



## **Partially Self-Funded Proposal**

**1/1/2024**

*Prepared for:*

**Sample Proposal**

*Prepared on behalf of:*

*The Last Healthcare Plan You'll Ever Need*

# EVHC

## The Last Healthcare Plan You'll Ever Need

At EVHC, we are a special breed of healthcare experts. Our team is composed of plan design and cost containment architects, ERISA and ACA compliance counsel, risk management and reporting analysts and IT and wellness innovators. Together, we have one common goal – to bring to you... ***The Last Healthcare Plan You'll Ever Need.***

We are changing the landscape of employer-based health plans. We completely customize your plan to ensure the highest possible savings, plan efficiencies, and customer service. Evolution Healthcare provides employers the opportunity to acquire and manage their plan like a Fortune 500 company with our just-add-water approach to self-funding.

The ideal health plan for your company doesn't come pre-packaged. Your plan should be custom designed for your needs. Are you tired of getting stuck with pre-packaged healthcare plans that do not fit your needs? ***It's time to evolve. It's time for EVHC.***

### ***The Evolution Experience***

- ✓ Consolidated Administration
- ✓ Custom Plan Design with Equal or Better Benefits
- ✓ Long-Term Consultative Approach
- ✓ Integrated Benefits, HR & Payroll
- ✓ Concierge-Level Customer Service and Benefit Advocacy
- ✓ Transparent Healthcare Costs
- ✓ Actionable Performance Reporting Data

