

## **GROUP HEALTH BENEFITS**

The world of healthcare continues to change. Premier Benefit Plans, Inc. is committed to providing state of the art comprehensive plan alternatives that produce savings.

Premier will evaluate available plan data and utilization reports on current programs and suggest viable alternatives. We will provide your company with the following:

- Comprehensive benefit comparison
- Detailed cost analysis
- Medical provider match reporting
- Evaluation of selection of best carrier/network
- Manage/conduct entire employer education and enrollment process
- Coordination of online communications
- Monthly administrative reporting and monitoring
- Assistance with COBRA/HIPAA issues

## Types of Plans Available:

- CDHP (HSA, HRA)
- HMO
- EPO
- POS
- PPO
- Traditional Indemnity Plan

CDHP	CONSUMER DRIVEN HEALTH PLANS HEALTH SAVINGS ACCOUNTS (HSA) HEALTH REINBURSEMENT ACCOUNT (HRA)	
	<ul> <li>Combination of a tax favored savings account and a qualified high deductible insurance policy</li> <li>Lower premiums than other plans</li> <li>More predictable budgeting to employer</li> <li>Employees are empowered to manage the cost of medical care</li> <li>Presents employee with tax advantage and tax free investment build up with lifetime ownership</li> </ul>	
НМО	HEALTH MAINTENANCE ORGANIZATION	
	<ul> <li>Network based plan</li> <li>Primary care physicians/specialists</li> <li>Referrals are required to see a</li> </ul>	

	specialist  No claim forms required  Copayments apply  Network based plan  Primary care physicians/specialists  No referrals necessary  No claim forms required  Copayments apply	
POS	POINT OF SERVICE  Dual Option of in network or out of network	
	<ul> <li>Primary care physicians/specialists</li> <li>Referrals are required to see a specialist</li> <li>No claim forms required</li> <li>Copayments apply</li> </ul>	<ul> <li>Out of Network</li> <li>Access to any physician</li> <li>Coinsurance</li> <li>Annual deductible</li> <li>Claim forms required</li> </ul>
TRADITIONAL	INDEMNITY PLAN	
	<ul> <li>Access to any physician</li> <li>Coinsurance</li> <li>Annual deductible</li> <li>Claim forms required</li> </ul>	

<b>Least Expensive</b>	>>>>>>	<b>Most Expensive</b>			
Consumer	Health	Exclusive	Point	Preferred	
Driven	Maintenance	Provider	of	Provider	(Indemnity)
Health Plans	Organization	Organization	Service	Organization	
(CDHP) (HSA,HRA)	(HMO)	(EPO)	(POS)	(PPO)	

These products can be funded in various ways:

# **Fully insured**

Under a fully insured plan, the rates are guaranteed for a twelve-month period based on the census of current employees, industry adjustment factor, and claims experience. The advantages of this type of program are as follows:

- Finite expense with minimal risk to the company.
- Allows the ability to take advantage of a good industry adjustment factor and demographic.
- Depending on the carrier selected, claims experience may be available on renewal.
- First year claims are blended against manually rated block of business with most carriers

#### **Self Funded**

Under a self funded insured contract, the employer pays fixed costs every month. Included in these costs are individual and aggregate stop-loss costs, as well as administrative services and network access fees. These charges are represented as the minimum cost. Each claim is also charged against the employer's bank account on a weekly, bi-weekly, or monthly basis. These costs are represented as the projected maximum charge. The reinsurance carrier will pay claims that are over the individual stop loss. Should a group, as a whole, run above the projected aggregate cost, the reinsurance carrier will absorb these costs. Essentially, an employer absorbs the risk of the claims until the individual and aggregate stop loss points are reached. The following are some of the advantages:

- Allows greater flexibility in paying claims or authorizing payment.
- Exempt from state laws and regulations such as premium taxes and mandatory benefits.
- Improves cash flow by allowing a company to capitalize on low utilization and claims lag of two
  to three months.
- Allows access on a monthly or quarterly basis to claims experience

### Lower rates as a group

Coverage is purchased as a whole entity under a master policy. In turn, this results in attractive rates lower than individual policies.