# REIMAGINING EMPLOYEE BENEFITS

McGohan Brabender

PROUD TO BE EMPLOYEE-OWNED

**June 20, 2025**
McGohan Brabender
475 Metro Pl S #300
Dublin, OH 43017

Tammy Hamilla
CFO/Treasurer
Mansfield City School District
856 W. Cook Rd
Mansfield, OH 44907

**Subject: RFP Response – Health Benefits Consulting Services**

Dear Ms. Hamilla,

More than 50 years ago, McGohan Brabender was founded with a simple mission: to improve lives by delivering better health outcomes through smarter benefit strategies. As an employee-owned company (ESOP), our people are deeply invested in the success of every client we serve—and nowhere is that more evident than in our work with public sector employers across Ohio. Today, we're proud to support **250 school districts and local governments statewide**, helping them manage costs, reduce risk, and deliver exceptional support to their employees.

We're honored to submit our response to Mansfield City School District's RFP for Health Benefit Consulting Services. Our approach is simple: **we're ready to execute the strategy that makes the most sense for MCSD**, whether that means optimizing your current plan with Medical Mutual or exploring opportunities to "unbundle" your plan structure. But no matter what direction you choose, our relationship will begin with immediate, tangible improvements to your employees' experience.

First, we will deploy our **MB Advocates** team—our in-house, W-2 employee call center based in Dayton, Ohio—to serve as a direct support resource for your staff and their families. The MB Advocates are skilled problem-solvers who work full-time answering questions about EOBs, pharmacy authorizations, plan benefits, claim disputes, and more. Your employees will have a go-to team that listens, responds, and resolves.

Second, we'll stand up a fully customized **XPlore Benefits Website** for your district - a 24/7 digital hub where your employees can easily review, understand, and engage with all the benefits MCSD offers. This mobile-friendly platform is designed to reduce confusion and increase satisfaction by putting everything in one place.

Scan this QR Code to see a sample ***Xplore*** site created for Mansfield City Schools!

Your Xplore site contains:

- Links to PDFs for your benefits info and videos explaining how your benefits work
- A.I. chatbot that can answer questions about your plan, such as deductible & co-pays
- Quick Link to access assistance from our MB Advocates
- Decision Support Tools (plan cost calculator, life/disability calculators)
- ***Xplore*** is fully customizable! Just tell us what you want to add or remove.

With those member-facing resources in place and the load lightened for your HR and Finance team, we'll turn our focus to your upcoming renewal. From here, we can travel two paths:

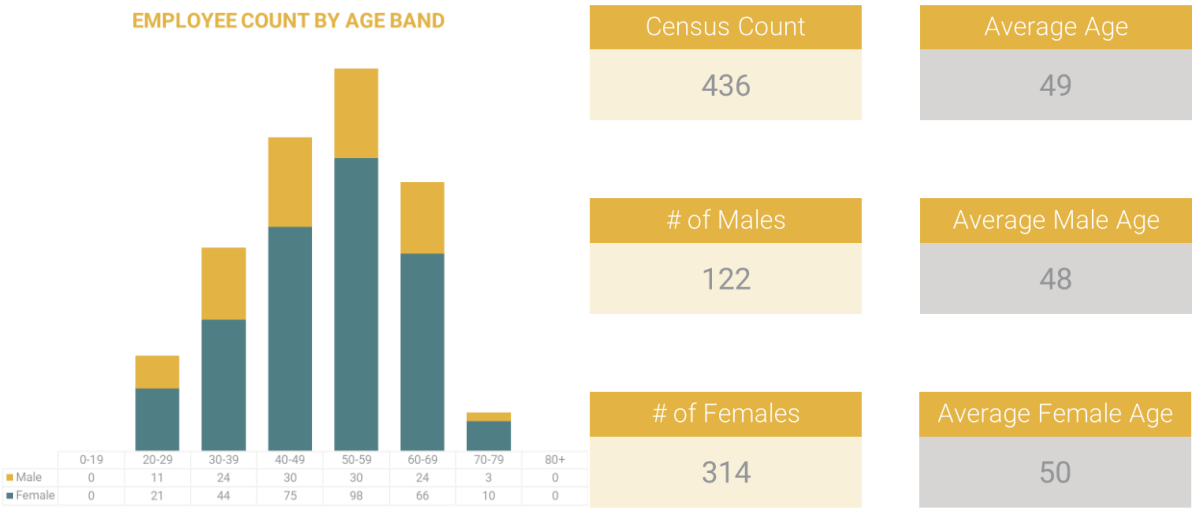
- **Path 1:** Optimize your current partnership with MMO, identifying contract improvements and leveraging our data to guide smarter renewals.
- **Path 2:** Explore unbundling -separating key plan components like TPA, network, PBM, and stop loss - to increase transparency, control, and potential savings.

**Path 1 – Optimize Your Current MMO Arrangement**

If Mansfield City Schools prefers to maintain its relationship with Medical Mutual, we can absolutely support that strategy - while still unlocking potential value. Our team will conduct a full **market validation** to confirm that MMO remains the right fit, backed by an actuarial review and future risk projection using our proprietary analytics platform. We'll also complete a comprehensive **pharmacy contract evaluation** to ensure your Rx pricing is current and competitive. During new-client onboarding, we frequently uncover **5%–30% in pharmacy savings** - equivalent to **$200,000 to over $1 million** annually - by modernizing outdated contract terms.

In addition, we'll assess your population health profile and explore cost management strategies that align with your data. For instance, MCSD's average of **3.32 members per enrolled employee** is notably higher than the industry norm of 2.4–2.8 and may warrant a closer look at **spousal coverage rules, carve-out arrangements, or targeted incentives**. We also identified that **103 employees enrolled are age 60 or older**, presenting an opportunity to deliver tailored Medicare education and help lower high-risk exposure over time.

Think of this path as pressing the **"easy button"** - where disruption is minimal, but our experienced team brings fresh eyes to uncover meaningful savings and modernization opportunities that may have gone previously unnoticed.



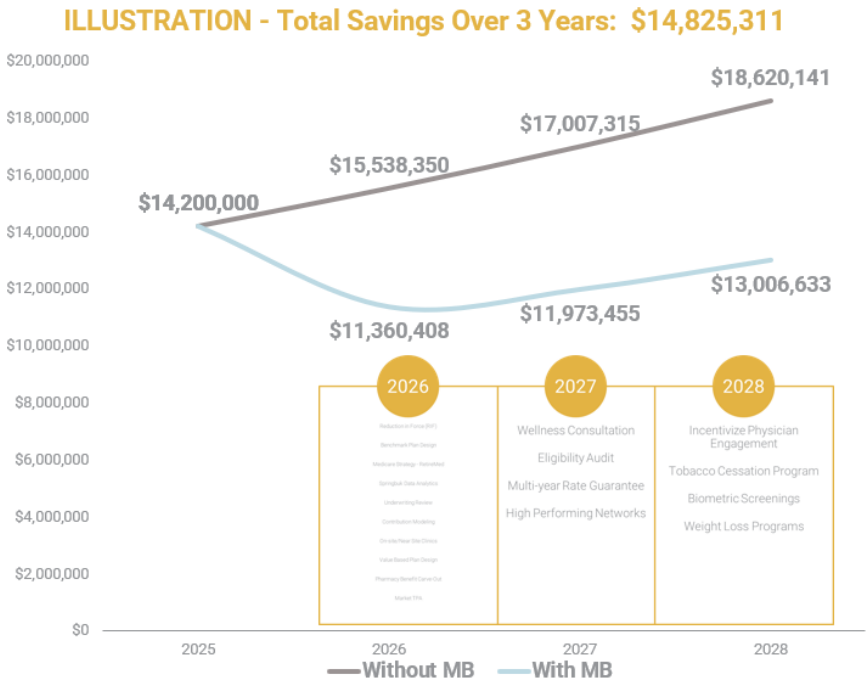

**Path 2 – Explore Unbundling for Greater Flexibility and Savings**

Given the financial challenges Mansfield City Schools has recently navigated, it may be the right time to consider a more transformative path. This option builds on everything included in **Path 1**, yet adds a deeper evaluation into whether an **"unbundled" health plan structure** - separating your TPA, network, pharmacy benefit manager, and stop-loss carrier - would better serve the District.

McGohan Brabender has significant experience guiding public sector clients through this transition **without increasing administrative complexity**. In many cases, we're able to **streamline operations**, reduce cash flow volatility, and even consolidate outgoing payments - creating a more efficient and predictable funding environment for both the Treasurer's office and your employees.

While this path presents **the greatest opportunity for cost savings**, it also comes with important decisions around structure and vendor alignment. We'll walk you through those options, quantify the potential return, and ensure you fully understand the **risk/reward profile** before any action is taken.

A sample timeline of savings on Path 2 is illustrated below.




In addition to exploring your renewal options, we will also introduce **three high-impact opportunities** tailored to MCSD's current situation - each with the potential to generate substantial savings while improving employee choice and experience:

1. **Spousal Incentive Program** - This strategy builds upon your existing MERP by incorporating a simple, yet powerful, **decision support tool** that helps employees determine whether remaining on MCSD's plan or enrolling in a spouse's plan is in their best financial interest. The program is completely optional and can either enhance or replace the current MERP structure. With minimal disruption, this approach has the potential to produce **estimated first-year savings of 3% - approximately $357,000** - making it a compelling win-win for the District and your employees.

2. **Co-Pay Plan with Member Savings Incentives** -This ACA-compliant model transforms the traditional insurance experience by giving employees **upfront cost transparency** and real-time financial incentives. At the point of care or prescription, employees use a **pre-funded debit card** provided by the insurer to pay the cash price. If the service or medication costs less than the allotted amount, the employee keeps **50% of the savings**. The result? Increased consumer engagement, smarter utilization, and a proposal-backed savings potential of over **$6,000 per employee annually** - translating to **$2 million+ per year** for MCSD.

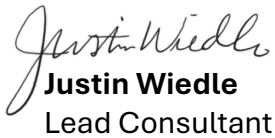
3. **ICHRA (Individual Coverage Health Reimbursement Arrangement)** - One of the fastest-growing insurance strategies among employers, the ICHRA model allows the District to fund a **monthly allowance** for each benefits-eligible employee, who can then shop for a health plan that best fits their personal and family needs. With Ohio ranking among the **top three states for ICHRA success**, this approach could unlock **annual savings of up to $4 million**. While it introduces greater change than the other two options, it also presents the most scalable and long-term savings opportunity available.

| *ILLUSTRATIVE QUOTES/PROPOSALS* | Current 2025 | After RIF 2026 | Incentive 2026 | CoPay Plan 2026 | ICHRA 2026 |
|---|---|---|---|---|---|
| Number of Employees Enrolled | 436 | 366 | 355 | 366 | 366 |
| Premium/Budget - Per Employee Per Year | $ 32,530 | $ 32,530 | $ 32,530 | $ 26,487 | $ 21,162 |
| Total Premium/Cost | $ 14,183,080 | $ 11,905,980 | $ 11,548,801 | $ 9,694,242 | $ 7,745,292 |
| Savings vs 2025 (before RIF) | $ - | $ (2,277,100) | $ (2,634,279) | $ (4,488,838) | $ (6,437,788) |
| **Savings vs 2026 (after RIF)** | **$ -** | **$ -** | **$ (357,179)** | **$ (2,211,738)** | **$ (4,160,688)** |

**illustrative - these figures are from real proposals – additional claims and membership details required to "lock" these rates for 2026*

In conclusion, at McGohan Brabender, we combine deep public sector experience with industry-leading market leverage and a client-first service model. Our independence allows us to remain agile, creative, and fiercely focused on what's best for our clients. And perhaps most importantly—**we are easy to work with**. You'll have a dedicated team that communicates clearly, executes confidently, and makes transitions seamless.

Thank you for the opportunity to be considered. We look forward to speaking with you further about how McGohan Brabender can bring new ideas, better outcomes, and unmatched service to Mansfield City School District.



**Justin Wiedle**
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McGohan Brabender

# REQUEST FOR PROPOSAL:
# HEALTH BENEFITS CONSULTING SERVICES

Mansfield City Schools
2025-06-20

# Contents

# PRESENTATION EXPECTATIONS

## Brief overview of your firm.

McGohan Brabender, Inc. (MB) was established in 1972 by Patrick McGohan as McGohan and Associates. Today, McGohan Brabender is one of the largest independently owned employee benefits brokerage agencies in the country, with offices in Dayton, Cincinnati, Columbus, Indianapolis, Fort Mitchell, and Cleveland. McGohan Brabender operates as an ESOP (Employee Stock Ownership Plan) to ensure its independence for years to come. Being an ESOP allows the company to focus on delivering value to its clients rather than external investors. McGohan Brabender's philosophy is that when our clients win, the company wins as well.

We employ 260+ employee benefits experts, serving 1,500+ clients, representing over $1.7 billion in healthcare investment. MB takes pride in building and maintaining strong client relationships, resulting in a 92.8% client retention rate, which is 8-10% above the industry average.


Additionally, through the C2 equal-equity partnership, McGohan Brabender collaborates with seven independent broker agencies throughout the US. This partnership allows each member firm to serve groups with regional knowledge while maintaining a national presence. As a result, the company can deliver proprietary products and programs, including Life and disability, Stop Loss, and Pharmacy Benefit Management Programs.

## C2 BY THE NUMBERS

| 90 | 233 | 4,500 | $13 BILLION | $935 MILLION |
|---|---|---|---|---|
| Locations | EB Consultants | Employees | EB Premium Managed | Total Firm Revenues |

McGohan Brabender
THE PARTNERS GROUP
HOLMES MURPHY
CONNER STRONG & BUCKELEW
SCOTT
MB INSURANCE
Sterling Seacrest Pritchard
CROSS INSURANCE

C2

The national leader in driving collaborative solutions in employee benefits consulting.

**MEMBERSHIP**
Wholly owned by eight of the nation's top regional firms

**TOGETHER**
Deliver a combination of unmatched services

**LOCATION**
Over 55+ strategically located offices equal one of the largest privately held firms in the nation

**Vision:**

We believe the future of employee benefits must be imagined and created.

**Mission:**

MB delivers optimized benefit solutions that intersect innovation and affordability. MB provides our clients with step-by-step guidance to help develop sustainable benefit solutions that make benefits more accessible and valuable.

Structure, roles, and expertise of the team that would service MCSD's account.

**Justin Wiedle, Lead Consultant – Public Sector**

After a career in accounting and finance (including six years in city finance at the City of Kettering and getting his School Treasurer License), Justin joined MB in 2019 as a Public Sector Consultant, focusing on maximizing productivity and value for his clients. Some of Justin's governmental clients include Sylvania City Schools, Troy City Schools, City of Delaware, Butler County Board of Commissioners, City of Van Wert, Washington Township, Butler County Board of DD, City of Centerville, City of Franklin, City of Troy, Miami Township, Van Wert County, and Village of Yellow Springs. These clients range in size from 45 employees to 1,500 employees. They utilize a variety of funding methods include fully insured, self-funded alone, pooled in a consortium, and self-funded in a consortium.

Justin is a member of the Ohio GFOA, OAPT, OASBO, OSBA, and OHPELRA. Justin is a Certified Public Accountant (CPA) and earned a Masters in Accountancy, in addition to a Bachelors in Accountancy and Finance, from Wright State University. Justin sits on the Board of Directors for Crayons to Classrooms, a nonprofit which provides teachers and students supplies at no cost so that all students have access to the tools they need, no matter their socioeconomic status.

**Jacob Oxley, Senior Account Executive**

Jacob is a Senior Account Executive in the Key Accounts (100+) market segment at MB. Located in Columbus, Ohio. Jacob leads several account management teams to ensure product knowledge, effective strategies, and resources are available to all MB clients. Additionally, he is frequently involved in high-priority issue escalation for quick resolutions. This occurs by understanding client needs, building relationships and trust with all clients, and ensuring goals and projects are completed efficiently and effectively. Jacob has over 14 years of experience in employee benefits and his expertise is focused primarily on large group self-funding, stop loss insurance, data analytics and creative strategic solutions. The clients that Jacob directly serves includes large public entities, higher education, construction, manufacturing and more.

**Bethany Grau, Account Manager**

Bethany Grau is an Account Manager at McGohan Brabender in the Key Accounts department. In this role, Bethany is responsible for coordinating all collaboration efforts to develop and implement employee benefit packages that meet both the organizational and the financial needs of her clients. Her primary responsibilities include carrier negotiations, market analysis, financial reporting, strategic development, and escalated service issues. In addition, she manages a team that helps drive client initiatives by assisting with compliance, open enrollment, and day-to-day service. Bethany has spent the last 23 years of her career on both the broker and the carrier side prior to starting with McGohan Brabender in 2022. She has a passion for finding creative

solutions and providing excellent customer service. Outside of work, she stays busy raising three children with her husband, Andy, who she met at Miami University, and they are proud Miami mergers. Go Redhawks!

**Catherine Dickerson, Account Relationship Manager**

Catherine Dickerson serves as an Account Relationship Manager at McGohan Brabender. A proud graduate of The Ohio State University, Catherine holds a degree in History with a minor in Italian. Prior to joining McGohan Brabender, she spent a decade cultivating her expertise in Health Insurance Medical Management. In her current role, Catherine guides clients through open enrollment, annual compliance, reporting, and resolving service issues with precision and care. Known for her attention to detail and creative problem-solving, she is committed to delivering exceptional service and serving as a trusted resource for both her team and clients.

Outside of work, Catherine cherishes time with her husband Blayne and their daughter Ember. An enthusiastic baker and gardener, she also leads her local Girl Scout troop. A passionate runner, she frequently participates in local 5K races and half marathons, embracing the challenge and community spirit each event brings.

**Laurenn Cayot, Benefits Specialist**

Laurenn Cayot joined McGohan Brabender as a Key Accounts Benefits Specialist in January 2025. She provides support to her clients by managing open enrollment, assisting with annual compliance requirements, and helping resolve service issues. She graduated from The Ohio State University in 2024 with a bachelor's degree in Strategic Communications with a specialization in Pharmaceutical Sciences, and has a diverse perspective on healthcare. Laurenn is one of four children and has a twin sister. Outside of work she loves to travel, try a new recipe, and spend time with her friends and family.

**Sam Tokar, Financial Analyst**

Sam has been with McGohan Brabender since March 2019 serving as a Key Account Financial Analyst. He came to MB after earning a business degree from the University of Dayton. Working with a diverse group of organizations in various industries he strives to help clients understand the financial components of their health benefits, driving cost factors, and opportunities to reduce risk. In his role Sam also has knowledge of actuarial tools, claim projections, and contribution modelling. He brings great enthusiasm and readiness to add value for clients while helping explain the financial impact of their healthcare decisions.