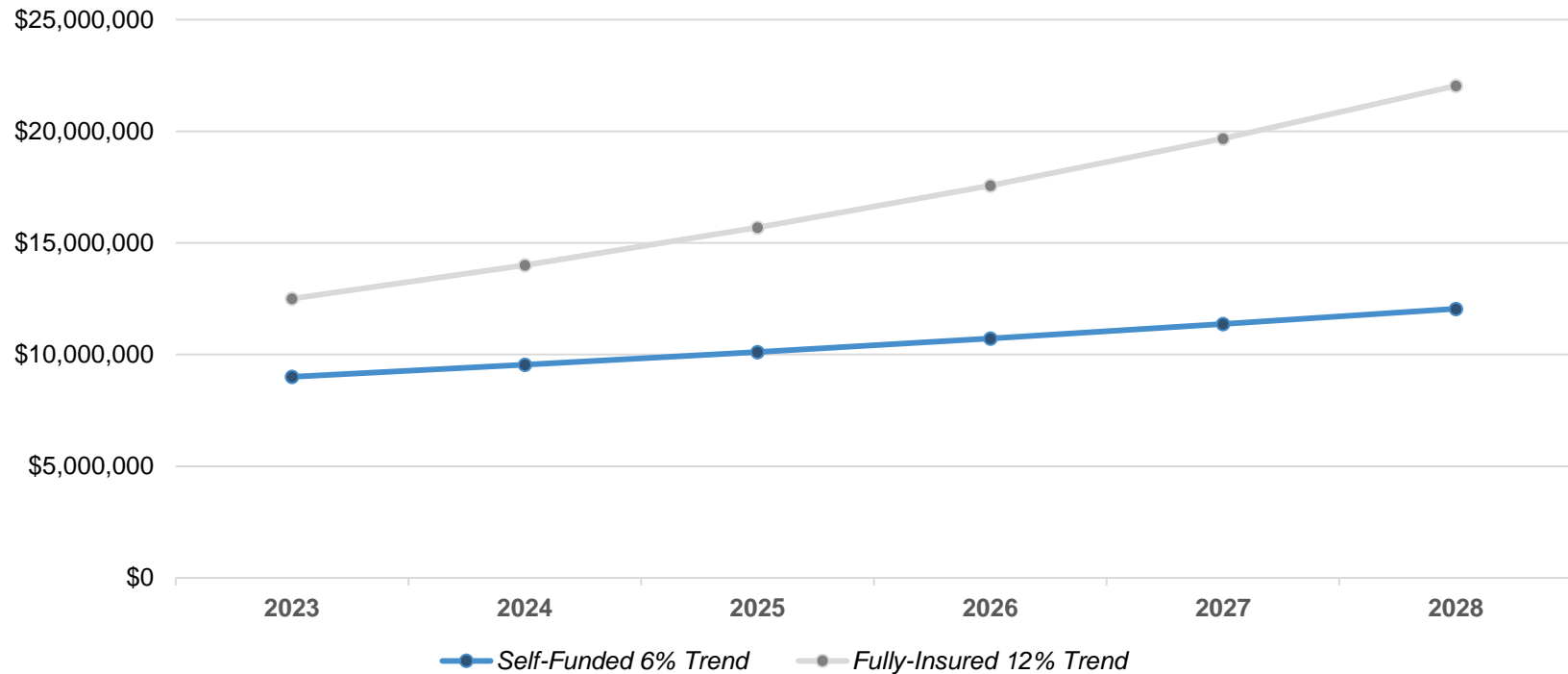




## 5 Year Trend Analysis

Self-Funded 5 Year Total  
 Fully-Insured 5 Year Total **\$88,965,373**  
**5 Year Savings \$35,157,025**

	2023	2024	2025	2026	2027	2028
<b>Self-Funded 6 % Trend</b>	<b>\$9,005,101</b>	<b>\$9,545,407</b>	<b>\$10,118,132</b>	<b>\$10,725,220</b>	<b>\$11,368,733</b>	<b>\$12,050,857</b>
<b>Fully-Insured 12 % Trend</b>	<b>\$12,503,585</b>	<b>\$14,004,016</b>	<b>\$15,684,497</b>	<b>\$17,566,637</b>	<b>\$19,674,634</b>	<b>\$22,035,590</b>



1. The fully insured costs are based on the "Fully-Insured Carrier's" released renewal option
2. The self-funded costs are based on the proposed "expected" annual paid claims plus the proposed annual fixed for the same period

### Summary Cost Projections

Fully-Insured			Partially Self-Funded								
Current Costs			Renewal Costs			Maximum Costs			Expected Costs		
1	Carrier <b>Anthem</b> Effective 1/1/2023		Carrier <b>Anthem</b> Effective 1/1/2024			\$200,000 Individual Deductible 12/15 Contract Basis Network <b>Anthem</b> Effective 1/1/2024			\$200,000 Individual Deductible 12/15 Contract Basis Network <b>Anthem</b> Effective 1/1/2024		
	<b>HRA 3500</b>		<b>HRA 3500</b>			<b>Fixed Costs</b>			<b>Fixed Costs</b>		
	Employee 65 \$600.99		Employee 65 \$784.29			Employee 358 \$163.12			Employee 358 \$163.12		
	EE/SP 12 \$1,322.18		EE/SP 12 \$1,725.44			Family 280 \$274.60			Family 280 \$274.60		
	EE/CH 39 \$1,081.79		EE/CH 39 \$1,411.73			<b>Totals 638 \$135,284.96</b>			<b>Totals 638 \$135,284.96</b>		
	Family 23 \$1,863.07		Family 23 \$2,431.31								
	<b>Totals 139 \$139,970.93</b>		<b>Totals 139 \$182,661.73</b>								
	<b>HRA 2000</b>		<b>HRA 2000</b>			<b>Reinsurance Premiums</b>			<b>Reinsurance Premiums</b>		
	Employee 74 \$705.88		Employee 74 \$921.17			• Specific stop loss			• Specific stop loss		
	EE/SP 9 \$1,552.95		EE/SP 9 \$2,026.60			• Aggregate stop loss			• Aggregate stop loss		
	EE/CH 13 \$1,270.60		EE/CH 13 \$1,658.13			<b>Administration</b>			<b>Administration</b>		
	Family 20 \$2,188.24		Family 20 \$2,855.65			• Medical claims administration			• Medical claims administration		
	<b>Totals 116 \$126,494.27</b>		<b>Totals 116 \$165,074.67</b>			• Billing and eligibility management			• Billing and eligibility management		
						• Utilization review / Care management			• Utilization review / Care management		
	<b>HSA HDHP</b>		<b>HSA HDHP</b>			• PPO Network Access			• PPO Network Access		
	Employee 88 \$763.87		Employee 88 \$996.85			• Pharmacy benefit management			• Pharmacy benefit management		
