%
Groups 51+ employees	60%
Eligible employees	Employees without coverage elsewhere
HMO Combination	
Available	Yes
Factors	Employees enrolling in HMO are not considered eligible
Employee Choice	
Plans available	Employer may offer employees any or all plans
Aetna Takeover	
Prior Approval Required	Prior to quoting

Underwriting: Availability

Geography	Protect Plans
States	All States Except NY and DC
Group Size	
Minimum	25 or more employees or State law*
Maximum	No limit
Retirees	
Eligible groups	25+ employees
Non-Union Carve-outs	
Upon request	If union employees are covered by a union health plan
Maximum percent retirees	15% of all retirees 10% non-Medicare retirees
Eligible as employee class	NA
Disclosure	Prior to underwriting

* Will consider groups of less than 25 employees on an exception basis with claims experience.



QUOTING **AND** ENROLLING

Getting Quotes, Submitting Sales

Quotes: manual rates provided without

- Claims history* preferred
- Current and renewal rates

Enrollment: individual health questions or

- Claims history
- Current or renewal rates
- Applications from other carriers usually acceptable

Methods:

- Interactive PDF or online (Easy App Online preferred)

** Prefer prior two years of claims, coverage, enrollment and shock claims*

New Group Implementation

Event	Anticipated and Approximate Timeline
Welcome email to client to set-up Welcome Call	5 business days from receipt of complete enrollment package
Temporary medical ID sent (no Rx information)	2 business days from Welcome Call
New members	5 business days from Welcome Email
Permanent ID cards mailed to employer (includes Rx info)	10 business days from Welcome Email (+ 2 days for delivery)
Prescription benefits in system	15 business days from time drug card set-up documents submitted to OptumRx



THE TEAM

Reliable Administration

Meritain Health, an Aetna company

- One of the nation's largest third party administrators
- Handles operational aspects including
 - Enrollment processing
 - Billing
 - Customer services
 - Claims administration
 - Compensation

Broad, Strong Networks

Aetna Choice POS* II (Open Access)

National coverage

- 5,700+ hospitals
- 700,000+ physicians and specialists

OptumRx pharmacy benefit management

- Community pharmacies plus most chains

* Protect Plans are PPOs

Dependable Stop-Loss Coverage

Stable and proven excess-loss carriers

- Carrier varies by group size and/or state
 - All are A.M. Best “A” rated carriers or better unless otherwise noted
 - All with deep experience providing excess-loss coverage

Experienced, Fair Underwriting

- Underwriters assure fair and appropriate pricing.
- Their relationship with leading stop-loss carriers results in a seamless experience for employers
- The underwriters are responsible for:
 - Quoting
 - Underwriting
 - Policy issuance
 - Stop-loss claim services

Insurgency Benefits

Insurgency Benefits is responsible for plan design, program oversight and coordination, sales support, marketing, training, and expense review



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RESOURCES

Resources

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The Protect Plans

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APPENDIX:

ACA REPORT DATA, SPECIAL CONSIDERATION INDUSTRIES AND WORKFLOW

A Word About ACA Fees

ACA Fees are not included in monthly payments

TPA facilitates fee calculation and payment

- Employer is responsible for funding these fees outside of the fixed monthly payments

May be required to submit more information to be considered or may be considered ineligible

- Asbestos Products
- Commercial Sports
- Explosives
- Legal Services
- Long Haul Trucking
- Medical Services
- Metal/Coal Mining
- Oil and Gas Exploration/Extraction
- Religious Organizations
- Tobacco Stores and Stands/Tobacco Products

Workflow: Quoting

- Company name, address and industry
- Effective date desired
- Employee census
 - Birth date, gender, dependents, zip code
- For preliminary rate include:
 - Claims and census history for past 24 months if available
 - Shock loss history if available

Please see Quoting Checklist and Underwriting Guide for complete details

Workflow: Enrollment

- Employer and Employee enrollment forms
- Signed rating sheet(s)
- Current carrier billing
- First month's premium and claims funding
- PHI Release
- Wage & Tax Report
- COBRA information if appropriate
- Claims history if available
 - Covering 60-days prior to effective date
- Final employer disclosure

Please see Submission Checklist and Underwriting Guide for complete details