## Additional Support Team

### Dr. Jeff Eichholz, Vice President of Pharmacy Solutions

Jeff works with our clients and account teams to assist in the procurement and management of pharmacy benefit management services as well as provide consultation and education regarding the pharmacy benefit management industry. Jeff brings 20+ years of experience as a pharmacist from a variety of backgrounds including retail pharmacy, PBM, and broker/pharmacy consulting, which provides a unique perspective to evaluate PBM offerings from the member, plan sponsor, PBM, and clinicians' perspective. Jeff strives to provide full-service pharmacy consulting to help each client achieve a balance between providing cost-effective pharmacy benefits to plan members while minimizing member disruption and aligning with each client's overall benefit philosophy. Jeff received his Doctor of Pharmacy degree from St. Louis College of Pharmacy.

### David Homan, Chief Marketing Officer

Dave serves as Chief Marketing Officer at MB. In this role, he oversees the direction of the Strategy and Innovation department and takes the lead on the research and development of new products and services for MB. He is passionate about staying on the cutting edge of technology. Other duties include coordinating the marketing, advertising, and community service initiatives for MB. Dave has over 20 years of experience, all in the benefits/insurance industry. Prior to joining MB in 2003, his career was working with clients at a regional carrier as an Account Executive and Manager of Corporate Communication. Dave sits on the National Advisory Board for Online Benefits. Dave holds his Life and Health license, is a certified EDI enrollment programmer, and he is also a certified HRCI instructor.

### Kim Snyder, Advocate Team Manager

Kim has been with McGohan Brabender since April of 2017 as our Advocacy Team Manager. Prior to MB, Kim managed the Pet Health & Safety team in customer service for Mars Petcare and P&G Pet Care, focusing on escalated issues, pet food recall claims, and FDA quality investigations. She has extensive experience in customer service, training, and trend reporting. Kim and her team work closely with clients and employees to navigate the complicated landscape of insurance. Kim and her team's advocacy for clients includes claim issue resolution, prescriptions drug issues, provider billing questions, pre-authorization assistance, and benefit questions. Kim holds an Associate of Applied Science in Veterinary Technology from the University of Cincinnati.

### Tiffany Kuck, Director of Population Health

Tiffany works with our clients and engages them in instilling a health management plan within their company. Whether it is a Biometric Screening, Tobacco Surcharge, or an engagement tool,

she is here to help them through the process. Prior to joining MB in 2015, Tiffany's 10 years of work experience includes several management roles. Tiffany's area of specialization is building and implementing a health management strategy with our clients and their employees. She has a college degree from the University of Kentucky in Family Studies, Communication, and Leadership Development. Tiffany is great at communication and speaking with clients and employees. She loves to teach, train, and help people gain a better understanding of how they can further control their healthcare costs.

**Jim Brown, Director of Financial & Analytic Services**

Jim joined MB in 2014 with extensive experience in the insurance industry. Prior to MB, he worked as an Actuarial Analyst at Anthem Blue Cross Blue Shield of Ohio. His main duty was testing, maintaining and developing the benefit relativity model used by underwriting to price benefits as well as determination of ACA plan compliance. Jim has also worked at Humana and Nationwide Insurance in the corporate actuarial departments, focusing on corporate finance and statutory reporting.

Additionally, Jim has extensive experience in the consulting field as an actuary and underwriting expert. He previously worked at Aon Consulting as a student actuary forecasting claims, completing IBNR analyses, analyzing benefit relativities and marketing stop loss.

## Describe the core services typically provided to your clients and indicate services some clients need outside of that core scope.

We are a full-service consultant and broker. As a client of MB, you will have our full suite of services available to you with no added costs. It is not common for our clients to need additional services. If you for some reason do require services outside of our scope, we can help procure those services through our vendor RFP process. We also provide no-cost solutions through vendor partners that may satisfy your needs in such a situation. Our core services are summarized below:

**Strategic Support & Consulting**

- Conduct a proprietary Core Beliefs session to develop a benefit strategy that matches your company's culture, mission, and vision, ensuring a cost-effective, sustainable benefits program.
- Educate decision-makers on the current healthcare environment, empowering them to make informed decisions regarding long-term strategies.
- Assist in developing meaningful Key Performance Indicators (KPIs) to evaluate the effectiveness of programs and strategic objectives.
- Gather industry benchmarking data on benefit offerings, plan designs, enrollment data, and financial data
- Routinely review current benefit plans and recommend changes or additions to meet your strategic goals.
- Evaluate and recommend appropriate wellness, consumerism, and engagement initiatives that support the overall health and welfare benefits strategy
- Ensure overall funding strategies, benefit levels, and benefit offerings deliver value to both the employer and employees.
- Provide, explain, and educate Mansfield City Schools 's team on all financial reporting McGohan Brabender provides its clients.
- Leverage our in-house Vice President of Pharmaceutical Solutions to conduct a comprehensive review of Mansfield City Schools's pharmacy coverage and propose any necessary recommendations or changes.

**Employee Advocacy**

- Provide white-glove concierge services for employees. The MB Advocate Team assists your employees in resolving claims, determining eligibility, and addressing other issues related to your benefit plan. Employees can access the MB Advocacy Team via phone, e-mail, and/or the MB website.
- Report trends and areas of opportunity to the employer, leading to engagement strategies.

**MB Data Analytics**

- Diagnose the origin of cost drivers.
- Provide actionable clinical reporting.
- Develop health management and engagement strategies based on group pain points.
- Measure KPIs related to implemented strategies.

**Financial Reporting/Consulting**

- Provide benchmarking for all benefit plans.
- Continually forecast current year budget.
- Evaluate employee contribution strategies annually.
- Provide monthly/quarterly reporting on all benefit plans where claims are available.
- Monitor plan performance relating to medical/Rx claim activity, high claimant activity, emerging claims, and trends.
- Stop loss modeling and provide recommendations.
- Pre-planning and renewal projections.
- Calculate annual premium equivalents and COBRA rates.
- Calculate IBNR annually (If self-funded).

**Communication / Engagement**

- Develop and deliver meaningful and actionable benefit messages for employees.
- Research-driven communication strategies for open enrollment.
- Engagement strategies for population health programs.
- Customized video communication via on-site production studio.
- Develop and execute a multi-media strategy for your benefit plan via AccelerateGo!
- Benefit micro-sites.
- Regular updates on benefit news, trends, and compliance.

**Compliance Support**

- Conduct an initial and ongoing review of plan compliance to ensure all rules and regulations are met.
- Provide compliance updates and monitor federal legislative changes that may impact your plans, including:
  - ERISA
  - COBRA

- HIPAA Portability, Privacy & Security
- Internal Revenue Code (S. 125, S. 105, S. 32, etc.)
- State Children's Health Insurance Program (SCHIP)
- Patient Protection and Affordable Care Act of 2010 (PPACA)
- Defense of Marriage Act (DOMA)/domestic partner benefits
- Other federal mandates affecting health & welfare benefit plans

- Provide access to the MB Client Portal, which provides updates and information on national/state compliance requirements.
- Collect Schedule A / Schedule C forms from health and related vendors for annual Form 5500 filing.
- MB will provide access to an independent ERISA attorney who will be available for various compliance questions. If necessary, MB will arrange for the completion of required compliance documents, including WRAP and POP documents, as well as Form 5500 filings. These documents will be provided to you for submission.
- MB will also provide access to the nationally recognized employee benefits and executive compensation practice group Calfee, Halter & Griswold for compliance document filings. Calfee can complete projects such as Wrap and POP documents, preparations of HIPPA privacy & security policies and procedures, COBRA template notices, and summary plan document audits.

**HR & Administration Support**

- A dedicated account team to resolve any/all administrative, billing, and/or claim problems.
- Access to RetireMed (MB affiliate), offering consulting services for retiring employees or dependents aged pre-65 and Medicare-eligible individuals.
- Provide MB's decision support tool to assist employees in determining which plan best meets their financial needs.
- Access to an HR Hotline staffed by benefit professionals and attorneys.
- Access to the MB Client Portal, which provides HR professionals access to an LMS, benefit booklet builder, job description builder, salary benchmarking, and much more.

**Vendor Selection / Support**

- Evaluate marketplace options via proprietary multi-phase Request for Proposal (RFP) for:
  - Medical plan
  - Rx plan
  - Dental plan
  - Vision plan

- Life insurance plans
- Disability insurance plans
- HSA, FSA, HRA and COBRA administration as applicable
- Voluntary/worksite products
- Other health & welfare related benefit programs, as appropriate
- Identify vendors to support health and welfare plan performance, such as dependent eligibility auditors, plan implementation auditors, HR technology advisors, claims auditors, health and wellness vendors, etc.
- Participate in vendor site meetings where appropriate
- Evaluate proposals, conduct finalist meetings, and summarize and present recommendations
- Assist in the review of vendor/carrier agreements

See Appendix 1 for our standard scope of services.

## Describe some of the processes, tools, and resources your firm would use in the analysis of potential solutions and prospective vendors for MCSD.

McGohan Brabender is highly skilled in developing comprehensive RFPs (Request for Proposals) for carrier/vendor services. We recognize the significance of a well-organized RFP process, as it ensures accuracy, contract integrity, value, and timeliness. Our account team collaborates closely with your organization, utilizing the Core Beliefs results as a blueprint. The Core Beliefs session is how we capture your requirements, goals, and desired outcomes. We work with key stakeholders to ensure alignment and gain a clear understanding of your current benefits program, as well as any specific challenges and objectives you may have.

Based on this thorough analysis, we develop an RFP that effectively captures your needs and articulates them clearly to potential carriers/vendors. Our RFPs are meticulously crafted to include all pertinent details, such as the scope of services, performance metrics, timelines, pricing structures, performance guarantees, and any specific contractual or regulatory requirements. Additionally, we provide a written narrative that provides underwriting with context, highlighting your organization's strengths and why potential carriers/vendors should be particularly interested in pursuing the opportunity.

Once the RFP is finalized, we leverage our extensive network of carriers and vendors to distribute the RFP and invite qualified participants. MB has established relationships with a wide range of providers, ensuring you have access to a diverse pool of potential partners. It is important to note that we prioritize defining the right solution and identifying appropriate vendors, while also including a wider range of vendors to support negotiation efforts.

As the RFP responses come in, we consolidate and analyze the results. Our team conducts a thorough evaluation of each proposal, comparing them against your predefined criteria and priorities. After reviewing the proposals, we notify the top 2-3 vendors that they have been selected as finalists. This provides an opportunity for the top vendors to present their best offer and total value proposition, including performance guarantees, multi-year contracts, contract enhancements, wellness dollars, and more. Once this process is complete, McGohan Brabender provides a comprehensive overview of the market results and provides recommendations.

Throughout the RFP process, we act as your dedicated partner, guiding you from start to finish. We facilitate communication between your organization and the participating carriers/vendors, addressing any clarifications or additional information requests that may arise. Our team also assists in coordinating meetings, presentations, and site visits, allowing you to interact directly with potential partners. We are committed to supporting you throughout the entire process, asking the questions you may not know to ask, and advocating for your best interests as if it were our own money being spent and families being insured.

Once you have selected the preferred carrier/vendor, we provide implementation support to ensure a smooth transition from your current benefits program to the newly selected solution (if that is the outcome). Our team works closely with both your organization and the chosen carrier/vendor, facilitating the necessary steps, such as data transfer, employee communication, and enrollment. We are dedicated to making the implementation process as seamless as possible, ensuring minimal disruption to your operations.

Understanding that change in our industry is constant, we have a committee, the MB Innovation Lab (MBIL), dedicated to evaluating new vendor partnerships to ensure we are aware of the newest trends, not to mention making sure we are working with best-in-class vendors.

In summary, McGohan Brabender has the expertise and capabilities to develop comprehensive RFPs for carrier/vendor services. We manage and consolidate RFP results, facilitate the entire RFP process from start to finish, and provide implementation support. Our goal is to ensure that you receive the best possible carrier/vendor services that align with your organization's needs and objectives.

## What trends do you see in employee benefits?

The landscape of employee benefits is rapidly evolving, and organizations must stay ahead of the curve to remain competitive. Today's most significant trends include innovative plan design, alternative funding strategies, cost management, primary and preventive care, clinical solutions, technology integration, employee engagement and education, mental health support, and advanced data analytics. Among funding strategies, ICHRAs and Stop Loss Captives are gaining momentum. ICHRAs empower employers to set a defined budget, allowing employees to select the health plans that best suit their needs, while Stop Loss Captives leverage collective purchasing power to stabilize renewals and reduce costs.

Advanced primary care models—such as virtual, on-site, and near-site clinics—are transforming the patient experience by fostering deeper physician-patient relationships and addressing root causes rather than just symptoms. The rise of text-based care is further streamlining access, enabling employees to connect with their providers in real time.

Pharmacy costs continue to escalate, with GLP-1s and other high-cost medications dominating claims reports. Employers are becoming more sophisticated in analyzing pharmacy benefit manager (PBM) contracts to drive down costs and eliminate waste.

Ultimately, medical claims account for the majority of total healthcare spend. The most impactful strategy is to align employees with high-performing providers through plan design and financial incentives. Data shows that top-performing physicians deliver superior outcomes and significantly lower costs, while underperforming doctors can drive up waste by as much as 90%. By incentivizing employees to choose the best providers, organizations can reduce costs by up to 27% per episode of care and achieve annual savings of up to 15%.

We will guide you through these trends, helping you assess your risk tolerance and make informed, confident decisions that maximize value for your organization and your employees.

## How is your firm becoming an expert and helping your clients with these trends?

We leverage both our Collaboration Centric Solutions (C2) partnership and our MB Innovation Lab (MBIL) to ensure we remain at the forefront of industry trends and deliver expert guidance to our clients.

C2 is a national network of independent brokers that enables us to collaborate with top firms across the country. Through regular meetings and peer sharing at all organizational levels, we exchange best practices, discuss emerging trends, and collectively identify innovative strategies. This partnership provides us with both local expertise and a national perspective, allowing us to stay agile and informed about the latest developments in the healthcare industry. The C2

network also enhances our negotiating power with carrier partners, ensuring competitive pricing and access to the best products and services for our clients.

The MB Innovation Lab (MBIL) is our dedicated team focused on identifying, vetting, and implementing new and innovative solutions in the employee benefits space. Each solution or idea submitted to the MBIL is assigned a subject matter expert (SME) who evaluates its validity, uniqueness, and applicability to our clients. Our industry vertical experts ensure that every solution is thoroughly scrutinized before being recommended. The MBIL process is designed to minimize risk, increase employee engagement, and maximize cost control for our clients.


As we evaluate new vendor relationships, we ask and answer a series of critical questions, including:

- What evidence exists from outside sources that this is a viable partner for our business?
- What similar solutions exist, and why is this solution better?

- Is this a solution that could/would apply to all markets and/or segments we serve? If not, is there a geographic differentiation or segment targeted?
- What is the size of the company, and how long have they served the marketplace?
- Can the vendor provide marketing collateral that outlines ROI upon implementation?

After gathering this information, our internal team meets to discuss the findings and make a recommendation on whether to move forward with the vendor. This rigorous process ensures that only the most effective and innovative solutions are introduced to our clients.

The MBIL will vet solutions, including, but not limited to the following areas:

- Benefit Administration Technology
- HSA Administrators
- Supplemental Health Plan Vendors
- Rx Discount Programs
- Employee Steerage Point Solutions
- EAP Vendors
- Independent TPAs
- Unique Benefit Solutions New to Market

### What differentiates your firm from your competition?

McGohan Brabender stands apart from the competition by serving as a true client advocate, with our primary focus always on finding the best solution for your organization under any circumstance. Our key differentiators include:

- **Employee-Owned Organization**: As of June 2021, McGohan Brabender is proudly employee-owned. This independence, in an industry marked by frequent mergers and acquisitions, allows us to act swiftly and decisively in the ever-changing healthcare landscape. Our ESOP structure directly aligns employee incentives with client success—when our clients win, so do our employees.
- **Collaborative Centric Solutions (C2)**: We amplify our negotiation power by partnering with six other independently owned firms through the C2 equal equity partnership. As the fifth largest broker in the United States, C2's collective size enables us to secure exclusive rates on key lines of coverage, such as stop-loss, and negotiate industry-leading contracts, including recent pharmacy agreements.

- **MB Advocate Team**: Our dedicated Advocate Team delivers white-glove concierge services, supporting your employees and their families across all lines of insurance coverage. This ensures your workforce receives direct, high-touch assistance whenever needed. See Appendix 2 for more information about our MB Advocate team.

- **MB Innovation Lab**: The MB Innovation Lab rigorously vets new ideas and solutions before they reach our clients. Our established process ensures only validated, high-quality vendors and services are recommended, maintaining the highest standards for our clients.

- **Core Beliefs Session**: Our Core Beliefs Session is designed to challenge the status quo and spark meaningful dialogue among your leadership. This process uncovers your team's true beliefs regarding Mansfield City Schools's role in plan administration and employee health, driving more effective strategies.

- **Data Analytics & Population Health**: Leveraging advanced analytics through Springbuk, we proactively analyze claims data to predict future trends. Our data analytics and Population Health teams collaborate to develop targeted strategies that address high-cost claims and improve overall health outcomes.

- **Vice President of Pharmacy Solutions**: Dr. Jeff Eichholz, PharmD, leads our Pharmacy Solutions division, bringing over 20 years of pharmacy and managed care expertise. His leadership ensures your prescription drug benefit plan is managed with the highest level of industry knowledge and effectiveness.

- **Education & Communication:** We recognize that a benefit is only valuable if it is understood. That's why we deliver education and communication about your benefits in a way that resonates with your employees, using tailored messaging and engagement strategies. As our founder said, a misunderstood benefit is of no benefit at all. We ensure your workforce not only knows about their benefits but truly understands and appreciates them, maximizing the value of your investment.

These differentiators empower us to deliver exceptional value, innovation, and advocacy for every client we serve.

## What should we expect as customers over the next 12 months?

Over the next 12 months, you can expect our consistent core-meeting model, which remains the same year after year and provides the guardrails we need to execute our mission for Mansfield City Schools. This structure ensures ongoing alignment, proactive planning, and strategic execution. A brief description of the core-meetings is shared below:

- Core Beliefs: Aligns leadership on benefits strategy and priorities. This meeting only takes place once every 3-5 years.
- Stewardship: Reviews renewal feedback and sets the stage for the upcoming year.
- Utilization: Analyzes plan performance and identifies actionable strategies.
- Pre-renewal: Presents cost projections and plan design considerations.
- Renewal Meeting: Finalizes plan decisions and communication strategies.