	EE/SP 15 \$1,680.49		EE/SP 15 \$2,193.04			• Executive management reports and analysis			• Executive management reports and analysis		
	EE/CH 46 \$1,374.95		EE/CH 46 \$1,794.31			• Carrier risk assessment and placement			• Carrier risk assessment and placement		
	Family 37 \$2,367.95		Family 37 \$3,090.18			• Vendor audits			• Vendor audits		
	<b>Totals 186 \$243,289.76</b>		<b>Totals 186 \$317,493.32</b>			• Regulatory and compliance services			• Regulatory and compliance services		
						• Online benefits management portal			• Online benefits management portal		
	<b>PPO High</b>		<b>PPO High</b>			• <b>Golden Triangle dialysis specialty network</b>			• <b>Golden Triangle dialysis specialty network</b>		
	Employee 131 \$1,042.56		Employee 131 \$1,360.54			• HIPAA administrative services			• HIPAA administrative services		
	EE/SP 19 \$2,293.66		EE/SP 19 \$2,993.22			• Virtual physician access			• Virtual physician access		
	EE/CH 32 \$1,876.63		EE/CH 32 \$2,449.00			• COBRA continuation administrative services			• COBRA continuation administrative services		
	Family 15 \$3,231.97		Family 15 \$4,217.72			<b>Maximum Aggregate</b>			<b>Expected Aggregate</b>		
	<b>Totals 197 \$288,686.61</b>		<b>Totals 197 \$376,735.72</b>			Aggregate stop loss pays incurred health and Rx claims under \$200,000 per individual per year on a 12/12 basis (with TLO and aggregate accommodation provisions)			Aggregate stop loss pays incurred health and Rx claims under \$200,000 per individual per year on a 12/12 basis (with TLO and aggregate accommodation provisions)		
	<b>Total Enrolled 638</b>		<b>Total Enrolled 638</b>						<b>Total Enrolled 638</b>		
2	<b>Total Monthly Fixed Costs \$798,442</b>		<b>Total Monthly Fixed Costs \$1,041,965</b>			<b>Total Monthly Fixed Costs \$135,285</b>			<b>Total Monthly Fixed Costs \$135,285</b>		
3	<b>Total Annual Fixed Costs \$9,581,299</b>		<b>Total Annual Fixed Costs \$12,503,585</b>			<b>Total Annual Fixed Costs \$1,623,420</b>			<b>Total Annual Fixed Costs \$1,623,420</b>		
4	<b>Claim Liability none</b>		<b>Claim Liability none</b>			<b>4 Maximum Monthly Claim Liability \$758,509</b>			<b>Expected Monthly Claim Liability \$606,807</b>		
5						<b>5 Maximum Annual Claim Liability \$9,102,102</b>			<b>Expected Annual Claim Liability \$7,281,682</b>		
						<b>Annual Aggregating Specific \$100,000</b>			<b>Annual Aggregating Specific \$100,000</b>		
6	<b>Total Cost \$9,581,299</b>		<b>Total Cost \$12,503,585</b>			<b>Total Cost \$10,825,522</b>			<b>Total Cost \$9,005,101</b>		
			30.50%			12.99%			-6.01%		

