



KEY FEATURES OF THE LEVEL FUNDED PLAN

- Privately held TPA with 35 years of experience
- Focus areas: Self & Level Plan Design and Administration
 - Highly customizable
- Providing TPA services for non-captive self & level funded plans
- Cost containment
 - Reference based pricing - traditional and hybrid
 - Bill review
 - Ability to utilize a tradition & transparent pass through PBM model (determined on a client by client basis)
- Best in class customer service
 - Team averages a tenure of 5 years of service with TBG
 - Located in Omaha, NE
 - Servicing all time zones
 - Care Navigation
- Technology
 - Online & mobile benefit portals (Employer, Member, & Broker (coming soon))
 - Mobile app coming soon!
- Average Client Retention = 10 years
- Network Lease Arrangements: Cigna & Ability to access most BCBS networks
- Compliance
 - In-house General Counsel
 - Enhanced Compliance Services

How is This Plan Different from a Fully-Insured Plan?

Under a fully insured plan, the monthly premium costs are locked in. Even if a group is healthy and has limited claims, the savings are kept by the insurance company.

With Level Funding, and the smart use of stop loss coverage, employers pay a monthly cost which is the maximum cost. No matter how much claims are in a month, employers will never pay more than this monthly cost. After all claims are paid for the year, if there is unused money in the claim fund, it will be returned to the employer per the contract terms.

KEY HIGHLIGHTS

- **Defined and Contained Risk** – The employer’s maximum exposure and annual costs are determined up front through the purchase of stop loss insurance. Standard provisions include coverage for claims paid after the end of the plan year (no run-out exposure).

- Risk is defined to the penny!

- **Stabilized Cash Flow** – Maximum annual claim liability is equally spread over 12 months. If the employer’s claim fund does not contain sufficient money to cover claims, the stop loss coverage will advance the necessary funds (also referred to as “Accommodation”). No additional funds will be requested if the plan has a shortfall.

WHAT ARE THE ADVANTAGES OF THE LEVEL FUNDED PLAN

Plan Design Flexibility

With level-funded plans, the employer has significant control when deciding on plan coverage options and exclusions. Plan documents can be customized to meet the employer's needs and goals.

Claim Fund

Maximum annual claims costs are predetermined and the employer pays 1/12 of this cost each month for the 12 months of the plan year. After this amount, there are no other charges for the claim fund. Once all claims have been paid for the plan year, unused dollars in the claim fund are returned to the employer.

- **Plan Year & Terminal Liability** – The plan year runs for 12 months from the effective date of the plan year. Claims incurred during the plan year will be paid through a 9-month run-out period and any balance in the claims fund is refunded to the employer. Terminal Liability coverage is built into the plan by providing the 9-month run-out period.

The Benefit Group, Inc.

The Benefit Group, Inc. ("TBG") is a third party administrator with a primary focus on proactive risk management and customized plan designs for our clients. TBG knows that providing excellent service requires much more than simply paying claims.

We firmly believe in building strong relationships with each of our clients. This allows us to identify a client's specific needs and goals so we can help control costs and provide a comprehensive employee benefit package.

TBG partners with several vendors who specialize in high-level risk management and claims auditing services.

- Partnership Example: Advanced Medical Pricing Solutions ("AMPS")
 - Utilizes a proprietary claims auditing system combined with key plan language, resulting in significant reductions in high cost facility fees for our clients.
 - Runs a line-by-line claims audit making recommendations to reduce or eliminate charges that are in excess of usual and customary fees.
 - Takes "cost to charge ratio" and Medicare like rates into account when making its recommendations to clients.