Ideally, we will kick off our partnership with a Core Beliefs session. We will use feedback from that meeting to build our 3-5 year strategy and kickstart the renewal. We are easy to work with - the Mansfield City Schools team can expect a similar, if not improved, renewal experience which is comparable to previous renewals. Below, you'll find an example timeline that picks up at the beginning of the renewal process and demonstrates how these meetings guide you through the benefits cycle for our first 12 months together.

| DATE | ACTIVITY |
|---|---|
| **8.1.25** | HIRE MB / PARTNERSHIP BEGINS / REQUEST RENEWALS |
| **8.1.25** | KICKOFF / CORE BELIEFS MEETING |
| **8.1.25** | REQUEST CENSUS INFORMATION FOR RENEWAL |
| **8.15.25** | CENSUS INFORMATION DUE |
| **8.22.25** | SEND REQUEST FOR PROPOSALS TO MARKET |
| **9.10.25** | RENEWALS AND PROPOSALS DUE |
| **9.17.25** | RENEWAL MEETING - DISCUSS RENEWALS/PROPOSALS |

| | |
|---|---|
| **9.30.25** | FINAL PLAN DESIGN / CONTRIBUTION DECISION DUE |
| **OCT/NOV** | OPEN ENROLLMENT |
| **OCT/NOV** | DISTRIBUTE SBC, MEDICARE PART D, AND CHIP NOTICES |
| ***1.1.26*** | *PLAN EFFECTIVE DATE / ID CARDS* |
| ***FEB 2026*** | *STEWARDSHIP MEETING* |
| ***MAR 2026*** | *UTILIZATION REVIEW MEETING* |
| ***MAY 2026*** | *PRE-RENEWAL PLANNING MEETING* |

If additional meetings are needed throughout the year to discuss strategy or plan design changes, our Account teams will work with you to ensure your needs are met. Our core meetings are in addition to the daily communication our Account Managers and Benefits Specialists will have with your plan administrators and employees. Some of our best clients ask us to have a standing bi-weekly or monthly check-in to keep MCSD and MB aligned.

## Description of proposed compensation structure for these services

MB values our relationships with our clients and wants our price to reflect the work we accomplish together. We strive to differentiate ourselves through quality, innovation, and customer service to build lasting relationships with our clients. We do not "buy" the business with a low fee and then try to add on consulting services to generate additional revenue. Instead, we build our fee using a pricing tool which takes into consideration many inputs pulled from the details in your RFP. We leverage this tool to recommend appropriate compensation which will allow us to dedicate the necessary resources and perform your requested scope of services in full.

Based on our understanding of the RFP, and the scope of work as shown, we propose a flat fee of $5,750 per month plus carrier commissions on non-medical lines of coverage. We will hold this fee structure for Year 1 and Year 2. For Years 3 and beyond, we propose an annual increase equal to 3% per year on the medical consulting fee.

Additional Context:
If the District's expected 2026 medical plan expenditures are $11M/year, our service fee will

equate to about one-half of one-percent of total medical plan costs. Considering you are already paying a broker/consultant, the impact on total cost will be minimal at worst. Still, upon taking over as your consultant, we will work with you to narrow down a list of cost management strategies with a goal of saving $200,000 to $2,000,000, or 1.8%-18% of medical costs. To quantify what that would mean to the District, look below at an illustration showing that **3% savings in Year 1 results in $2,760,000 worth of savings over seven years**. We believe in our ability to deliver this type of impact for the District – delivering you an ROI on your partnership with MB.

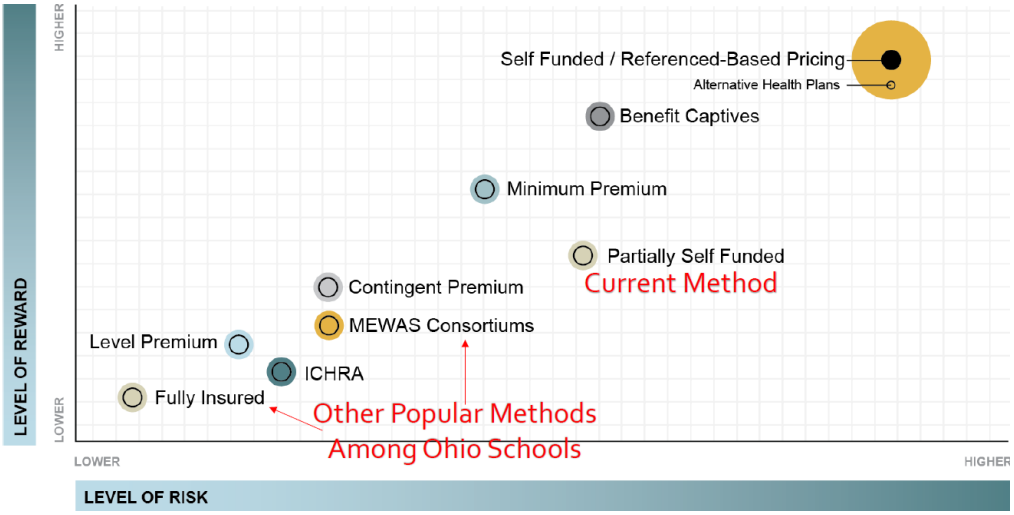
| What does a 7.5% increase look like in Year1 with 7.5% thereafter? (Trend Increase Each Year) | Forecasted | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 Baseline | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
| Baseline for Renewals | $ 11,000,000 | $ 11,000,000 | $ 11,825,000 | $ 12,711,875 | $ 13,665,266 | $ 14,690,161 | $ 15,791,923 | $ 16,976,317 |
| Year 1 Renewal - Without MB | 7.5% | $ 825,000 | | | | | | |
| Annual Renewal Assumption after 2026 | 7.5% | | 886,875 | 953,391 | 1,024,895 | 1,101,762 | 1,184,394 | 1,273,224 |
| Total Medical Insurance Spend | | $ 11,825,000 | $ 12,711,875 | $ 13,665,266 | $ 14,690,161 | $ 15,791,923 | $ 16,976,317 | $ 18,249,541 |

| What does a 4.5% (vs 7.5% trend) increase in Year1 look like with 7.5% trend increase thereafter? | Forecasted | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 Baseline | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
| Baseline for Renewals (includes Current Broker Fees) | 11,000,000 | 11,000,000 | 11,495,000 | 12,357,125 | 13,283,909 | 14,280,203 | 15,351,218 | 16,502,559 |
| Year 1 Renewal - With MB | 4.5% | 495,000 | | | | | | |
| Annual Renewal Assumption after 2026 | 7.5% | | 862,125 | 926,784 | 996,293 | 1,071,015 | 1,151,341 | 1,237,692 |
| MB Consulting Fees Vs. Current Broker | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Total Medical Insurance & Broker Spend | | 11,515,000 | 12,377,125 | 13,303,909 | 14,300,203 | 15,371,218 | 16,522,559 | 17,760,251 |
| | | | | | | | | |
| Annual Savings with MB | | $ 310,000 | $ 334,750 | $ 361,356 | $ 389,958 | $ 420,705 | $ 453,758 | $ 489,290 |
| Cumulative Savings with MB | | | $ 644,750 | $ 1,006,106 | $ 1,396,064 | $ 1,816,769 | $ 2,270,527 | $ 2,759,816 |

We appreciate your opinions and are open to a candid conversation on compensation before a final agreement is signed.

## Experience with self-funded health insurance plans

At McGohan Brabender (MB), we bring unmatched expertise in designing, implementing, and managing self-funded health plans. Nearly half (48%) of our total client membership is currently self-funded—proof of our ability to help employers successfully transition and thrive under this funding model. To deliver specialized service, our account teams are segmented by employer size. As a large employer, Mansfield City Schools would be supported by a dedicated team that exclusively manages self-funded strategies for similarly sized organizations—ensuring deep expertise and immediate value.




**In our initial meetings, we will:**

- Clearly explain self-funding vs. fully insured models, so you fully understand the financial opportunities, administrative differences, and potential risks.
- Deliver a comprehensive implementation roadmap, including plan design, carrier negotiations, stop loss placement, and ongoing administrative support.
- Conduct a thorough compliance review, ensuring your self-funded plan meets all ERISA, ACA, and other regulatory requirements.

**As your long-term strategic partner, we will provide:**

- **Stop Loss Strategy & Placement**
  - Full market analysis and carrier negotiation
  - Ongoing contract reviews to minimize risk and ensure optimal coverage
- **Specific and Aggregate Stop Loss Recommendations**
  - Data-driven analysis of your claims history to determine appropriate coverage levels

- Access to preferred carrier contracts via our exclusive C2 Network

- **Pharmacy Benefit Management (PBM) Oversight**
  - Expert analysis by Jeff Eichholz, VP of Pharmacy Solutions
  - Full contract and formulary review to ensure alignment with your cost and care goals
- **Customized Reporting**
  - In-depth reports on IBNR, high claimant utilization, and plan performance against budget
  - Actionable insights to drive smarter decisions and long-term plan success
- **Advanced Data Analytics**
  - Root cause analysis of cost drivers
  - Targeted strategies to improve member health and reduce claims volatility
- **Contribution Strategy & Benchmarking**
  - Employer/employee cost-share recommendations grounded in market trends and regional benchmarks
- **Population Health Management**
  - Dedicated clinical and non-clinical support teams
  - Proactive risk mitigation programs tailored to your workforce
- **Legal Support via ERISA Counsel**
  - Access to legal consultation and representation in the event of audits, disputes, or litigation
- **Employee Communication & Engagement**
  - Partnering with our in-house Strategy & Innovation team to drive benefit education and utilization
- **PBM Contract Evaluation & Market Sourcing**
  - Full contract assessment and recommendations on optimal PBM partners
- **Funding & Financial Oversight**
  - Real-time monitoring of key performance indicators
  - Adaptive strategies to protect your budget and support long-term sustainability
- **RFP Management for Vendor/TPA Selection**
  - Full-service RFP coordination and evaluation to ensure competitive pricing and superior service delivery

- **Dependent Eligibility Audits**
  - Verification strategies to manage plan liability and control costs

MB invests heavily in continuous training and innovation so our consultants remain at the forefront of healthcare strategy. You can count on us to guide your team through every step of the self-funding process with confidence, precision, and results.

## Experience with Ohio public school district health insurance plans

Justin Wiedle will lead the consulting strategy for MCSD. When Justin joined MB, he was licensed as a School Treasurer and worked in local government finance as an Assistant Finance Director. In that capacity he managed cash flow, investments, the accounting cycle, and helped with internal preparation of the ACFR. Justin sits on his home district's finance committee and levy committee. He is a member of OASBO and OSBA and regularly exhibits and presents at public sector conferences. Justin currently consults Troy City Schools (400+ employees) and Sylvania Schools (1,000 employees). His previous school consulting work includes Bethel Local, Clermont Northeastern, Northridge Local, Springfield City Schools, and Warren County Career Center.

MB brokers or consults on benefits for 100 Ohio public school districts, and is the life insurance broker for SW Ohio's largest school consortium, the SW Ohio Educational Purchasing Council. Our school clients fall across numerous funding strategies, such as fully insured, partially self-funded, and pooled/consortium. MB actively provides some or all the services detailed throughout this RFP. Some common, and unique, services include – collective bargaining assistance, administering insurance committee meetings, providing open enrollment support, educating and communicating benefits to employees, driving wellness engagement, providing monthly reporting, and more. Below is a small sample of our school and local government clientele (as of May 2025).

## Case Studies

Below we've listed just a couple case studies where some of the above strategies have been executed.

### *Case Study #1 Public Entity HRA Strategy*

**Situation Overview**

A potential city client with 90 employees enrolled on their medical plan was part of a consortium where their reserves were underfunded. The group had a negative reserve balance of more than $200,000 and was facing a 29% renewal increase. The prospect partnered with McGohan Brabender to develop a strategy that would allow them to increase their reserves without reducing employee benefits.

**Solution Implemented**

McGohan Brabender recommended replacing their two PPO coverage options with a single high-deductible health plan (with HSA) that included an HRA. This strategy significantly reduced the required monthly funding, helping to offset the high renewal. While setting up the new plan, MB designed the plan strategically so that the deductible and out-of-pocket max were the same, with 100% coinsurance. An HRA was stacked on top of the plan, which decreased each employee's liability.

**Results**

The modification to offer only a single high-deductible health plan resulted in $501,000 in premium savings compared to the old plan design. These savings helped offset the 29% renewal. The City committed some of these savings to provide each employee with their HRA account. But at just a 20% HRA utilization rate, the City still experienced net savings of $362,000, which they used to fund their reserves.

In addition, the plan design change decreased employees' premium share and out-of-pocket liability. For employee-only coverage, the change reduced their liability to the IRS-minimum, a reduction of $1,850 or $5,600, depending on what plan they were previously enrolled on. For family coverage, the change reduced their liability to the IRS-minimum, a reduction of $3,700 or $11,200, depending on what plan they were previously enrolled on.

Lastly, due to the decrease in premiums needed to fund the plan, the group was able to build their reserves back up. After three years, the group had contributed $810,000 to their reserves, improving the sustainability of their plan. Just as importantly, monthly premiums were held at the same level (0% renewals) for the next three renewals.

***Case Study #2 Funding and Pharmacy Strategies***

**Situation Overview**

A self-insured client, burdened by unsustainable healthcare costs in a traditional PPO network and rising specialty medication utilization, partnered with MB. In a strategic Core Beliefs session, we identified the client's risk tolerance and organizational goals, resulting in a three-year employee benefits strategy tailored to their unique organizational needs.

**Solutions Implemented**

*Year 1*

MB transitioned the client from a PPO network to a Reference-Based Pricing (RBP) model. This is a disruptive model requiring employer education and buy-in. To limit member disruption, direct contracts were established with providers, including the Cleveland Clinic (as a direct primary care doctor network). Additionally, MB collaborated with an independent fiduciary PBM that ensured employees received the right prescription at the right price. The PBM also identified member assistance programs, eliminating high-cost specialty medication claims from the plan.

*Year 2*

The client experienced substantial pharmacy savings. To reduce disruption, MB recommended removing the RBP model and instead focusing on the success of the pharmacy plan. A transition to the former PPO network and a more aggressive medical management strategy were implemented. In addition, a Medicare and Employee Waiver analysis was conducted to identify opportunities outside the employer-sponsored plan.

*Year 3*

MB implemented a high-cost claim mitigation strategy. This solution removed $204,000 in annual claims from the health plan. It also helped remove $465,000 of additional risk that would have otherwise been shifted to the client. In addition, MB partnered with an eligibility audit firm to conduct a dependent verification audit (removing $217,500).

Results

$2.11 million was saved by partnering with the fiduciary PBM.

MB and the client were able to decrease their Per-Employee-Per-Year (PEPY) cost by $3,178 over three years.

Following the dependent audit, MB was able to eliminate $217,500 of unnecessary risk from the plan.

***Case Study #3 Public Entity Insurance Committee & Waiver Savings***

**Situation Overview**

A School District Client with 600 employees was experiencing higher than average renewals due to high enrollment and high claims utilization. They hired MB in 2019 to help form a long-term strategy to manage their healthcare costs.

**Solutions Implemented**

MB assisted in forming the “FIT” team, a Finance & Insurance committee to educate staff on cost management strategies and to get employee input on which strategies would be a cultural fit. One of the first strategies enacted as a waiver stipend that gave employees the option of continuing to take the District’s insurance, or to opt-out and receive a lump sum payout each year in lieu of insurance.

**Results**

Straight from the Client's November 2021 Five Year Forecast – "A stipend option was added during the last negotiations, which allowed staff to elect a stipend for making insurance changes. These stipend options have saved nearly $500,000 over the last two years." This strategy remains in place and has now saved more than $2,000,000 since inception.

With the district being fully insured, this strategy guaranteed savings / ROI for each employee that elected to take the stipend as the stipend was much less than the premium amount the district paid for each employee.

## Experience with negotiated agreements and multiple union groups as part of a District Insurance Committee

Negotiated agreements and collective bargaining support are typical components throughout our partnerships with 250 schools and local governments across Ohio. We are available to help run insurance committee meetings or attend bargaining meetings. Or we can simply prepare and provide pertinent information to aide conversations between bargaining units and the board/administration.

One effective way we have built collaboration between the administration and union groups is to schedule our four core meetings with District Administration, and then we schedule the insurance committee meeting to immediately follow the meeting with the Administration. This helps everyone to hear the same information, understand trends, hear renewal projections, and receive education on potential plan enhancements or cost management solutions.

## Experience with Employee Care Medical Facilities

McGohan Brabender has extensive experience helping employers design and implement employee care facilities that drive better health outcomes and reduce long-term claims costs. We've partnered with leading vendors like Marathon Health, Everside, Fidelity Health Care, and One to One Health to launch successful on-site and near-site clinics tailored to each client's population needs. Beyond national vendors, we've also helped clients build direct relationships with trusted local providers—leveraging existing community resources to expand access and lower barriers to care.

Our expertise includes support with feasibility assessments, vendor selection, implementation planning, employee engagement, and performance tracking. From virtual-first models like txtcare to fully integrated brick-and-mortar clinics, we help clients customize care strategies that improve access, increase employee satisfaction, and deliver measurable ROI.

# Services

## SERVICES

- **Strategic Plan**
  MB develops a multi-year benefits strategy aligned with your financial goals, employee needs, and risk tolerance—balancing cost control with plan competitiveness.
- **Market Review and Cost/Network Analysis of Multiple Insurance Carriers**
  We conduct a full market scan, comparing premiums, network strength, provider disruption, and carrier performance to identify the most competitive and suitable options.
- **Review of Various Carrier Agreements**
  Our team reviews and negotiates carrier contracts to identify cost-saving opportunities, clarify administrative responsibilities, and ensure favorable terms for the district.
- **Recommendations of Benefit Plan Design Modifications, Including Possible Consortium Membership Options**
  MB provides plan design alternatives that improve value and reduce risk, and evaluates the potential benefits of joining a public sector consortium for added purchasing power.
- **Claims Resolution, Assistance with Benefit Issues, and TPA Administration Options**
  The MB Advocates and your Account Team serve as your direct advocate with carriers and TPAs, resolving claim disputes and benefit issues promptly while also evaluating TPA service levels and pricing.
- **Evaluation and Reporting of Plan Performance**
  MB delivers ongoing, customized reporting that tracks utilization, cost trends, and high claimant activity—ensuring transparency and accountability.
- **Recommendations to Reduce Claims Experience and Premiums**
  We will provide you data analytics at no cost. Using data analytics, we analyze claims data to uncover cost drivers and propose targeted interventions, such as condition-specific programs, alternative site-of-care strategies, and population health initiatives.
- **Evaluation and Recommendations for Stop-Loss Coverage**
  Our team models various stop-loss scenarios based on your historical and projected claims, then sources competitive quotes to protect your plan from catastrophic risk.
- **Evaluation and Recommendations for Our Prescription Drug Program**
  MB's VP of Pharmacy is a licensed pharmacist who practiced clinically before becoming a pharmacy consultant. He and his team will assess your PBM contract, formulary, and utilization trends, offering strategic recommendations to improve savings and clinical outcomes.
- **Consultation with the MCSD Treasurer's Department as Needed**
  We collaborate closely with your finance team to align benefits decisions with budgetary constraints, providing clear financial modeling and expert input as needed. We will assist

you with your budgeting and forecasting needs and provide necessary information for your annual audit.