All Rates are based upon the above effective date and the data submitted. They are also subject to final underwriting. Please review the attached Conditions of Quotation page for additional requirements and details.



## Illustrative Accrual Funding Rates

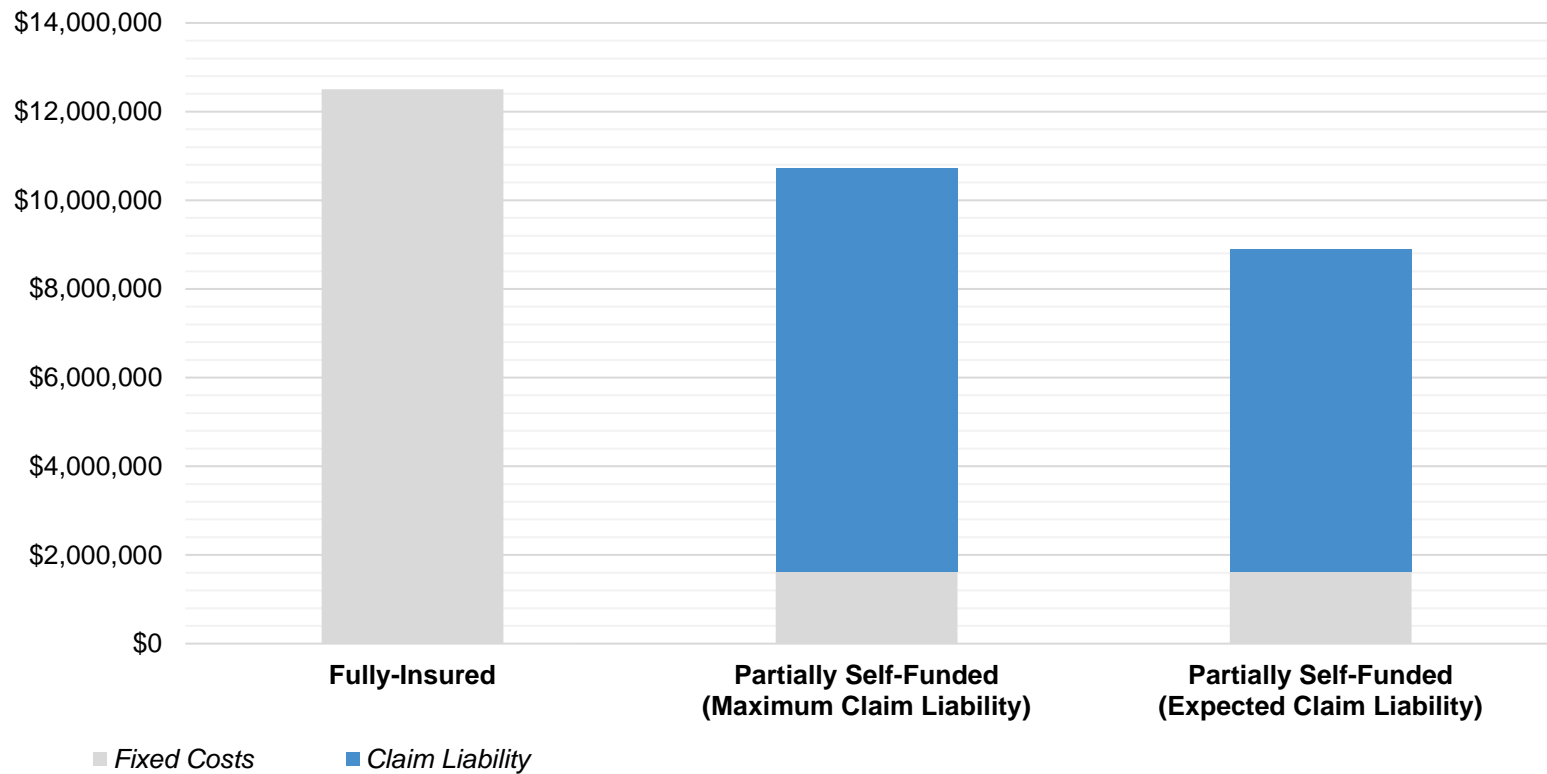
		Anthem		EVHC	
		Fully-Insured		Partially Self-Funded	
		30.50%		12.99%	-6.01%
		Current	Renewal	Maximum	Expected
		1/1/2023	1/1/2024	1/1/2024	1/1/2024
<b>HRA 3500</b>					
<i>Employee</i>	65	\$600.99	\$784.29	\$679.03	\$564.85
<i>EE/SP</i>	12	\$1,322.18	\$1,725.44	\$1,493.88	\$1,242.67
<i>EE/CH</i>	39	\$1,081.79	\$1,411.73	\$1,222.27	\$1,016.73
<i>Family</i>	23	\$1,863.07	\$2,431.31	\$2,105.01	\$1,751.03
<b>Totals</b>	<b>139</b>	<b>\$139,970.93</b>	<b>\$182,661.73</b>	<b>\$158,147.49</b>	<b>\$131,553.39</b>
<b>HRA 2000</b>					
<i>Employee</i>	74	\$705.88	\$921.17	\$797.55	\$663.43
<i>EE/SP</i>	9	\$1,552.95	\$2,026.60	\$1,754.62	\$1,459.56
<i>EE/CH</i>	13	\$1,270.60	\$1,658.13	\$1,435.60	\$1,194.19
<i>Family</i>	20	\$2,188.24	\$2,855.65	\$2,472.40	\$2,056.64
