

LEVEL UP

LEVEL-FUNDED HEALTHCARE BENEFITS

by JKB Consulting Group

- ▲ CENSUS ONLY UNDERWRITING
- ▲ 12 PLAN DESIGN OPTIONS
- ▲ CENSUS > QUOTE > 48 HOURS
- ▲ LEVEL FUNDING FOR 1099 WORKERS

LEVEL AND SELF-FUNDED HEALTH PLANS

by JKB Consulting Group, LLC

Overview: Level and Self-Funded Health Plans

- According to a report from the Kaiser Foundation over 93% of Fortune 1000 companies utilize a form of self-funding for their health plans.
- Self-funded health plans have been used for nearly 45 years.
- Average annual savings are 12% to 30% when compared to a fully-insured plan.
- Level-funding is a form of self-funding that utilizes 'stop-loss' insurance to eliminate risk for the employer.
- Level-funded simply means the amount you pay is 'level' or the same throughout the year regardless of claim activity. The risk to the employer is capped at the monthly premiums - no assessment nor cash call.

Level-Funded Health Plan Advantages

- Average annual savings are 12% to 30% when compared to a fully-insured plan.
- Level-funded plans are exempt from the excise tax on health insurance premiums (ACA Health Insurance Tax).
- Plans are exempt from some ACA and state mandated benefits requirements.
- Plans are also exempt from regulations regarding minimum-loss ratios and annual rate increase review.
- When claims are lower than projected, you receive 100% reimbursement of claims surplus. Other options can be selected by employer.
- Stop-loss insurance protects against risk of higher-than-expected claims.
- More control and discretion (*ability to approve claims on a case-by-case basis as contracted in plan*).

Reference-Based Pricing (RBP)

- Aon Hewitt's Health Care Survey revealed that 68% of employer's plan to adopt reference-based pricing.
- Delivers greater claims cost savings when compared to a pre-negotiated network discount.
- RBP provides greater transparency.
- Trend (*inflation*) for RBP is 1.4% as opposed to 8%-12% for fully-insured carrier plans.
- RBP allows access to all hospitals nationwide (*Mayo, John Hopkins, etc.*) as if they were in-network.
- RBP plans may utilize PHCS (*Multi-Plan*), First Health, and other PPO networks, PRN as well as Direct Contracting and HPN (*High Performance Networks*).
- Claims processing and customer service will be provided by an approved TPA that has the local and regional presence to provide the appropriate customer service you require.
- All our approved TPAs currently utilize a RBP program and have the ability to manage the specific RBP processes as well as integrate PPO and direct network access.