- **Compliance Advice Regarding Federal and State Laws, and Other Requirements**
  MB ensures your plan complies with ERISA, ACA, HIPAA, and Ohio-specific requirements, and offers direct access to legal experts when deeper guidance is needed.
- **Open Enrollment & Communications Support**
  Our in-house communications team crafts tailored open enrollment materials and supports employee meetings, videos, and digital campaigns to boost engagement and understanding.
- **Wellness Program Support**
  We help design, implement, and measure wellness programs that target key health risks, encourage preventive care, and improve long-term employee wellbeing.

McGohanBrabender

PROUD TO BE EMPLOYEE-OWNED

DAYTON | CINCINNATI | COLUMBUS | CLEVELAND | INDIANAPOLIS | FORT MITCHELL

WWW.McGOHANBRABENDER.COM

1.800.293.2347

# APPENDIX 1

# SCOPE OF SERVICES

# Mansfield City Schools

## EMPLOYEE BENEFIT CONSULTING

McGohan Brabender

PROUD TO BE EMPLOYEE-OWNED

# Client Engagement

**Stewardship**
Memorialize prior year decisions, compliance updates and OE recap

**Utilization**
Financial update, prior year plan audit/utilization review and data analytics review

**Pre-Renewal**
Discuss benchmarking trends, cost management opportunities, eligibility management & renewal timeline

**Renewal**
Renewal history update, discuss market analysis, financial update and make recommendations

**OE**
Multi-channel communication strategy

# MB Advocates

When you join the MB Family, you get more than an employee benefits broker. Our **MB Advocate Team** is an extension of your company's HR department. We are local, we pick up the phone and if you need help with a claim, we are in the corner fighting for you.

**$$$** back in your employee's pockets!

| | |
|---|---|
| **2018:** | $1,301,382 |
| **2019:** | $1,185,905 |
| **2020:** | $1,102,887 |
| **2021:** | $2,114,577 |
| **2022:** | $3,430,167 |
| **2023:** | **$1,719,936** |

# Employee Engagement

## What We Communicate:

Consumerism | Access to Care | Education | Engagement | Generational Communication | Decision Support Tools

## How We Communicate:

Video | Print | Phone/Text | Social Media

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SIDE AFFECTS

A podcast that prompts you, as an employer, to think differently about the needs of your people and your company.

- ✓ Over 120 episodes.
- ✓ Guests include national thought leaders on benefits.
- ✓ 3-time new and noteworthy podcast on iTunes.

**Learning Center**

In-person, on-demand and virtual educational opportunities to connect with like-minded individuals. Visit **https://www.mcgohanbrabender.com/events/** to learn more!

- ✓ 20 years of sessions.
- ✓ Available for HRCI and SHRM credits.
- ✓ Topics on trends, insights, and cutting-edge ideas in the benefits industry.

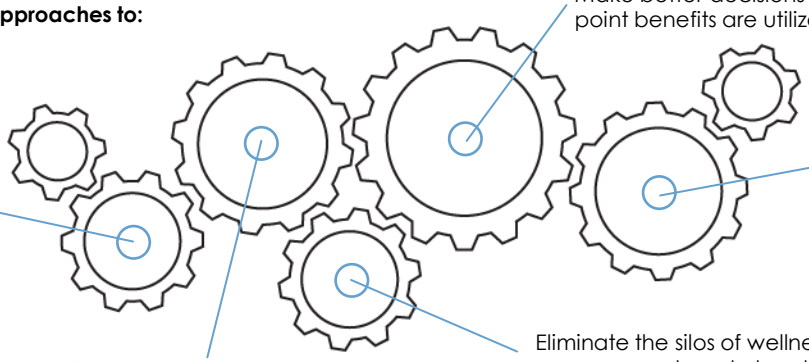
---

**Compliance** is complicated, we make it simple!

- ✓ Internal Compliance Support
- ✓ Customized Checklist
- ✓ Annual plan review
- ✓ Quarterly meetings to update client specific regulations
- ✓ Educational Learning Centers

# Population Health

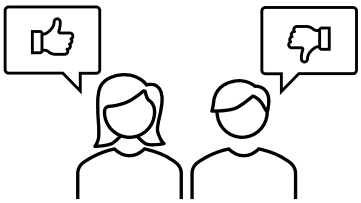
**Clinical & Non-Clinical Approaches to:**



- Make better decisions at the point benefits are utilized.
- Increasing employee engagement and activation.
- Eliminate the silos of wellness, health management, and plan designs.
- Improve the health of your workforce.
- Lower the trajectory of healthcare costs.

# Core Beliefs

The **Core Beliefs** session will challenge and expose the true beliefs of your leadership team. Many companies assume that all stakeholders (CEO, CFO & HR) are aligned; but seldom are. We challenge all participants, key leaders within your company, to express their opinion and defend their position so that we can arrive at a consensus. The choices we make will be the framework for our benefit plan design and long- term strategy.



# Your Personal Client Portal & HR Hotline

**Compliance**
- Content Library
- Compliance Assets
- Notices (includes SPD Builder)

**Learning Management System**
- Extensive Course Catalog
- Reporting & Tracking
- Customizable and User Friendly

**Client Self-Service Portal**
- On-Demand Resources
- Attorney Content
- Customizable Mgmt.

**Benefit Communication**
- Enrollment Booklet Builder

**People Management**
- HR Apps
- Employer Hotline

# Financial & Data Analytical Services

**McGohan Brabender** | **Reporting**

- Monthly Reporting
- Large Claim Tracking
- Projection Modeling
- Benchmarking
- IBNR Reporting
- Stop Loss Analysis

springbuk. | **Data Analytics**

**INTELLIGENCE ENGINE** – Springbuk's Intelligence Engine is powered by Optum's clinical data expertise & consists of 4 main components:

- Financial Forecast
- Gaps In Care
- Episode Grouping
- Risk Scores

# Emerging Trends & Point Solutions

**garner**

Garner Health helps both fully insured & self-funded employers get their employees to the highest-quality doctors, which lowers plan costs and improves health outcomes.

**sidecar health**

Sidecar Health is a "Cash Pay" model with defined benefit amounts based on reasonable & customary charges. Members use debit card at time of service.

**Take Command**

Take Command is a fully integrated platform to support employers interested in adopting an ICHRA, which allows ERs to reimburse for premium/OOP expense through the individual marketplace.

**surest**

Surest is a solution that allows employers to provide employees with a $0 health benefit while also enhancing their healthcare journey. Surest gives employees access to the cost of care in advance to receiving care, making the employee experience seamless.

**The Cason Group · GIS | Benefits · Benefit Technology Resources**

Benefits Administration support from product selection & mgmt, implementation and ongoing benefits education.

# Pharmacy Oversight

**McGohan Brabender**

**BROKER**

- ✓ Oversight of pharmacy benefit strategy
- ✓ Connect members to programs
- ✓ Monitor & review current & oncoming large Rx drugs
- ✓ C2 partnership

**RxBenefits · US-Rx Care · scriptsourcing · SHARx · trueRx HEALTH STRATEGISTS**

**PBM & PBM CONSULTANTS**

- ✓ Optimize financial and clinical outcomes of Rx drugs
- ✓ Pharmacy audit, procurement, consulting and implementation services
- ✓ Clinical optimization

**3AXIS Advisors**

**ADVISOR**

- ✓ 2 staffed pharmacists
- ✓ Identifies & analyzes US drug supply chain inefficiencies & cost drivers
- ✓ Arms clients with independent data analysis needed to spur change & innovation

# Strategic Partnerships

The national leader in driving collaborative solutions in employee benefits consulting.

| **3.9 Million** | **8** | **$12.6 Billion** | **2958** | **58** | **$820 Million** | **6950+** |
|---|---|---|---|---|---|---|
| EB Members | Member Firms | EB Premium | Employees | Locations | Firm Revenue | EB Customers |

- ✓ Collaboration allows MB to bring forward thinking solutions to their clients.
- ✓ Increased contract negotiation power .
- ✓ National service with local delivery.

**RetireMed**

**RetireMed** provides personalized guidance, evaluating plan options, and helping enroll individuals in the right plan.

- ✓ Early Retiree Coverage
- ✓ Individual Plan Enrollment
- ✓ Medicare Education/Consulting

# APPENDIX 2

# MB ADVOCATE TEAM

# McGOHAN BRABENDER **ADVOCATE TEAM**

## WHAT WE DO

- Research
- Problem Solve
- Communicate
- Educate

## HOW IT WORKS

If you've contacted your physician or carrier and weren't satisfied with the response, our MB Advocates are there to step in on your behalf.

**Issues we can assist with:**

- Claim Issues (Medical, Dental & Vision)
- Provider Billing Questions
- Coordination of Benefits
- Pre-authorization Help

## HELP US GET STARTED BY PROVIDING:

- Employer name
- Employee name
- Date of Birth
- Patient Name/Date of Birth
- Insurance Member ID or SSN
- Service Date
- Provider Name/Contact Information
- Summary of Issue
- For Prescription Issues, include medication name, dosage, quantity, pharmacy name/phone number, prescribing physician's name/ phone number

## CONTACT US

Monday-Friday, 8 a.m. to 5 p.m. EST

**p:** 937.260.4300 or 877.635.5372

**f:** 937.499.1160

**e:** mbadvocates@mbbenefits.com

10/03/2023

# CASE STUDY

## MB Advocate Team

### SITUATION

A member previously had surgery to repair a brain aneurysm. Due to this, the member required annual CT scans to ensure the patient's health. After receiving one of their CT scans, the patient was notified by their doctor that they needed to be seen urgently due to an aneurysm being found. The doctor arranged for air transport to another hospital.

### CHALLENGE

The member's insurance carrier deemed the air transport was not medically necessary. Due to this, the member received a bill for $40,638. A member, provider, and second-level member appeal were filed. All these appeals were denied, leaving the patient responsible for the large bill.

### RESULT

An MB Advocate team member reached out to a high-level contact at a local hospital and explained the situation. After numerous phone calls and emails, the hospital agreed to write off the procedure. With the MB Advocates' hard work and dedication to the member, we were able to release the member from all financial responsibility, saving them $40,683.

## RESULTS:

**10 MONTHS**
For case to be resolved

**$40,683 SAVED**
For this Individual

**130 EMAILS**
Between the Advocate Team, Insurance Carrier, and Hospital

**45 CALLS**
Between the Advocate Team, Insurance Carrier, Hospital, and Member

McGohan Brabender

03/09/23

# APPENDIX 3

# COMMUNICATION RESOURCES


McGOHAN BRABENDER

# STRATEGY AND INNOVATION

**At McGohan Brabender, you don't just sign on with an insurance broker; you sign on with a team of experts who help maximize your employee benefits through tailored communication strategies. Our Strategy and Innovation team works alongside your account management team to help you empower your workforce, communicate your benefits effectively, and promote the importance of healthcare.**

## OUR APPROACH

Our approach is simple but effective - we believe that educating your employees on their benefits will result in reduced healthcare expenses and better health outcomes. With our specialized expertise in strategy execution, we go a step further when communicating with your employees, ensuring that everyone understands the ins and outs of their benefits package.

We recognize that as an employer, it's not enough to simply offer benefits - you also need to provide your employees with the knowledge and tools they need to use them effectively. Our two-fold approach is to help your team become smarter healthcare consumers while also promoting overall wellness so that they can celebrate healthier birthdays.

## OUR STRATEGY AND INNOVATION MEMBERS

**David Homan — MB Shareholder & Vice President of the S&I Team**

He is the all-knowing grandmaster of healthcare communications. With almost three decades in the healthcare industry, David thrives on making you think differently about your employee benefits strategies.

**Phil Meilinger — Creative Director**

Phil is the visual mastermind that creates the designs and graphics for each project we work on. He has over 30 years of experience in the marketing design profession and never stops learning.

**Kenzie McEvily — Digital Experience Producer**

Kenzie is the go-to for all things social. With her experience in digital production, she uses her skills in social media and direct communications to promote our clients' messages.  She is MB's social contact with the world.

**Whitney Marshall — Marketing Copywriter**

With two degrees in writing and over seven years in the healthcare industry, Whitney is the one who makes our big ideas come to life. She takes complex healthcare language and creates simple-to-understand communication materials.

**Malisa Sutyak — Multimedia Specialist**

It all comes together with our production expert, Malisa, who wraps everything into a final package. Malisa embodies the expertise behind the camera. She animates, films, edits, and produces client video projects to tell their story how they want it told.

**Jeff Duvic — Sales and Marketing Strategist**

Last, we have our sales and marketing strategist, Jeff. Jeff works alongside the Strategy & Innovation team, the Business Development team, and our team of consultants to continue developing and implementing communication strategies. He often serves as a liaison between the sales and marketing teams.

## WHAT IF THERE WAS A WAY TO SCHEDULE BENEFIT COMMUNICATIONS FOR THE ENTIRE YEAR AND THEN... ***FORGET ABOUT IT?***

It never fails. You have the best intentions to stay on top of your to-do list, but at the peak of your chaotic day, sending an email about your health care plan doesn't make the cut. Thankfully, we have a way to control the chaos. ***AccelerateGo!*** can put your communication distribution on autopilot via text, voicemail or email and put your mind at ease. Not only is the essential information being delivered, you are able to track your employee's engagement. ***Schedule it, and then forget about it – we will take it from there.***

WATCH ME

GO!

# A SOLUTION THAT MEETS YOUR EMPLOYEES WHERE THEY ARE AT

Navigating benefits can be daunting for employees, especially when there is a different place to go for every aspect of their benefit plan. Based on a study McGohan Brabender conducted, we discovered that employees' communication preferences and how they engage with their benefits program has evolved. Unfortunately, many employers have yet to make the necessary changes that their employees desire.

**TWO OF THE MOST IMPORTANT FINDINGS OF THIS STUDY WERE:**

1. **Employees do not like attending annual Open Enrollment meetings**: Employees believe there are more effective ways to communicate benefits available to them. Employees think Open Enrollment meetings are too long, provide too much information, and do not provide them with relevant information.
2. **Benefit Booklets aren't effective:** Employees want information about their benefits when they need it, not once a year at Open Enrollment. Most employees go to HR when they have questions about their benefits as booklets get lost or thrown away. This is one more thing your HR team has to manage. Employees want an Amazon-like experience, where they can access their benefit information anytime, anywhere.

Meet Xplore, a microsite where employees can access their benefits when they need them the most. This microsite is customizable and is built to house benefit overviews, video tutorials, premium cost breakdowns, important plan documents (for all lines of coverage), and educational content all in one place. In addition, there are two customizable buttons that can link out to various sites, such as a benefits administration site, the MB Advocate Team, or the employer's intranet. It becomes the one-stop shop for any and all benefit questions an employee may have.

**WHY THIS APPROACH IS BETTER FOR EMPLOYEES**

1. **Easy Navigation:** Xplore's interface is extremely user-friendly, providing employees with a platform where it is easy to find answers when they need them. For example, if an employee has a question about their medical coverage, they navigate to this section of the site and find answers quickly. Traditional benefit booklets provide a lot of information in one document, making it difficult for employees to find the answers they need. Xplore alleviates this pain point for your employees.
2. **Flexible Content:** With offerings potentially changing annually, the ability to change plan documents is essential. Xplore's back-end system allows for changes to be made quickly, ensuring your employees have the most up-to-date information about their plans.
3. **Provides Bite-Sized Chunks of Information:** Employees, on average, can only remember 4-6 pieces of information from a meeting. Open Enrollment and benefit booklets provide a large amount of information in a short amount of time, leaving employees overwhelmed and confused. Xplore alleviates the cognitive overload employees experience in Open Enrollment meetings by breaking down plan information into small chunks, making it easier for employees to digest and remember plan information.

**XPLORE DEMO**

10/19/2023

DON'T LET TIME GET AWAY FROM YOU...

# SAVE THE DATE!

McGOHAN BRABENDER

***2025 EVENTS***

# 2025 EVENTS

*Welcome to McGohan Brabender's 2025 Catalog of Events! We're excited to present our 2025 lineup of presentations, webinars, and trainings designed to empower you with insights and strategies for navigating employee benefits. From compliance updates to workforce engagement, our sessions are designed to help you stay ahead.*

*Mark your calendars—registration for each class will open 60 days before the scheduled date. A complete list of dates for these events is on the back of this catalog.*

## *LET'S REIMAGINE EMPLOYEE BENEFITS TOGETHER!*

### TOBACCO SURCHARGE COMPLIANCE AND STRATEGIES WEBINAR

**1.5 CE Credits (SHRM/HRCI)**

This webinar explores tobacco surcharges and their role in promoting wellness and reducing healthcare costs. Topics include compliance with EEOC rules, nicotine testing, cessation alternatives, and legal considerations. Learn how surcharges can improve employee health and reduce smoking-related expenses. Attendees will gain insights to create compliant and effective policies. Enhance your organization's approach to tobacco-related benefits.

### ADULT MENTAL HEALTH FIRST AID TRAINING

**6 CE Credits (SHRM/HRCI)**

Poor mental health and substance use can negatively impact an employee's job performance.

Learn to recognize and respond to mental health challenges in the workplace with this training by McGohan Brabender's Population Health Manager, Tiffany Kuck. This session teaches you how to provide initial support, connect employees to care, and address crises. Completion earns a 3-year Adult Mental Health First Aid certification, with CEUs available for Ohio professionals. Gain critical skills to foster a supportive and productive workplace.

**This course requires 2 hours of online prework outside of the classroom.*

### THE RISING STORM WEBINAR – HOW THE DEMOGRAPHIC DROUGHT'S DAMAGE WILL LOOK LIKE A HURRICANE

**1 CE Credit (SHRM/ HRCI)**

Join Ron Hetrick, Senior Labor Economist and VP of Staffing Product at Lightcast, for an engaging webinar on the critical labor shortage crisis. Drawing insights from Lightcast's The Demographic Drought and Who is Going to Do the Work?, Ron will examine why essential industries are struggling to fill critical roles and how this workforce gap could impact the next five years. Learn which sectors are most vulnerable, explore strategies to mitigate the damage, and understand how to build resilience in a challenging labor market. Don't miss this opportunity to gain expert insights and actionable solutions from one of the leading voices in labor market analysis.