<b>Totals</b>	<b>116</b>	<b>\$126,494.27</b>	<b>\$165,074.67</b>	<b>\$142,920.75</b>	<b>\$118,887.19</b>
<b>HSA HDHP</b>					
<i>Employee</i>	88	\$763.87	\$996.85	\$863.07	\$717.93
<i>EE/SP</i>	15	\$1,680.49	\$2,193.04	\$1,898.72	\$1,579.43
<i>EE/CH</i>	46	\$1,374.95	\$1,794.31	\$1,553.50	\$1,292.26
<i>Family</i>	37	\$2,367.95	\$3,090.18	\$2,675.45	\$2,225.55
<b>Totals</b>	<b>186</b>	<b>\$243,289.76</b>	<b>\$317,493.32</b>	<b>\$274,883.25</b>	<b>\$228,658.86</b>
<b>PPO High</b>					
<i>Employee</i>	131	\$1,042.56	\$1,360.54	\$1,177.95	\$979.86
<i>EE/SP</i>	19	\$2,293.66	\$2,993.22	\$2,591.51	\$2,155.72
<i>EE/CH</i>	32	\$1,876.63	\$2,449.00	\$2,120.33	\$1,763.77
<i>Family</i>	15	\$3,231.97	\$4,217.72	\$3,651.67	\$3,037.61
<b>Totals</b>	<b>197</b>	<b>\$288,686.61</b>	<b>\$376,735.72</b>	<b>\$326,175.31</b>	<b>\$271,325.65</b>
<b>Enrolled</b>	<b>638</b>				
<b>Total Monthly Cost</b>		\$798,442	\$1,041,965	\$902,127	\$750,425
<b>Total Annual Cost</b>		<b>\$9,581,299</b>	<b>\$12,503,585</b>	<b>\$10,825,522</b>	<b>\$9,005,101</b>

Please review the attached Conditions of Quotation page for additional requirements and details.

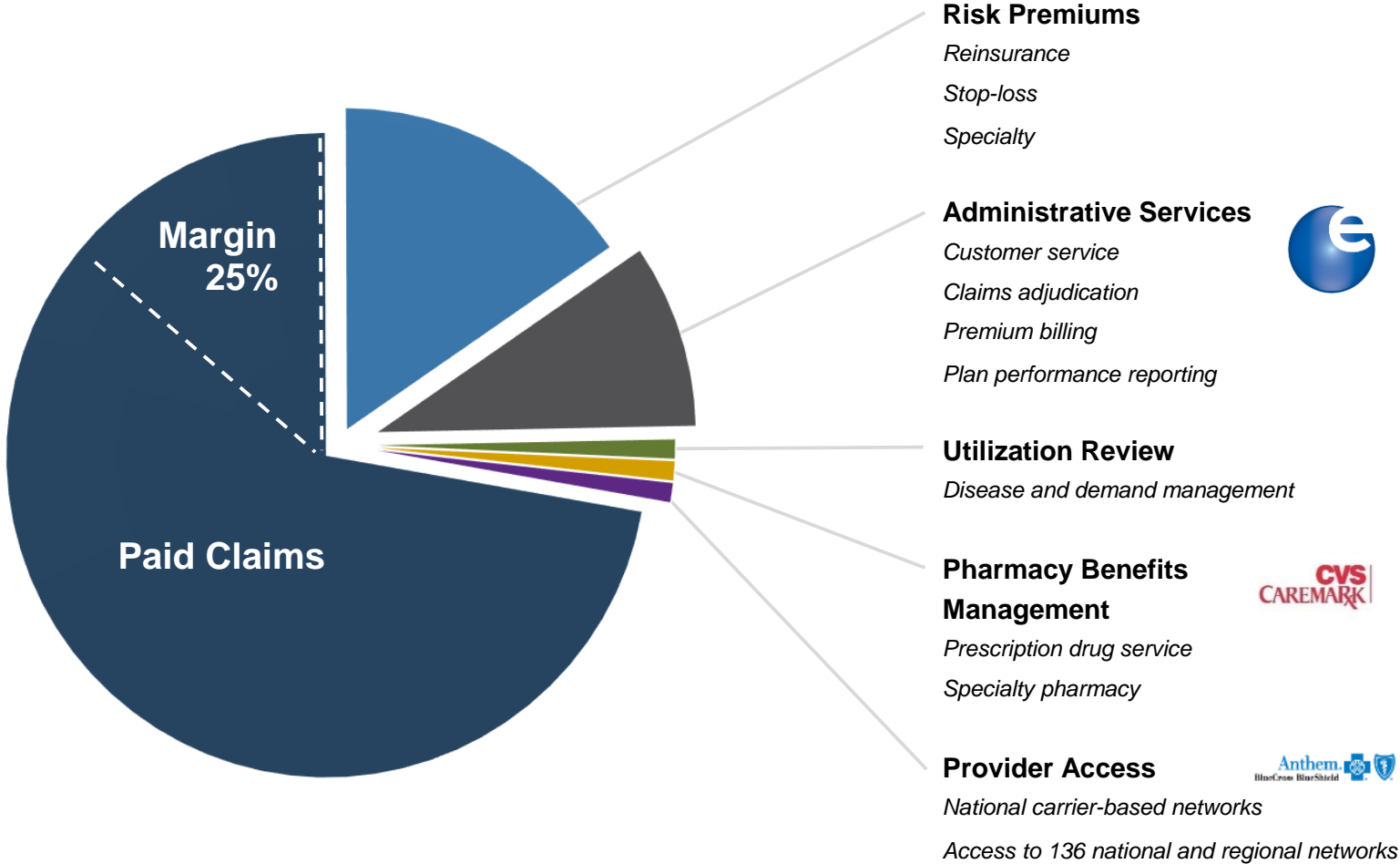


# Annual Cost Comparison

	<b>Fully-Insured</b>	<b>Partially Self-Funded (Maximum Claim Liability)</b>	<b>Partially Self-Funded (Expected Claim Liability)</b>
<i>Fixed Costs</i>	<b>\$12,503,585</b>	<b>\$1,623,420</b>	<b>\$1,623,420</b>
<i>Claim Liability</i>	<b>none</b>	<b>\$9,102,102</b>	<b>\$7,281,682</b>
<b>Total Annual Cost</b>	<b>\$12,503,585</b>	<b>\$10,825,522</b>	<b>\$9,005,101</b>



EVHC's Customized Platform



## Components of a Healthcare Plan

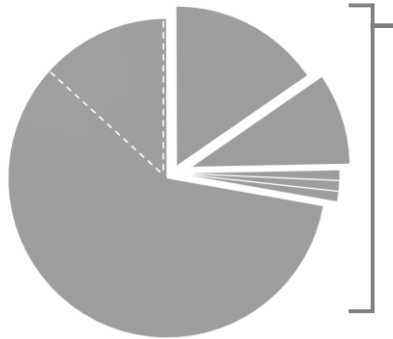
### Fully-Insured

Anthem

Effective

1/1/2024

**Margin**  
Retained by Carrier



#### 100% Fixed Costs

Fully-insured fixed premiums  
Premiums paid direct to carrier  
Carrier retains margin

#### Fully-Insured Total Annual

All Plans Total Cost	<b>\$12,503,585</b>
Change from Current	<b>30.50%</b>

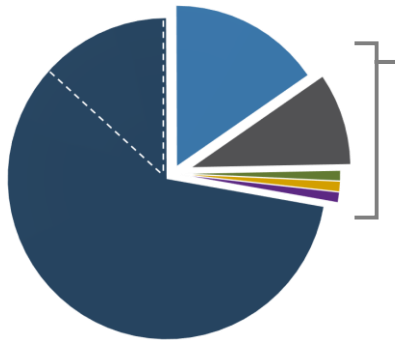
### Partially Self-Funded

EVHC

Effective

1/1/2024

**Margin**  
\$1,820,420



**Fixed Costs**  
\$1,623,420

Risk Premiums  
Claims Administration  
Utilization Review  
PPO Access  
PBM

#### Partially Self-Funded Total Annual

Maximum Total Cost	<b>\$10,825,522</b>
Change from Current	<b>12.99%</b>
Savings	<b>\$1,678,064</b>
Expected Total Cost	<b>\$9,005,101</b>
Change from Current	<b>-6.01%</b>
Savings	<b>\$3,498,484</b>