### SIMPLIFYING PHARMACY BENEFITS FOR COST MANAGEMENT

**1.5 CE Credits (SHRM/HRCI)**

Understand the complexities of pharmacy benefits with Dr. Jeff Eichholz, VP of Pharmacy Solutions. This session covers cost drivers, member impact, vendor strategies, and financial considerations like carve-in or carve-out options. Learn actionable strategies to manage rising medication costs effectively. Gain clarity on pharmacy trends and prepare for your next PBM renewal. Leave equipped to optimize pharmacy benefits and manage costs.

## COMPLIANCE WEBINAR: RXDC SUBMISSIONS

**1 CE Credit (SHRM/HRCI)**

Get a detailed overview of RxDC submissions for employer-sponsored group health plans. Join McGohan Brabender as they discuss submission requirements, key deadlines, and data essentials. Learn tips to ensure accuracy and compliance ahead of the June 1st deadline. Attendees will gain tools to reduce risk and stay compliant with regulatory changes. Don't miss this opportunity to learn from industry experts and safeguard your organization.

## TRENDS AND STRATEGIES FOR STREAMLINING EMPLOYEE BENEFITS

**1.5 CE Credits (SHRM/HRCI)**

Simplify the complexity of employee benefits with McGohan Brabender's Executive Vice President Key Accounts, Abby Holcomb, in this insightful session. Learn to navigate McGohan Brabender's process for evaluating benefit options, explore marketplace trends, and discover cost-containment strategies. This session helps attendees gain clarity amidst the overwhelming array of options from vendors, carriers, and offerings. Build confidence to make informed decisions in today's evolving benefits landscape. Leave with actionable insights to streamline your organization's benefits.

## COMPLIANCE WEBINAR: TOP 5 COMPLIANCE MISTAKES

**1 CE Credit (SHRM/HRCI)**

Discover the most common compliance mistakes in employer-sponsored group health plans and how to fix them. This webinar discusses topics including errors related to HIPAA, ACA, COBRA, ERISA fiduciary duties, and FMLA. Learn actionable steps to reduce risk and improve compliance. This session equips attendees with practical knowledge to meet regulatory requirements and avoid costly errors. Stay proactive and ensure your organization's compliance.

## THE SCIENCE OF EMPLOYEE PERSUASION

**1.5 CE Credits (SHRM/HRCI)**

Explore the psychology of persuasion to improve employee engagement and behavior change. Join David Homan, CMO of McGohan Brabender, to learn strategies for crafting impactful communication. Topics include real-world examples, behavioral cues, and insights from pharmaceutical marketing. Attendees will gain tools to create effective, concise messaging and inspire meaningful action. Walk away with actionable insights to enhance your communication skills.

## COMPLIANCE WEBINAR: LEGISLATIVE & COMPLIANCE UPDATE

**1 CE Credit (SHRM/HRCI)**

Stay up-to-date on the latest legislative and compliance changes affecting group health plans. This webinar covers new regulations, their impact on benefits, and actionable steps to minimize risk. Topics include compliance deadlines, regulatory updates, and strategies for maintaining compliance. Attendees will gain insights to navigate changes confidently and prepare for the future of employee benefits. Don't miss this essential session with McGohan Brabender experts.

## NEW CLIENT VALUE-ADDED SERVICES

**No CE Credits**

We are thrilled to invite you to McGohan Brabender's monthly "New Client Value-Added Services" webinar, inspired by our founder, Pat McGohan, who believed that "a miscommunicated benefit is no benefit at all." This session is designed to ensure you're fully informed and can maximize the range of services available to you as a valued client of McGohan Brabender. By attending, you'll discover ways to enhance recruitment, retention, and engagement strategies with exclusive benefits. You'll also equip your C-Suite and benefits team with innovative tools and access to premium services. These sessions are offered monthly, so you can register for a time that works best for you!

| MONTH | EVENTS |
|---|---|
| January | New Client Value-Added Services Webinar \| Jan 29; 11:00 AM - 12:00 PM (Online) |
| February | Population Health \| Tobacco Surcharge Compliance and Strategies Webinar \| Feb 5, 10:30 - 11:30 AM (Online)<br>Adult Mental Health First Aid Training \| Feb 19, 9:00 AM- 4:00 PM (Indianapolis)<br>New Client Value-Added Services Webinar \| Feb 26, 11:00 AM - 12:00 PM (Online)<br>The Rising Storm Webinar \| Feb 26, 11:00 AM - 12:00 PM (Online) |
| March | Simplifying Pharmacy Benefits for Cost Management \| March 5, 8:30 AM - 10:00 AM (Dayton)<br>Simplifying Pharmacy Benefits for Cost Management \| March 5, 12:00 PM - 1:30 PM (Cincinnati)<br>Simplifying Pharmacy Benefits for Cost Management \| March 6, 9:00 AM - 10:30 AM (Indianapolis)<br>Simplifying Pharmacy Benefits for Cost Management \| March 12, 9:00 AM - 10:30 AM (Columbus)<br>Simplifying Pharmacy Benefits for Cost Management \| March 13, 9:00 AM - 10:30 AM (Cleveland)<br>Adult Mental Health First Aid \| March 19, 9:00 AM- 4:00 PM (Cincinnati)<br>New Client Value-Added Services Webinar \| March 26, 11:00 AM - 12:00 PM (Online) |
| April | Compliance Webinar RxDC- BCS \| April 3, 10:30 AM - 11:30 AM (Online)<br>Adult Mental Health First Aid \| April 24, 9:00 AM- 4:00 PM (Cleveland)<br>New Client Value-Added Services Webinar \| April 30, 11:00 AM - 12:00 PM (Online) |
| May | Adult Mental Health First Aid \| May 21 9:00 AM- 4:00 PM (Columbus)<br>New Client Value-Added Services Webinar \| May 28; 11:00 AM - 12:00 PM (Online) |
| June | Adult Mental Health First Aid \| June 10, 9:00 AM - 4:00 PM (Dayton)<br>Trends and Strategies for Streamlining Employee Benefits \| June 11, 8:30 AM-10:00 AM (Dayton)<br>Trends and Strategies for Streamlining Employee Benefits \| June 11, 12:00 PM - 1:30 PM (Cincinnati)<br>Trends and Strategies for Streamlining Employee Benefits \| June 12, 9:00 AM - 10:30 AM (Indianapolis)<br>Trends and Strategies for Streamlining Employee Benefits \| June 17, 9:00 AM - 10:30 AM (Cleveland)<br>Trends and Strategies for Streamlining Employee Benefits \| June 18, 9:00 AM - 10:30 AM (Columbus)<br>New Client Value-Added Services Webinar \| June 25, 11:00 AM - 12:00 PM (Online) |
| July | New Client Value-Added Services Webinar \| July 30, 11:00 AM - 12:00 PM (Online) |
| August | Adult Mental Health First Aid \| Aug 13, 9:00 AM - 4:00 PM (Dayton)<br>Compliance Webinar - BCS Top 5 Compliance Mistakes \| Aug 14, 10:30 AM - 11:30 AM (Online)<br>New Client Value-Added Services Webinar \| Aug 27, 11:00 AM - 12:00 PM (Online) |
| September | The Science of Employee Persuasion \| Sept 9, 8:30 AM - 10:00 AM (Dayton)<br>The Science of Employee Persuasion \| Sept 9, 12:00 PM - 1:30 PM (Cincinnati)<br>The Science of Employee Persuasion \| Sept 10, 9:00 AM - 10:30 AM (Columbus)<br>The Science of Employee Persuasion \| Sept 16, 9:00 AM - 10:30 AM (Cleveland)<br>The Science of Employee Persuasion \| Sept 17, 9:00 AM - 10:30 AM (Indianapolis)<br>New Client Value-Added Services Webinar \| Sept 24, 11:00 AM - 12:00 PM (Online) |
| October | Compliance Webinar - BCS Legislative & Compliance Update \| Oct 9, 10:30 AM - 11:30 AM (Online)<br>New Client Value-Added Services Webinar \| Oct 29, 11:00 AM - 12:00 PM (Online) |
| November | New Client Value-Added Services Webinar \| Nov 26, 11:00 AM - 12:00 PM (Online) |
| December | New Client Value-Added Services Webinar \| Dec 17, 11:00 AM - 12:00 PM (Online) |


# MB CONSUMER VIDEOS

WE'VE DONE OUR RESEARCH AND DISCOVERED VIDEOS ARE THE MOST ENGAGING VEHICLE WHEN TRYING TO EXPLAIN COMPLEX HEALTH CARE TOPICS. LOOKING FOR A WAY TO REDUCE YOUR HEALTH CARE SPEND? CONSIDER TELEMEDICINE, DRUG ADHERENCE, AND SOME "AFTER HOURS" OPTIONS AND MORE. WITH THE RIGHT EDUCATION, WE CAN KEEP HEALTH CARE COSTS DOWN, IF WE USE THE RIGHT HEALTH CARE SOLUTION...
***AT THE RIGHT TIME.***

WE ARE EAGER TO SHARE OUR KNOWLEDGE WITH YOU... CLICK ON THE QR CODE BELOW WITH YOUR SMART-PHONE TO WATCH THE MB CONSUMER VIDEOS AND LEARN MORE!

SCAN ME

## COST & QUALITY:
When purchasing a television or even a vacuum, you read about the product and price it out before you decide which model is right for you. You should be doing the same with your health care provider and the costs associated with procedures. Learn how, in health care, lower cost translates to higher quality.

## TAKE YOUR MEDS:
If you aren't taking your medication as prescribed, you are gambling with your health. In the long run, the cost of taking a maintenance pill once a day far outweighs the chance of not taking a pill and getting even sicker.

## TELEMEDICINE ON VACATION:
Just because you are on vacation, and not able to get to your personal doctor, does not mean you have to go to the ER. You can keep costs low by connecting with a board-certified physician to discuss your injury or illness through Telemedicine

## AFTER HOUR OPTIONS:
Similar to when you are on vacation, you have other options for medical attention after regular doctor office hours without having to pay for the high-priced ER visit. Urgent Care versus ER can save you thousands of dollars.

## BACK TO SCHOOL HEALTH CONSIDERATIONS:
From pre-school to grad school, preparing for the school year goes beyond buying notebooks and new shoes. We have compiled a health checklist to get you and your student ready for school.

## EOB AND CARRIER INVOICES:
Invoices from your doctor's office and the insurance company can be very confusing. We have some hints on how to keep it all straight. When in doubt, keep the invoices together preferably in a folder to assure you have everything you need.

## 3 QUESTIONS TO ASK YOUR DOCTOR:
When it comes to your health, your doctor may know a thing or two more than you, but they don't know your finances. You don't have to go to medical school to know you can't afford certain services. When a doctor requests services, it's okay to ask why you need a specific test, and if it's okay to go to a less expensive facility.

## PRESCRIPTION PLANNING:

Pharmacy spend is going through the roof, but it doesn't have to. There are simple options to reduce the cost of your prescription. Look for free memberships and coupons to help reduce the cost of today's high-priced drugs. It isn't a complete fix, but it is an easy patch to apply to decrease the expenditure.

## END OF THE YEAR MAINTENANCE CHECK:

To be a smart health care consumer, you are required to be in touch with your numbers. Not just your bio numbers, but your financial numbers. How much is your deductible? How much have you already paid toward your out of pocket maximum? As the year nears its end, you may want to consider elective surgery over non-emergency procedures. It's the time to be smart with your numbers.

## BEGINNING OF THE YEAR CONSIDERATIONS:

With the beginning of your policy year, it is imperative to prepare for any plan changes that may occur. Be it a change in your insurance carrier, a change in the annual deductible, or merely a difference in your prescription coverage. Don't assume everything is the same. Attend your open enrollment meetings to determine the plan changes, if any, and research your prescription or co-pay maintenance enrollment; not doing so could cost you plenty.

## FIVE WAYS TO PUT MONEY BACK IN YOUR POCKET:

It's happening more and more; people are beginning to research their health care service options before taking action. You have options and with each choice, you can put money back in your pocket. For example, you could shop pharmacies, image services, even hospitals for the lowest cost. Generally, with the lowest costs, they will provide a higher quality of service. It sounds backwards, but it's true.

## RETIREMEDIQ:

Before you hit that milestone age of 65, reach out to RetireMediQ to get the answers to the questions you may have. Medicare and/or retirement may not be the best choice for you at this time, so the first step is to take advantage of this service. There is no cost involved to meet with a RetireMediQ advisor to discover the best path for you and your family. RetireMediQ- they specialize in Medicare so you don't have to.

## IGNORING YOUR CARRIER MAIL COULD BE COSTLY:

No matter what time of year, if there is a change in your health plan coverage, insurance carriers will send members mail notifications. Most often, this is a change that will impact your out-of-pocket cost, or even the availability of your prescription drugs. If you ignore these statements, you could be hit with an increase at the pharmacy. Instead, open the mail, reach out to your doctor to learn more, and possibly avoid that sticker shock entirely!

## VISION HEALTH: JUST AS IMPORTANT

Just because you don't wear glasses, doesn't mean you don't need to see an eye doctor. You have eyes, right? With the bluescreen overload we all experience today, our eyes are working overtime. It is suggested to have an eye exam at least every other year. Don't have an eye doctor? That's not a good excuse, consider the quick, easy option of getting your eyes checked at stores that offer optical clinics. This year is the perfect time to start this practice...2020.

# APPENDIX 4

# POPULATION HEALTH

# McGOHAN BRABENDER POPULATION HEALTH TEAM

## HEALTHIER EMPLOYEES MEAN HEALTHIER BUSINESSES

Most healthcare costs are driven by a small percentage of the population, often stemming from uncontrolled chronic conditions or diseases. This can put a financial burden on businesses and their employees. That's why our Population Health management team takes a personalized approach to disease management.

Our team recognizes that every company and employee is unique, so our process is simple. We meet our clients where they are and work with them to create solutions for control rising claims cost through both clinical and non-clinical risk management.

### HOW IT WORKS

**We can only manage what we can measure!**

Using data analytics from clients engaged in our Population Health management strategies and comparing national data, we have learned that Population Health risk management is highly effective at controlling costs.

Based on McGohan Brabender's client population, who have the highest level of engagement, we discovered that MB clients overall have a lower risk score than the national average!

### WHAT WE DO

Our Population Health team meets with employers that have made a strong commitment to offer a strategic, purpose-driven health management program; as well as those who are in the beginning stages.

We offer recommendations and suggestions for how to get to your desired outcome based on your organization's culture, opportunities for enhancements, and accountability requirements. We support and assist you by:

- Discussing and understanding your company'sneeds for a health management program
- Identify and discuss principles among yourstrategic team members
- Examine your view on the role of the employer,employee and vendors
- Cultivate tactical steps consistent with strategy,including incentives and compliance
- Develop a framework for vendor, design, programimplementation, communication and evaluation
- Provide ongoing support; continually evaluatingand suggesting ways to improve your PopulationHealth strategies

### CONTACT US

Our Population Health team is ready to assist you

p: 937.260.4300 or 877.635.5372

e: **Tiffany Kuck** – tkuck@mbbenefits.com

**Rachel Cuadros** – rcuadros@mbbenefits.com

**Shelly Cherry** – scherry@mbbenefits.com

08/31/2023

# APPENDIX 5

# COMPLIANCE CHECKLIST

# COMPLIANCE CHECKLIST

## SIZE: 250+

## 2024

The following checklist serves as a compliance guide for various employee benefit plans subject to ERISA, the Internal Revenue Code, HIPAA, and other applicable statutes. This checklist is intended to help ensure "welfare benefit plans" (as defined by ERISA) comply with ERISA and certain other statutes. Keep in mind that this means that certain items in this summary checklist are not applicable to government entities and "church plans" since they are exempt from ERISA. This checklist is not applicable to retirement plans, but rather is directed at only "welfare benefit plans" such as group health plans, group term life insurance, disability plans, etc.

This is the Compliance Checklist for group health plans maintained by employers size 250+. Separate Compliance Checklists have been created in an effort to tailor the content based on the size of the employer. The checklist items have been grouped together based on the area of law the item is typically associated with (Affordable Care Act, ERISA, etc.).

McGohanBrabender

## ACA

| What | When | Date | Open |
|---|---|---|---|
| **Form W-2 Reporting**<br>Large employers that filed 250 or more W-2s the year prior must report the value of employer sponsored medical benefits (dental and vision reporting is optional). | Form W-2s must be distributed by January 31st of the following year. | | |
| **Health Care Marketplace Notice**<br>Employers are required to provide all new hires with a written notice which describes the health insurance Marketplace (also known as the Exchange). | Within 14 days of date of hire | | |
| **Patient Centered Outcomes Research Institute (PCORI)**<br>This is a filing and fee for self-funded plans which may include certain HRAs and health FSAs. | Filed on IRS Form 720 by July 31st each year | | |
| **ACA Reporting Forms 1094-C & 1095-C**<br>The ACA Reporting applies to self-funded plans, as well as to Applicable Large Employers. "Applicable Large Employers" are those employers with fifty (50) or more full-time employees and full-time equivalent employees during the previous calendar year.[1] | For the 2023 Reporting Year: Forms 1094-C and 1095-C must be filed with the IRS by February 28, 2024 if filing by paper, or by April 1, 2024 if filing electronically. Electronic filing is now required if filing10 or more returns (including filing W-2s).<br>Form 1095-C must also be provided to full-time employees (and covered individuals if plan is self-funded) by March 1, 2024. | | |
| **Grandfathered Status**<br>Plans which have been in place since before the Affordable Care Act and have not been significantly changed may have Grandfathered Status which exempts them from having to comply with certain ACA requirements. | A health plan must disclose if it considers itself a Grandfathered Plan. Listed in the Certificate if applicable. | | |
| **Patient Protection Notice**<br>Only required if plan requires designation of primary care provider. | Listed in Certificate of Coverage | | |

## COBRA

| What | When | Date | Open |
|---|---|---|---|
| **General COBRA notice**<br>COBRA generally applies to those employers with at least twenty (20) employees on more than fifty percent (50%) of its typical business days in the previous calendar year.[2] COBRA provides certain employees and their family who lose their group health coverage due to a qualifying event the right to choose to continue their benefits for a limited period of time. | • The General COBRA Notice must be distributed within 90 days of the person first entering the plan<br>• Note: there are a number of other notice requirements under COBRA | | |

## CONSOLIDATED APPROPRIATIONS ACT

| What | When | Date | Open |
|---|---|---|---|
| **Prescription Drug Data Collection (RXDC) Reporting**<br>Plans and issuers must report information on prescription drug and healthcare spending to the departments. | • This reporting is due June 1st to report the data for the prior calendar year.<br>• The carriers will handle this reporting for fully insured plans. The TPAs will handle the reporting for most self-funded plans but not all, so check to confirm with your TPA and PBM where applicable. | | |
| **Gag Clause Attestation**<br>Plans must annually attest that they did not contractually enter into any prohibited restrictions on sharing plan data. | The Gag Clause Attestation is due annually by December 31st. The carrier or TPA may offer to submit the attestation on the plans behalf, so check with your carrier or TPA. | | |

## FMLA

| What | When | Date | Open |
|---|---|---|---|
| **Family & Medical Leave Act (FMLA)**<br>Generally applies to those employers with at least fifty (50) employees working twenty (20) or more weeks in the current or preceding calendar year. Each full-time and part-time employee is counted as one (1) employee. Where FMLA applies, an employer must provide eligible employees with specified family/ medical issues with job protected leave, and maintain group health coverage under the same terms and conditions as if the employee had not taken leave. | • Workplace poster requirement<br>• Notices to particular individuals as per 29 CFR § 825.300 upon potential FMLA qualifying events | | |

## ERISA

| What | When | Date | Open |
|---|---|---|---|
| **Summary Plan Description (SPD)**<br>The SPD delineates how the Plan operates. Although the carrier will provide a Certificate of Coverage, this typically does not meet the SPD requirements. For that reason, a Wrap Document is usually needed so that the SPD requirement is met, and the Wrap Document can also tie lines of coverage together. | • Within 120 days of plan becoming subject to ERISA<br>• Within 30 days of request<br>• Within 90 days of becoming a participant or beneficiary<br>• Updated SPDs must be distributed every five years if changes or every 10 years if no changes | | |

## ERISA (CONTINUED)

| What | When | Date | Open |
|---|---|---|---|
| **Plan Document under which the plan is operated**<br>Benefit plans must be established and maintained according to a "written instrument". This document differs from the SPD. The SPD is a summarized, more user friendly version of the Plan Document. | • Copies must be furnished within 30 days of written request<br>• Made available for inspection at principal office and certain other locations | | |
| **Summary of Material Modifications (SMM)**<br>If midyear a material change is made to the Plan which impacts the terms within the SPD, participants must be notified of such change. | No later than 210 days after the end of the plan year in which the change is adopted, participants must be notified in writing. | | |
| **Summary of Material Reduction in covered services or benefits**<br>If midyear a material change is made to the Plan which impacts the terms within the SPD such that it reduces covered services or benefits, the Plan Administrator must inform the participants of the reduction. | Generally within 60 days of the adoption of material reduction in group health plan services or benefits, notice of this change must be provided to participants. | | |
| **Summary of Benefits and Coverage**<br>This document provides a description of the benefits in clear language and a consistent format. | Distributed during Open Enrollment Periods and certain other times | | |
| **Notice of Rescission**<br>A group health plan has the capability of retroactively rescinding coverage in the event of certain actions by the participant, such as fraud or material misrepresentation. | 30 days advance written notice must be provided to each impacted participant if coverage is being retroactively terminated due to fraud or intentional misrepresentation of material fact | | |
| **Form 5500**<br>Applies to plans with at least 100 participants (i.e. employees) enrolled on first day of plan year. | Must be filed with the Department of Labor within seven months after the close of the plan year | | |
| **Summary Annual Report (SAR)**<br>This document is a narrative summary of the plan's 5500 filing. | Distributed to participants (i.e. employees) within 9 months after the end of the plan year or 2 months after filing the Form 5500 | | |

## INTERNAL REVENUE CODE

| What | When | Date | Open |
|---|---|---|---|
| **Cafeteria Plan or Premium Only Plan Document**<br>Under IRS Code Section 125, a Plan can permit participants to make pretax payment for qualified benefit premiums. In order for a Plan to take advantage of Section 125, the Plan must have a Cafeteria Plan Document or Premium Only Plan Document which states how the group will comply with Section 125 requirements. | • Kept on file and made available for inspection at principal office and certain other locations. | | |
| **Cafeteria Plan or Premium Only Plan Notice/Election Form**<br>Benefit eligible individuals must be given notice that the group operates a Section 125 Plan. Depending upon how the Cafeteria or Premium Only Plan Document is drafted, such benefit eligible individuals must either be provided notice of the Section 125 plan or be provided an Election Form. | Annually, prior to the first day of the plan year | | |
| **All Self Funded Health Plans are Subject to Discrimination Rules**<br>These Rules prohibit the Plan from discriminating in favor of highly compensated individuals in their plan design. | Tested annually | | |

## HIPAA

| What | When | Date | Open |
|---|---|---|---|
| **HIPAA Privacy Notice**<br>This notice informs covered individuals of their privacy rights under their health plan. Where a group is fully insured, the carrier may provide this notice. | • At the time of enrollment for new enrollees<br>• Upon request<br>• Within 60 days of a material change to the Notice<br>• No less frequently than once every 3 years | | |
| **HIPAA Breach Notification**<br>Certain notices must be provided if a breach to the privacy of member Protected Health Information occurs. | Only required if a HIPAA breach occurs | | |
| **HIPAA Notice of Special Enrollment Rights**<br>This Notice informs benefit eligible individuals of the events which may trigger the ability to change elections midyear. | This must be provided on or before the time an employee is offered an initial opportunity to enroll in the group health plan | | |
| **Wellness Program Disclosure Notices**<br>Certain types of Wellness Programs are required to distribute Wellness Program Notice(s) which let eligible individuals know more about their rights. | Distribute such notice(s) with Wellness Program Materials | | |

| OTHER | | | |
|---|---|---|---|
| **What** | **When** | **Date** | **Open** |
| **Uniformed Services Employment & Reemployment Rights Act (USERRA) Notice**<br>This Act protects service members' reemployment rights upon returning from a period of service, prohibits employer discrimination based on military service or obligation, and provides certain benefit rights while serving. | There is a workplace poster requirement. Other requirements are triggered if/when an employer has an employee who serves. | | |
| **Medicare Part D Creditable Coverage Notice to Participants**<br>Plans which offer prescription drug coverage are required to notify benefit eligible employees annually of the creditable status of their prescription drug plan. | • Distribute once a year at the same time each year (e.g. in the annual open enrollment materials)<br>• Before an individual is first eligible for Medicare Part D. The employer complies with this requirement if the Notice is distributed to all plan participants annually<br>• Before the effective date of coverage for any Medicare eligible individual that joins the plan<br>• Whenever prescription drug coverage ends or changes so that it is no longer creditable or becomes creditable<br>• Upon request | | |
| **Medicare Part D Creditable Coverage Notification to Government**<br>Plans which offer prescription drug coverage are required to notify CMS online annually to report the creditable status of their prescription drug plan. | Electronic notification within 60 days of first day of plan year, and within 30 days of any change to its 'creditable' status or termination of prescription drug plan. | | |
| **Michelle's Law**<br>Where a plan requires that dependents maintain full-time student status in order to receive coverage, this law allows seriously injured or ill college students to take up to one year of medical leave without losing their health insurance. | Since health care reform, only applicable to plans that cover students after age 26 | | |
| **Medical Child Support Order (MCSO)**<br>This is an order that an employer add coverage for a particular dependent under their Plan. | • Upon receipt of a MCSO, administrator must issue notice including procedures for determining qualified status | | |
| **National Medical Support Notice (NMS)**<br>This is a Notice that an employer add coverage for a particular dependent under their Plan. | • Employer must send Part A to the State agency or Part B to the plan administrator within 20 days after the date of the notice or sooner if reasonable<br>• Administrator must notify affected persons of receipt of the notice and procedures for determining qualified status<br>• Within 40 business days after its date or sooner, administrator must return Part B to the state agency and provide information to affected persons | | |
| **Women's Health and Cancer Rights Act Notices (WHCRA)**<br>Plan participants must receive notice regarding coverage for mastectomy-related services and breast reconstructive services. | • Upon enrollment<br>• Annually | | |
| **Newborns' and Mothers' Health Protection Act of 1996**<br>This Act requires Plans that offer maternity coverage to pay for at least a 48-hour hospital stay following childbirth (96-hour stay in the case of a cesarean section). | • A statement describing these rights must be included within the SPD. SPD/SMM timeframes apply. | | |
| **Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA)**<br>This notice provides employees with information about potential opportunities for premium assistance in the state where they reside. | State specific notices must be provided to employees where applicable. | | |
| **The Mental Health Parity and Addiction Equity Act NQTL Analysis**<br>This Act generally prevents plans which provide mental health and substance abuse disorder benefits from imposing less favorable limitations on those benefits than on medical/surgical coverage. | Plans must document an analysis of the nonquantitative treatment limitations (NQTLs) between medical/surgical benefits and mental health/substance use disorder (MH/SUD) benefits to demonstrate that such treatment limitations are applied comparably. Must provide a copy of the NQTL Analysis to the Department of Labor or to plan members if requested. | | |

The Federal Government has provided some sample forms. Those forms can be accessed at: http://www.dol.gov/ebsa/forms.html. Some of the forms may, depending on the circumstances, be distributed electronically.

[1]For purposes of counting one's full-time employees, the employer must count those employees with 30 or more hours of service per week, determined on a monthly basis. For purposes of counting one's full-time equivalent employees, the employer must aggregate the hours of service by their part-time employees. This is done by adding up all of the hours worked by all of the part-time employees each month, and dividing that total by 120 (note that any one part-time employee should not have more than 120 hours). Next, the resulting total number of full-time employees and full-time equivalents for each month in the prior year are added together and then divided by 12 to get an average for the prior year. If the result is 50 or more full-time employees and full-time equivalents, the employer is an Applicable Large Employer. Keep in mind that special counting rules apply with respect to certain individuals, such as teachers, seasonal workers, etc.

[2]When counting its employees, the employer must add both full-time and part-time employees together, with the part-time employees fractionalized based on the amount of hours they work in comparison to that of a full-time employee, such that the numerator contains the number of hours worked by that employee and the denominator contains the number of hours that must be worked on a typical business day in order to be considered full-time. Keep in mind that COBRA does not apply to church employers.

*This checklist is current as of January 1, 2024 and is only a summary of some of the rules governing the reporting and disclosure requirements applicable to welfare benefit plans. This checklist is not an exhaustive list of all the requirements applicable to welfare benefit plans. McGohan Brabender, Inc. does not provide accounting or legal services.*

# APPENDIX 6

# BCS COMPLIANCE CHECKUP

BCSPRO

Zebra carpet cleaning

# BCS Pro Gap Analysis Report

Every employer sponsored health plan has risks, but with the right information and the right partners, you can minimize those risks. Below you will find the results of our analysis. Review the results carefully and, more importantly, create an action plan to follow up and minimize your compliance risks.

## Table of Contents

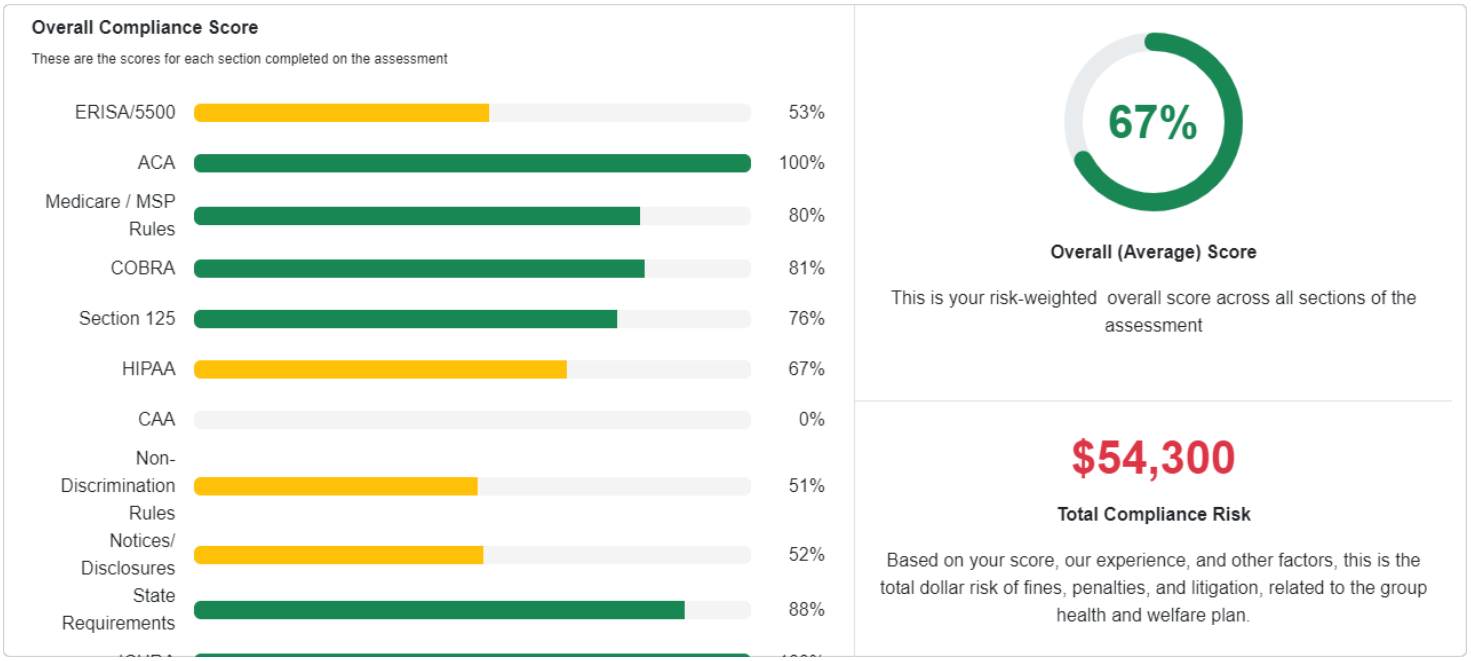
# Executive Summary & Your Overall Scores

## Executive Summary

Your overall compliance risk score is 67%, which is a weighted average across all sections of the assessment. Listed below in the executive summary, you will find a list of action items that you and your team can take in order to mitigate risk areas and avoid potentially expensive and stressful problems from happening in the near future.

If left unaddressed, this  score translates to approximately $54,300 in possible fines and penalties. This, of course, doesn't include the many hours spent by company leadership and staff trying to correct errors and locate records, sometimes months and years after the fact. A significant increase in the last 2 years in enforcement by the DOL and HHS, along with the increased transparency rules of the CAA, should be considered when developing a plan of action.

## Your Overall Scores



# Action Items

## (15) Action Items

Below is a list of highlighted items for the employer to address. If available, you can add reminders for some of these items directly to the employer's calendar, or export into a printer-friendly list

- **Wrap distribution timeline for new plan participants**
  Make sure wrap is in place and is distributed to new plan participants within 90 days of enrollment
- **Summary Annual Report (SAR) distribution**
  Make sure the Summary Annual Report (SAR) is distributed to plan participants within 9 months of the end of the plan year, or within 2 months of filing the Form 5500 (if 5500 was filed on extension)
- **ERISA documentation record keeping**
  Ensure ERISA documents (eg., plan documents, SPDs, 5500 information, etc.,) are maintained for not less than 8 years
- **ERISA requirements for electronic document distribution**
  To give documents electronically, the participant must have work-related computer access or provides affirmative consent
- **Submit Creditable Coverage Disclosure to CMS**
  Employer must submit the online Creditable Coverage Disclosure to CMS within 60 days after the start of the plan year
- **Distribute the COBRA initial notice**
  The COBRA initial general notice is provided to participants and enrolled spouses within 90 days of coverage by first class mail
- **Cafeteria plan particpation prohibited for owners**
  Make sure self-employed owners (e.g. sole proprietors, partners, more than 2% shareholders in an S-corp) are not participating in cafeteria plan, including health FSA
- **HIPAA policies & procedures**
  Employer must have written policies and procedures for the handling of PHI, regardless of fully insured or self-insured
- **CAA: Balance billing prohibition requirements**
  Confirm with carrier/TPA that prohibitions on balance billing are followed
- **CAA: No Surprises Act notice**
  Make sure employer provides participants with the No Surprises Act notice
- **Section 125 non-discrimination testing**
  Make sure Section 125 nondiscrimination testing is performed at least annually
- **Section 105h non-discrimination testing**
  Make sure Section 105h nondiscrimination testing is performed at least annually
- **Add imputed income for life insurance**
  Make sure employer is adding imputed income to employees who receive $50,000 or more in employer-provided group term life

### Proper notices in the SPD
Ensure all notices are provided to partricipants in the "wrap" plan document/SPD

### State requirements: state-specific notices
Review any state-specific health insurance notices, including IL EHB comparison for employees residing in IL

# ERISA/5500 Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from ERISA/5500 compliance within the employer's group health plan.

**$9,500**

**Fiduciary Responsibility & Participant Protection**

ERISA/5500 Requirements

**ERISA/5500 score: 53%**

This is your risk-weighted score for ERISA/5500 compliance

Originally enacted to address concerns over the mismanagement of private pension funds, the Employee Retirement Income & Securities Act of 1974 (ERISA) was amended over time to include how plan sponsors handle the health care needs of participants. The majority of employers who sponsor a group health plan are subject to ERISA requirements, which include:

- A written plan document
- A Summary Plan Description (SPD) to be distributed to employees
- Summary of Material Modifications (SMM) should plan be distributed
- Form 5500 Filing with the Department of Labor (DOL)
- Summary Annual Report (SAR) to be distributed to participants

The Employee Benefits Security Administration, the IRS, and the Pension Benefit Guaranty corporation all play a role in the enforcement of ERISA through audits, investigations, and other means. As of 2023, some of the penalty amounts are as follows:

- Failure to furnish information to (or maintain records for), an employee: $33 per employee per failure
- Failure (or refusal) to file a plan's annual report with the DOL. $2,400 per day, starting on the date of failure (or refusal)
- Failure by multiple employer welfare arrangements (MEWAs) that provide health benefits to file an annual report on time with the DOL: $1,746.
- Failure to provide plan info, such as a SPD, to the DOL in a timely fashion. $171 per day (not to exceed $1,713 per request).
- Willful failure by a group health plan to provide information to a participant and/or beneficiary. $1,264 per failure..

# ERISA/5500

## ERISA/5500 Answers

Below you will find your answers provided in the ERISA/5500 portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Select all of the documents currently on file for the employer:

Answer: ERISA wrap document and Summary Plan Description (SPD)
Notes: JJSADASDAAAA

### Q2: What is the ERISA plan year listed on the ERISA wrap document?

Answer: ERISA plan year date: 01/01/2024
Notes: working on a wrap with EBC

### Q3: When the wrap was first adopted, was the wrap distributed to plan participants within 120 days?

Answer: Need to put a wrap in place.