**Paid Claims**

**\$9,102,102** Maximum

**\$7,281,682** Expected



# Plan Design



	HRA 3500		HRA 2000		HSA HDHP		PPO High	
	<i>In-Network</i>	<i>Out-of-Network</i>	<i>In-Network</i>	<i>Out-of-Network</i>	<i>In-Network</i>	<i>Out-of-Network</i>	<i>In-Network</i>	<i>Out-of-Network</i>
<b>Deductible (Ded)</b>								
Individual	\$3,500	\$10,500	\$2,000	\$6,000	\$2,250	\$2,250	\$500	\$500
Family	\$7,000	\$21,000	\$4,000	\$12,000	\$3,000Mem / \$4,500fam	\$3,000Mem / \$4,500fam	\$1,500	\$1,500
<b>Out-of-Pocket Maximum</b>								
Individual	\$7,000	\$21,000	\$5,000	\$15,000	\$3,200	\$6,000	\$2,000	\$5,000
Family	\$14,000	\$42,000	\$10,000	\$30,000	\$3,200Mem / \$6,000fam	\$6,000Mem/\$12,000fam	\$6,000	\$15,000
<b>Preventive Services</b>								
Screening / Testing	No Charge	50% after Ded	No Charge	40% after Ded	No Charge	50% after Ded	No Charge	30% after Ded
<b>Office Visits</b>								
Primary Care Physician	\$30 Copay	50% after Ded	\$30 Copay	40% after Ded	20% after Ded	50% after Ded	\$15 Copay	30% after Ded
Specialist	\$60 Copay	50% after Ded	\$30 Copay	40% after Ded	20% after Ded	50% after Ded	\$30 Copay	30% after Ded
<b>Emergency / Urgent Care</b>								
Urgent Care Center	\$30 Copay	50% after Ded	\$30 Copay	40% after Ded	20% after Ded	50% after Ded	\$15 Copay	30% after Ded
Hospital Emergency Room (Copay waived if admitted)	20% after Ded	Treated as in-network	20% after Ded	Treated as in-network	\$100 Copay then 20% after Ded	Treated as in-network	10% after Ded	Treated as in-network
<b>Hospitalization</b>								
Inpatient Facility Services	20% after Ded	50% after Ded	20% after Ded	40% after Ded	\$100 Copay then 20% after Ded	50% after Ded	10% after Ded	30% after Ded
Outpatient Facility Services	20% after Ded	50% after Ded	20% after Ded	40% after Ded	20% after Ded	50% after Ded	10% after Ded	30% after Ded
<b>Prescription Drug Plan</b>								
Annual Deductible	None		None		Combined with Medical		None	
Out-of-Pocket Maximum	Combined with Medical		Combined with Medical		Combined with Medical		Combined with Medical	
Tier I (Generic)	a.) \$5 Copay b.) \$15 Copay		a.) \$5 Copay b.) \$15 Copay		\$10 Copay		\$10 Copay	
Tier II (Preferred)	\$40 Copay		\$40 Copay		\$25 Copay		\$20 Copay	
Tier III (Non-Preferred)	\$60 Copay		\$60 Copay		\$40 Copay		\$35 Copay	
90 day maintenance	2.5 x Retail		3 x Retail		2 x Retail		2 x Retail	

## Conditions of Quotation



### *Effective Date*

**1/1/2024**

All rates are based upon the above effective date and the data submitted. They are also subject to final underwriting, including; receipt and verification of final census, signed disclosure statement approved by the stop loss provider, monthly paid claims, large claims and enrollments for the 24 month period prior to the effective date. The Stop Loss proposal requires all employees to be actively at work. Changes in quoted enrollments or enrollments by plan may result in rate adjustments.

Quote subject to review of additional information on any claimants 50% in excess of the quoted specific stop loss limit and/or those with a "trigger" diagnosis (a higher specific deductible may be required)

Quote assumes run-out claims will be administered by the current carrier, if applicable.

Quoted rates and factors are subject to groups completion and reinsurance carrier acceptance of a large claim disclosure statement.

This presentation constitutes an entire package. Any deviation, including not purchasing any quoted line of coverage, may change the proposal and result in increased rates.

We have made every effort to supply you with an accurate and comprehensive proposal, however, we will not be bound by any typographical errors or omissions contained herein.

PPO integration fees are included in our proposal. PPO directories are available online; additional fees may be billed on a pass through basis for printed PPO directories.

All quoted lines of coverage (except Optional Life, if quoted) require a minimum 75% participation level of eligible employees.

The Aggregate Stop Loss policy will include a Minimum Annual Aggregate. Please refer to the actual policy wording.

The Accrual Funding Rates are illustrative rates. Changes in enrollment by plan or rate tier may result in funding being less than or greater than the actual contractual liability of the plan.

All ACA Fees are included under the aggregate liability but will be the responsibility of the employer (\$2.79 per member per month). Evolution will prepare all necessary documentation for payment.

The Stop Loss policy may include a limitation on reimbursements for "hospital groups" and/or "medical groups" who utilize their own facilities for services on covered employees/dependents. Please refer to the actual policy wording.

Actuarial certified COBRA rates and reserve analysis are highly recommended. The actuarial service fee is \$500.

There will be a one time set-up fee of \$5,950.00 for plan document preparation and review, standard ID card & enrollment kits.

(638 Employees)

**8/29/2023**