### Q4: Ongoing: Is the Wrap SPD provided to new plan participants within 90 days of plan enrollment?

Answer: Not yet. Need to put a wrap in place.
⚠ Make sure wrap is in place and is distributed to new plan participants within 90 days of enrollment

### Q5: Does the employer have 100 or more participants (includes active employees, retirees or COBRA QBs) enrolled on any of their current benefit plans as of the first day of the plan year, including employer-paid life or disability?

Answer: Yes
Notes: HOLA

### Q6: Has the employer filed a Form 5500 with the Department of Labor for the health and welfare benefits 7 months following the end of the plan year (or up to 2.5 months on extension)?

Answer: Yes

### Q7: Does the employer distribute the Summary Annual Report (SAR) to all plan participants within 9 months of the end of the plan year or within 2 months of filing Form 5500 on extension?

Answer: Not sure

⚠ Make sure the Summary Annual Report (SAR) is distributed to plan participants within 9 months of the end of the plan year, or within 2 months of filing the Form 5500 (if 5500 was filed on extension)

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### Q8: Are ERISA recordkeeping rules followed, requiring plan sponsors to maintain ERISA documents for not less than 6 years after the filing date of a Form 5500 (or the date it would be filed but for an exemption)?

Answer: No

⚠ Ensure ERISA documents (eg., plan documents, SPDs, 5500 information, etc.,) are maintained for not less than 8 years

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### Q9: Is the electronic disclosure safe harbor being met for electronic delivery of ERISA documents and required notices?

Answer: Not sure

⚠ To give documents electronically, the participant must have work-related computer access or provides affirmative consent

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# ACA Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from ACA compliance within the employer's group health plan.

**$0**

**Healthcare Reform**

ACA Requirements

**ACA score: 100%**

This is your risk-weighted score for ACA compliance

The Affordable Care Act is often viewed as the cornerstone of compliance for employer health plans. Upon its passing in 2010, a wave of change necessarily occurred among carriers, employers, and brokers alike, changing how the entire industry perceived compliance. At the core of the law is affordability of healthcare for all Americans, which, for employer sponsored health plans, manifested itself in several key requirements, including:

• 6055 Reporting for Insurers and non-"Applicable Large Employers" (ALEs) with self-insured coverage
  ◦ Includes filing 1095-C & 1094-C forms
- 6056 Reporting for ALEs
  - Includes filing 1095-B & 1094-B forms
- Defined thresholds for "Minimum Value" (MV) and penalties for failure to provide MV coverage for Applicable Large Employers
- Requirements to provide "Minimum Essential Coverage" (MEC) to 95% of FT eligible employees & their dependents for ALEs

To-date, the ACA remains one of the most widely enforced laws pertaining to group benefits, partially because the DOL has good information on employee headcount, premiums from payroll and W-2 data, as well as records on when an employee seeks other, more affordable coverage on the Healthcare marketplace. All of these make it easier for the DOL to find employer violations.

As of 2023, penalties for ACA violation include:

- 4980H(a) Penalty: $240 or $2,880 annually, per employee
  - Issued when ALEs fail to offer MEC coverage to 95% of eligible FTEs or
  - One or more employee receives a Premium Tax Credit (PTC) for purchasing coverage through a state or federal healthcare exchange - - 4980H(b) Penalty: $360 or $4,280 annually, per employee
  - Issued when an ALE issues coverage that is unaffordable, not Minimum Value, or both AND

- Had one or more employee receive a PTC for purchasing coverage through a state or federal healthcare exchange
- Failure to file penalty: $290 to $580 per return
- Failure to furnish penalty: $290 to $580 per return

# ACA

## ACA Answers

Below you will find your answers provided in the ACA portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Does the employer sponsor a Grandfathered health plan?

Answer: Yes

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### Q2: Is the employer considered an "Applicable large Employer" (ALE) under the ACA? (ALE = Generally 50+ FT employees plus FT equivalents in prior calendar year)

Answer: No

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### Q3: Does the employer remit the PCORI fee each year to the IRS on Form 720 for self-insured plans (including level-funded & HRAs)?

Answer: Yes

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### Q4: Are the number of actual days an employee has to wait in the waiting period 90 days or less for major medical coverage?

Answer: Yes

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# Medicare / MSP Rules Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from Medicare/MSP Rule compliance within the employer's group health plan.

**$3,000**

**Benefits for an Aging Employee Population**

Medicare/Medicare Secondary Payer Rules

**Medicare / MSP Rules score: 80%**

This is your risk-weighted score for Medicare/MSP rule compliance

In order to protect the solvency of Medicare as a whole, The Centers for Medicare & Medicare Services (CMS) has put in place a set of rules that prevents Medicare from paying claims when another entity is responsible for paying first. The Medicare Secondary Payer rules create guidelines for the scenarios in which group health insurance is required to pay claims for Medicare participants, and generally for how Medicare & group health insurance interact. Some key requirements include:

- Definition of "primary" payer and "secondary" payer in a variety of Medicare & other coverage scenarios
- Prevention of employer alteration of group health eligibility requirements based on participant's Medicare eligibility

The MSP rules are important particularly because violating them seems an obvious solution to reducing claims costs for an employer, and many less experienced HR professionals and brokers are not aware of the rules. However, the penalties are steep:

- Excise penalty equal to 25% of group health expenses during the calendar year
- Statutory penalty of $5,000 per incident
- Conditional payments for when Medicare paid but should have been other coverage
- If CMS had to bring legal action to recover damages, CMS entitled to collect twice the reimbursement amount (i.e. double damages)

# Medicare / MSP Rules

## Medicare / MSP Rules Answers

Below you will find your answers provided in the Medicare / MSP Rules portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Is the employer providing Medicare Part D Creditable Coverage Notices to participants annually by 10/15?

Answer: Yes

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### Q2: Is the employer submitting the online Creditable Coverage Disclosure to CMS 60 days after the start of the plan year?

Answer: No

⚠ Employer must submit the online Creditable Coverage Disclosure to CMS within 60 days after the start of the plan year

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### Q3: Does the employer financially incentivize or encourage Medicare-eligible employees, including spouses, to enroll in Medicare (e.g., subsidize/reimburse Medicare or Medicare Supplement premiums for the employee or spouse)?

Answer: No

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### Q4: Does the employer exclude Medicare-eligible participants, including spouses, from enrolling in the group health plan?

Answer: No

---

# COBRA Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from COBRA compliance within the employer's group health benefits plan.

**$5,700**

**Ensuring Continuity of Coverage**

<definition id='cobraDefinition'>COBRA</definition>

**COBRA score: 81%**

This is your risk-weighted score for COBRA compliance

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) addressed rising concerns for employees who lost health coverage when they lost their jobs. For almost 30 years, it has provided qualified beneficiaries who lose eligibility (could also be due to illness, reduction in hours, etc.,) an option for continuing group health coverage, regardless of employment status.

COBRA provides guidelines on when COBRA coverage must be offered, what an employer can charge a participant for, who is eligible, how to notify eligible participants of eligibility and loss of coverage, and more. Some key requirements include:

- Who must offer: employers with 20 or more total "employees"
- The definition of "qualifying events" that would trigger the offer of COBRA coverage
- Requirements to provide relevant COBRA notices at specific times

It is worth noting that COBRA timelines have been extended in recent years in response to the Covid-19. As of late 2022, these "extensions" have since been rolled back. In the future, it may be helpful to know that the extension of COBRA timelines may occur in response to adverse economic events in the US.

Penalties for COBRA violations include:

- Up to $110 excise tax levied by the IRS per beneficiary per day of non-compliance
- Up to $110 penalty per day (in addition)
- Civil penalties can be severe: if an eligible participant is forced to cover their own claims as a result of negligence in the extension of COBRA coverage, damages and legal fees can be extensive

# COBRA

## COBRA Answers

Below you will find your answers provided in the COBRA portion of the assessment. Any items that need addressing are highlighted below.

### Q1: What coverage continuation rules apply to this employer? States with state continuation laws ("mini-COBRA"): AZ, AR, CA, CO, CT, DE, D.C., FL, GA, HI, IL, IA, KS, KY, LA, ME, MD, MA, MN, MS, MO, NE, NV, NG, NJ, NM, NY, NC, ND, OH, OK, IR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY

Answer: COBRA
Notes: OLSDADS

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### Q2: How is COBRA administered?

Answer: Third Party COBRA administrator (outsourced)
Notes: Through EBC

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### Q3: Is the COBRA initial general notice provided to participants and enrolled spouses within 90 days of coverage by first class mail?

Answer: No
Notes: In enrollment guide only⚠ The COBRA initial general notice is provided to participants and enrolled spouses within 90 days of coverage by first class mail

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### Q4: Is the COBRA election notice provided upon a COBRA qualifying event to all qualified beneficiaries by first class mail?

Answer: Yes

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### Q5: When an employee takes FMLA or other protected leave, will benefits continue beyond mandatory leave (ie- employer-approved leave policy)?

Answer: No, benefits terminate when leave is exhausted and COBRA is offered

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# Section 125 Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from Section 125 compliance within the employer's group health plan.

**$2,400**

**Incentivizing Participants with Tax-Free Benefits**

<definition id='Sec125Definition'>Section 125</definition>

**Section 125 score: 76%**

This is your risk-weighted score for Section 125 compliance

Many parts of the IRS code are written in order to incentivize behaviors the government believes is in the best interest of American citizens. It is one of the strongest tools the government has to change behavior for the broader good. In the case of employee benefits, Section 125 encourages the adoption of health insurance by making certain benefits free of federal and state income tax.

It is important to note, however, that any time the IRS gives a "tax break," strict rules are put in place to ensure that the rules are not abused. With Section 125 (the section of the IRS code dictating this favorable tax status for certain types of employee benefits), these rules include:

- Requirement for a written "Cafeteria Plan" document
- Section 125 plan must be adopted prior to 1st day of plan year
- Mid-year plan changes for participants may only be enacted upon the occurrence of certain pre-defined "life events"
- Plan must not be discriminatory in favor of highly compensated or key employees

Enforced by the DOL's Employee Benefits Security Administration (EBSA), Section 125 plan misuse can lead to tax penalties and fines, including, but not limited to:

- Application of income taxes for participants who were supposed to receive tax-favored treatment on benefits
- Application of employment taxes for employer and participants
- Penalties for failing to report taxes appropriately

# Section 125

## Section 125 Answers

Below you will find your answers provided in the Section 125 portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Which benefits are paid by employees via pre-tax salary reduction? (select all that apply)

Answer: Health FSA, Dependent Care FSA, Short Term Disability, Fixed indemnity insurance (e.g., hospital, critical illness, cancer, accident), Medical, Dental, Vision
Notes: DADSADS

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### Q2: Has the employer adopted a Section 125 Cafeteria Plan Document Premium Only Plan (POP) with required contents/language?

Answer: Yes
Notes: ASDSD

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### Q3: Is the employer allowing prospective mid-year plan changes only upon the appropriate qualifying life events?

Answer: Yes

---

### Q4: Are self-employed owners allowed to participate pre-tax through the cafeteria plan, including Health FSA?

Answer: Yes
Notes: owner may be participating in the FSA⚠ Make sure self-employed owners (e.g. sole proprietors, partners, more than 2% shareholders in an S-corp) are not participating in cafeteria plan, including health FSA

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# HIPAA Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from HIPAA compliance within the employer's group health plan.

**$5,000**

**Protecting Personal Health Information**

<definition id='hipaaprsecDefinition'>HIPAA Privacy & Security</definition>

**HIPAA score: 67%**

This is your risk-weighted score for HIPAA compliance

In the late 1990's and early 2000's, as more and more healthcare transactions were beginning to take place electronically, the US Department of Health and Security put into place guidelines for how sensitive health information should be handled by employers, insurance carriers, and other relevant parties.

As with the data it pertains to, the rules of HIPAA privacy & security can get complicated. Luckily, many specialist vendors have entered the marketplace to help with the more technical aspects of handling sensitive Personal Health Information (PHI). Some of the requirements of HIPAA privacy & security rules include:

- How Personal Health Information is encrypted at rest and in transit
- The requirement for an appointed privacy officer
- The requirement for an appointed security officer
- How breaches of Personal Health Information (PHI) are to be handled
- What the participants' rights are in regard to their own PHI

Many employers are not aware they are subject to HIPAA, as they use many third parties in the administration of their health plan. However, it's important to note that any exposure to Personal Health Information, as defined in the HIPAA Privacy & Standard guidelines, makes an employer subject to the requirements of HIPAA.

Penalties for HIPAA Privacy & Security violations include:

- Criminal penalties for knowing violations of up to $50,000 and up to one year imprisonment
- Minimum fine of $100 per violation
- Maximum fine of up to $1000
- Penalties become more severe based on covered entity's knowledge of how PHI should be handled and their immediacy in correcting any known problems

# HIPAA

## HIPAA Answers

Below you will find your answers provided in the HIPAA portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Does the employer have any exposure to Protected Health Information (PHI)?

Answer: No – the employer is fully-insured and hands off (carrier is responsible)

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### Q2: Does the employer have written documented policies and procedures for the handling of PHI?

Answer: No

⚠ Employer must have written policies and procedures for the handling of PHI, regardless of fully insured or self-insured

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### Q3: Is the employer properly distributing the HIPAA privacy notice?

Answer: Yes

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# CAA Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from CAA compliance within the employer's group health plan.

**$13,000**

**Ensuring Healthcare Price Transparency**

Ensuring Healthcare Price Transparency: Consolidated Appropriations Act (CAA)

**CAA score: 0%**

This is your risk-weighted score for CAA compliance

One of the primary complaints about Healthcare in the United States is that no one really knows the cost of care. The lack of pricing transparency causes many issues: it can make it difficult to discern what the best options for care are for participants and employers, make it harder for new healthcare-related service providers to enter the marketplace, and make it easier for large carriers to increase their prices at the expense of those paying premiums.

The Consolidated Appropriations Act of 2021 included several sweeping regulations intended to make healthcare costs available to the market as a whole. Several key requirements include:

- Requirement to provide a comparative analysis to the appropriate parties for medical vs mental health benefits of a group health plan to ensure parity of benefits
- Requirement for non-grandfathered group plans and carriers to provide detailed pricing information in 2 separate Machine-Readable Files
- Certain "Balance Billing" practices are no longer allowed
- The prohibition of gag clauses in contracts between health plans & other parties
- New prescription drug reporting requirements (Section 204 reporting) for carriers & group health plans

The CAA is one of the broadest new pieces of legislation affecting employer sponsored health plans of the last 10 years, and as a result many employers are struggling to get in compliance with all requirements. Penalties include:

- Up to $100/day per person for failure to provide MRF
-Up to $100/day per person for Section 204 reporting failures
- Other penalty amounts are pending clarification from CMS & other enforcement agencies as of this writing

# CAA

## CAA Answers

Below you will find your answers provided in the CAA portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Does the employer apply the in-network cost share when a participant receives out-of-network emergency services, some non-emergency services at an in-network facility, and/or air ambulance? (i.e.- no balance billing)?

Answer: No

⚠ Confirm with carrier/TPA that prohibitions on balance billing are followed

---

### Q2: Is the employer providing participants with the No Surprises Act notice as required?

Answer: No

⚠ Make sure employer provides participants with the No Surprises Act notice

---

# Non-Discrimination Rules Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from non-discrimination rule compliance within the employer's group health plan.

**$9,800**

**Offering Fair Benefits**

Offering Fair Benefits: Non-discrimination Rules

**Non-Discrimination Rules score: 51%**

This is your risk-weighted score for non-discrimination rule compliance

It's common for employers to want to provide "premium" health benefits to executives, owners, and/or senior managers of the company. However, if an employer offers pre-tax salary reductions for benefits premiums through a cafeteria plan, they are required to make sure the plan is "non-discriminatory," based on the rules outlined in IRS Code Section 125. Intended to ensure "fairness" in benefits across the company, the non-discrimination rules provide direction on who is considered a "Highly Compensated Employee" (HCE), and how to determine if eligibility rules and the costs of the plan are considered discriminatory.

Key requirements include:

- No employee is required to complete more than 3 years of service to participate
- Eligible employees start no later than the first day of the plan year after eligibility requirements are met
- Non-taxable benefits offered to "key employees" must not exceed 25% of the total value of benefits offered under the cafeteria plan

Non-discrimination testing should be performed by an experienced vendor of choice, as it involves much data collection and calculation.

The consequences for failing non-discrimination testing include the taxation of HCIs and "Key Employees"' benefits. Failure does not impact non-HCEs or "key employees," and would not jeopardize the favorable tax status of the plan itself.

# Non-Discrimination Rules

## Non-Discrimination Rules Answers

Below you will find your answers provided in the Non-Discrimination Rules portion of the assessment. Any items that need addressing are highlighted below.

### Q1: If the benefits offered are not the same for all employees, is the employer using valid business classifications per the Section 125 rules (e.g., salary vs hourly, managers vs staff, geographic location, division, etc.)?

Answer: Yes

---

### Q2: Is the employer (or a third party) completing the required Section 125 nondiscrimination testing at least annually?

Answer: No

⚠ Make sure Section 125 nondiscrimination testing is performed at least annually

---

### Q3: (If Self-Funded or HRA) has the employer (or a third party) completed the required Section 105h nondiscrimination testing?

Answer: No

⚠ Make sure Section 105h nondiscrimination testing is performed at least annually

---

### Q4: Has the employer completed non-discrimination testing for its Health FSA?

Answer: Yes

---

### Q5: Has the employer added the appropriate “imputed income” to employees who receive $50,000 or more in employer-provided group term life?

Answer: No

⚠ Make sure employer is adding imputed income to employees who receive $50,000 or more in employer-provided group term life

---

### Q6: Has the employer added the appropriate “imputed income” to employees who cover their domestic partners?

Answer: Employer does not cover domestic partners

---

# Notices/ Disclosures Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from notice & disclosure requirements compliance within the employer's group health plan.

**$4,800**

**Providing the Right Information to Your Employees**

Providing the Right Information to Your Employees: Notices & Disclosures

**Notices/ Disclosures score: 52%**

This is your risk-weighted score for notice & disclosure requirements compliance

Legal notices and disclosures are ubiquitous in the U.S.. Just about every product you buy requires you to acknowledge T&Cs, sign a contract, or otherwise be sent a legal disclosure or notification. As a result, many people have become less aware of the importance of these documents when it comes to protecting themselves. This "shrugging off" often puts people and organizations at great risk.

As an employer, sponsoring a group health plan involves sending participants many different notices and disclosures to help them understand their rights and the rules of the plan. Without these notifications, invalid claims may be paid, laws can be unintentionally broken, and the employer is at much greater risk of legal and civil penalties.

A few of these key notifications & disclosures include:

- Summary of Benefits & Coverage
- HIPAA special enrollments notification
- Medicare Part D Creditable Coverage Notification
- HIPAA Privacy Notice
- COBRA general initial notice
- COBRA election notice
- COBRA early termination/availability notices

It's important to remember that the rules regarding the distribution of these notices include notice timing and delivery mechanism. Not all documents can be delivered electronically, and not all can be sent at any time.

Failure to understand and comply with specific notice requirements most often are tallied on a per participant per failure basis, and can add up quickly, based on the number of employees in question. However, perhaps

more significantly failure to communicate how the plan works appropriately can lead to significant civil penalties, and liability for large claims unpaid by the carrier.

# Notices/ Disclosures

## Notices/ Disclosures Answers

Below you will find your answers provided in the Notices/ Disclosures portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Is the employer providing the appropriate notices prior to enrollment? Including: •Summary of Benefits & Coverage (SBC) •HIPAA special enrollments • Women's Health and Cancer Rights (WHCRA) annual notice • Medicare Part D Creditable Coverage Notice • Marketplace Exchange Notice • HIPAA Privacy notice • Children's Health Insurance Program (CHIP) notice •Wellness Program HIPAA/EEOC notice? These notices are typically placed either in the enrollment guide or as a separate legal notices packet.

Answer: Yes

---

### Q2: Is the employer including the proper information in their wrap plan document/SPD? (Michelle's law, Internal Appeals and External Review Procedures, WHCRA notice, Mothers & Newborns notice, Patient Protection Act Notice, Notice of Privacy Practice)

Answer: No

⚠ Ensure all notices are provided to partricipants in the "wrap" plan document/SPD

---

# State Requirements Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from state and local health plan compliance within the employer's group health plan.

**$1,200**

**State/Local Specific Health Plan Requirements**

Health Plan Requirements

**State Requirements score: 88%**

This is your risk-weighted score for state and local health plan compliance

Federal regulation is not the only thing that employers should be aware of when it comes to the implementation and administration of their group plans. Many states and locales through the US have specific laws that apply. Understanding the complete scope of all state and local laws is outside of the scope of BCS Pro, however we do seek to provide key highlights for employers to be aware of.

Some of these key areas include:
-State continuation of coverage requirements (AKA mini-COBRA/state continuation)
-State specific domestic coverage requirements
-State specific mandatory temporary disability benefits
-State specific health insurance notices
-State or locale-specific commuter benefit requirements
-State or locale-specific leave mandates

Which state or local requirements apply depend on the employer situs, and in many cases, the location of remote workers as well. For further details on what state/local benefits regulation applies to a specific employer's situation, we recommend working with qualified counsel.

# State Requirements

## State Requirements Answers

Below you will find your answers provided in the State Requirements portion of the assessment. Any items that need addressing are highlighted below.

### Q1: Is the employer providing any mandatory temporary disability benefits (CA, HI, NJ, NY, RI)?

Answer: Currently no employees in these states

---

### Q2: Is the employer complying with any state required reporting for health coverage and State Individual Mandates (CA, MA, NJ, RI, VT, DC)?

Answer: Currently no employees in these states

---

### Q3: Does the employer have employees in states with registered domestic partner coverage requirements (CA, DC, ME, NV, OR, WA, WI)?

Answer: Currently no employees in these states

---

### Q4: Is the employer providing any state-specific health insurance notices, including the Illinois EHB comparison for employees residing in IL?

Answer: No
Notes: check with carrier⚠ Review any state-specific health insurance notices, including IL EHB comparison for employees residing in IL

---

### Q5: Does the employer provide commuter benefits to employees in certain cities/states? (New York City, Philadelphia, Los Angeles, Berkeley, Richmond CA, SF Bay Area, Seattle, Washington D.C., and State of New Jersey)

Answer: Currently no employees in these states

---

### Q6: Is the employer maintaining the employees coverage for the duration of any applicable state or local leave mandates? RS Resource Tool ; XpertHR Tool

Answer: Currently no employees in these states

---

## Q7: Is the employer complying with specific health care spending requirements (San Francisco Health Care Security Ordinance; Hawaii Prepaid Health Care Act)?

Answer: Currently no employees in these states

# ICHRA Scores

**Scores**

Based on your score, our experience, and other factors, this is the total dollar risk of fines, penalties, and litigation, arising from ICHRA compliance within the employer's group health plan.

**$0**

**Alternative to Group Medical Insurance**

<definition id='indivCoverageDefinition'>Individual Coverage HRA (ICHRA)</definition>

**ICHRA score: 100%**

This is your risk-weighted score for ICHRA compliance

ICHRAs are increasing in popularity as an alternative means for employers to help their employees cover healthcare costs. By offering an ICHRA, employers are free from many of the administrative burdens associated with sponsoring a group health plan. However, it is important to understand that while an ICHRA is an alternative to traditional group health coverage, it is considered a group health plan by most regulatory bodies and is therefore subject to many of the same regulations that group health plans are. Employers who adopt ICHRAs should therefore approach compliance with the same caution and analysis as any other employer who sponsors a group health plan.

Some key requirements include:
-Employee notice requirements
-Employee opt-out rules
-Allowable employee classifications for offering ICHRAs to
-Proof of coverage requirements

ICHRAs will likely continue to increase in popularity in the coming years. Both brokers and employers should therefore become more familiar with the compliance requirements associated prior to considering one as an option.

# ICHRA

## ICHRA Answers

Below you will find your answers provided in the ICHRA portion of the assessment. Any items that need addressing are highlighted below.

### Q1: If offering an ICHRA, Is the employer complying with the employee notice requirements at least 90-days prior to the plan effective date?

Answer: Yes

---

### Q2: If offering ICHRA, is the employer offering an opportunity to opt out of ICHRA coverage at least annually?

Answer: Yes

---

### Q3: If offering ICHRA, is the employer complying with the allowable classification and minimum size classification rules?

Answer: Yes

---

### Q4: If offering ICHRA, is the employer complying with the requirement that each employee provide proof of individual medical coverage or Medicare coverage enrollment?

Answer: Yes

---

# APPENDIX 7

# MCGOHAN BRABENDER REPORTING PACKAGE

# MANSFIELD CITY SCHOOLS

## 2024 Health Plan Benchmarking - PPO

| | PPO PREMIUM SPLIT ($) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | SINGLE | | | | FAMILY | | | |
| | ER | EE | TOTAL | PEPY | ER | EE | TOTAL | PEPY |
| Statewide | 798 | 130 | 928 | 11,139 | 2,030 | 356 | 2,386 | 28,629 |
| School Districts | 795 | 136 | 931 | 11,173 | 1,966 | 368 | 2,334 | 28,005 |
| School Districts <1,000 | 810 | 131 | 941 | 11,288 | 2,012 | 349 | 2,361 | 28,330 |
| School Districts 1,000-2,499 | 803 | 140 | 943 | 11,312 | 1,972 | 373 | 2,345 | 28,140 |
| School Districts 2,500-9,999 | 770 | 132 | 902 | 10,824 | 1,917 | 353 | 2,271 | 27,247 |
| School Districts >10,000 | 800 | 142 | 943 | 11,312 | 1,979 | 475 | 2,454 | 29,444 |
| **MANSFIELD CITY SCHOOLS** | **1,212** | **191** | **1,404** | **16,844** | **2,937** | **464** | **3,401** | **40,811** |

| | PPO PREMIUM SPLIT (%) | | | | | |
|---|---|---|---|---|---|---|
| | SINGLE | | | FAMILY | | |
| | ER | EE | TOTAL | ER | EE | TOTAL |
| Statewide | 86% | 14% | 100% | 85% | 15% | 100% |
| School Districts | 86% | 14% | 100% | 85% | 16% | 100% |
| School Districts <1,000 | 86% | 14% | 100% | 86% | 14% | 100% |
| School Districts 1,000-2,499 | 85% | 15% | 100% | 84% | 16% | 100% |
| School Districts 2,500-9,999 | 85% | 15% | 100% | 85% | 15% | 100% |
| School Districts >10,000 | 85% | 16% | 100% | 82% | 19% | 100% |
| **MANSFIELD CITY SCHOOLS** | **86%** | **14%** | **100%** | **86%** | **14%** | **100%** |

| | PPO IN-NETWORK DED. | | PPO NON-NETWORK DED. | |
|---|---|---|---|---|
| | SINGLE | FAMILY | SINGLE | FAMILY |
| Statewide | 466 | 974 | 1,105 | 2,295 |
| School Districts | 454 | 945 | 955 | 1,982 |
| **MANSFIELD CITY SCHOOLS** | **1,500** | **3,000** | **3,000** | **6,000** |

| | PPO IN-NETWORK OOPM | | PPO NON-NETWORK OOPM | |
|---|---|---|---|---|
| | SINGLE AVG | FAM AVG | SINGLE AVG | FAM AVG |
| Statewide | 2,717 | 5,437 | 4,252 | 8,590 |
| School Districts | 2,837 | 5,653 | 3,750 | 7,503 |
| **MANSFIELD CITY SCHOOLS** | **4,500** | **9,000** | **9,000** | **18,000** |

McGohan Brabender

# MANSFIELD CITY SCHOOLS

## 2024 Health Plan Benchmarking - HDHP

| | HDHP PREMIUM SPLIT ($) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | SINGLE | | | | FAMILY | | | |
| | ER | EE | TOTAL | PEPY | ER | EE | TOTAL | PEPY |
| Statewide | 703 | 96 | 799 | 9,589 | 1,906 | 277 | 2,183 | 26,201 |
| School Districts | 711 | 106 | 817 | 9,807 | 1,833 | 299 | 2,131 | 25,575 |
| School Districts <1,000 | 724 | 98 | 822 | 9,861 | 1,890 | 267 | 2,157 | 25,878 |
| School Districts 1,000-2,499 | 716 | 115 | 831 | 9,972 | 1,859 | 313 | 2,172 | 26,069 |
| School Districts 2,500-9,999 | 662 | 99 | 761 | 9,130 | 1,695 | 282 | 1,977 | 23,725 |
| School Districts >10,000 | 715 | 119 | 833 | 9,999 | 1,793 | 418 | 2,211 | 26,536 |
| **MANSFIELD CITY SCHOOLS** | **1,217** | **81** | **1,298** | **15,570** | **3,004** | **162** | **3,166** | **37,991** |

| | HDHP PREMIUM SPLIT (%) | | | | | |
|---|---|---|---|---|---|---|
| | SINGLE | | | FAMILY | | |
| | ER | EE | TOTAL | ER | EE | TOTAL |
| Statewide | 88% | 12% | 100% | 87% | 13% | 100% |
| School Districts | 87% | 13% | 100% | 86% | 14% | 100% |
| School Districts <1,000 | 88% | 12% | 100% | 88% | 12% | 100% |
| School Districts 1,000-2,499 | 86% | 14% | 100% | 86% | 14% | 100% |
| School Districts 2,500-9,999 | 88% | 13% | 100% | 86% | 14% | 100% |
| School Districts >10,000 | 86% | 14% | 100% | 81% | 19% | 100% |
| **MANSFIELD CITY SCHOOLS** | **94%** | **6%** | **100%** | **95%** | **5%** | **100%** |

| | HDHP IN-NETWORK DED. | | HDHP NON-NETWORK DED. | |
|---|---|---|---|---|
| | SINGLE | FAMILY | SINGLE | FAMILY |
| Statewide | 3,050 | 5,943 | 5,761 | 11,375 |
| School Districts | 2,976 | 5,740 | 5,114 | 10,036 |
| **MANSFIELD CITY SCHOOLS** | **3,300** | **5,000** | **4,400** | **7,500** |

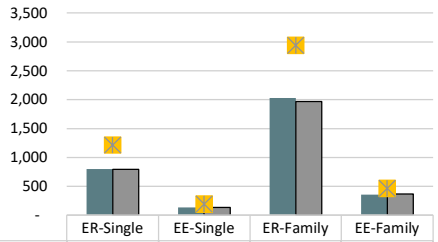
| | HDHP IN-NETWORK OOPM | | HDHP NON-NETWORK OOPM | |
|---|---|---|---|---|
| | SINGLE AVG | FAM AVG | SINGLE AVG | FAM AVG |
| Statewide | 4,439 | 8,744 | 9,847 | 19,669 |
| School Districts | 4,315 | 8,432 | 8,564 | 16,949 |
| **MANSFIELD CITY SCHOOLS** | **3,300** | **5,000** | **4,400** | **7,500** |

| | HSA EMPLOYER CONTRIBUTIONS | | | | | |
|---|---|---|---|---|---|---|
| | SINGLE AVG | SINGLE MIN | SINGLE MAX | FAM AVG | FAM MIN | FAM MAX |
| Statewide | 1,306 | 62 | 6,350 | 2,533 | 137 | 12,700 |
| School Districts | 1,154 | 62 | 3,426 | 2,207 | 137 | 6,000 |
| **MANSFIELD CITY SCHOOLS** | **1,600** | | | **2,600** | | |

McGohan Brabender

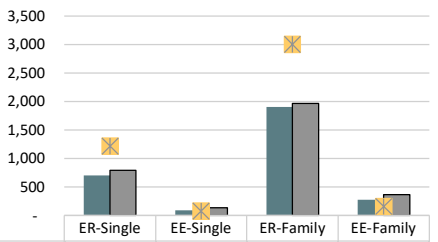
# MANSFIELD CITY SCHOOLS

## Per Employee Per Month Premiums - PPO



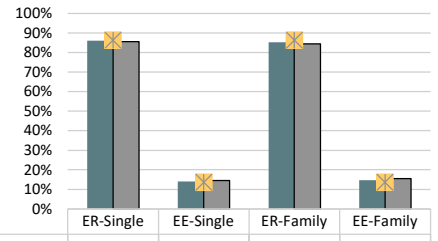

| | ER-Single | EE-Single | ER-Family | EE-Family |
|---|---|---|---|---|
| Statewide | 798 | 130 | 2,030 | 356 |
| School Districts | 795 | 136 | 1,966 | 368 |
| MANSFIELD CITY SCHOOLS PPO | 1,212 | 191 | 2,937 | 464 |

## Per Employee Per Month Premiums - HDHP



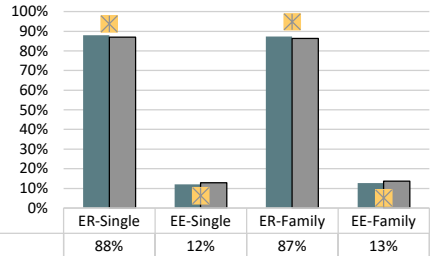

| | ER-Single | EE-Single | ER-Family | EE-Family |
|---|---|---|---|---|
| Statewide | 703 | 96 | 1,906 | 277 |
| School Districts | 795 | 136 | 1,966 | 368 |
| MANSFIELD CITY SCHOOLS HDHP | 1,217 | 81 | 3,004 | 162 |

## Premium Share (%) - PPO



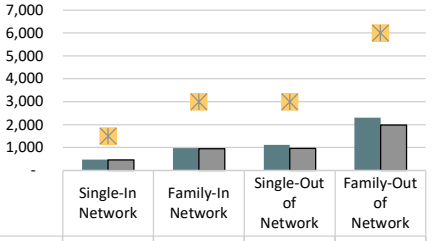

| | ER-Single | EE-Single | ER-Family | EE-Family |
|---|---|---|---|---|
| Statewide | 86% | 14% | 85% | 15% |
| School Districts | 86% | 14% | 85% | 16% |
| MANSFIELD CITY SCHOOLS PPO | 86% | 14% | 86% | 14% |

## Premium Share (%) - HDHP



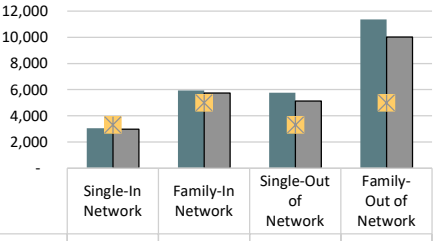

| | ER-Single | EE-Single | ER-Family | EE-Family |
|---|---|---|---|---|
| Statewide | 88% | 12% | 87% | 13% |
| School Districts | 87% | 13% | 86% | 14% |
| MANSFIELD CITY SCHOOLS HDHP | 94% | 6% | 95% | 5% |

## Deductibles - PPO



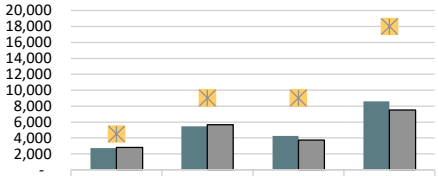

| | Single-In Network | Family-In Network | Single-Out of Network | Family-Out of Network |
|---|---|---|---|---|
| Statewide | 466 | 974 | 1,105 | 2,295 |
| School Districts | 454 | 945 | 955 | 1,982 |
| MANSFIELD CITY SCHOOLS PPO | 1,500 | 3,000 | 3,000 | 6,000 |

## Deductibles - HDHP



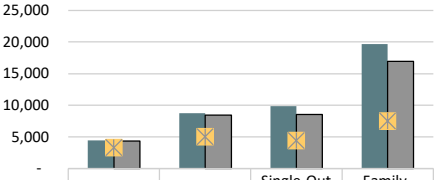

| | Single-In Network | Family-In Network | Single-Out of Network | Family-Out of Network |
|---|---|---|---|---|
| Statewide | 3,050 | 5,943 | 5,761 | 11,375 |
| School Districts | 2,976 | 5,740 | 5,114 | 10,036 |
| MANSFIELD CITY SCHOOLS HDHP | 3,300 | 5,000 | 3,300 | 5,000 |

## Out of Pocket Max - PPO




| | Single-In Network | Family-In Network | Single-Out of Network | Family-Out of Network |
|---|---|---|---|---|
| Statewide | 2,717 | 5,437 | 4,252 | 8,590 |
| School Districts | 2,837 | 5,653 | 3,750 | 7,503 |
| MANSFIELD CITY SCHOOLS PPO | 4,500 | 9,000 | 9,000 | 18,000 |

## Out of Pocket Max - HDHP




| | Single-In Network | Family-In Network | Single-Out of Network | Family-Out of Network |
|---|---|---|---|---|
| Statewide | 4,439 | 8,744 | 9,847 | 19,669 |
| School Districts | 4,315 | 8,432 | 8,564 | 16,949 |
| MANSFIELD CITY SCHOOLS HDHP | 3,300 | 5,000 | 4,400 | 7,500 |

## Sample Company

*For the PLAN YEAR* **Self-Funded** **Medical and Prescription Drug**

*January, 2022 thru December, 2022*

**97.5%**
Total Cost % of budget

| Average Lives | Budget | Net Expenses | Less Than Budget |
|---|---|---|---|
| 803 | $10.22M | $9.96M | -$251.2 K |

**80%** Medical **20%** Drug

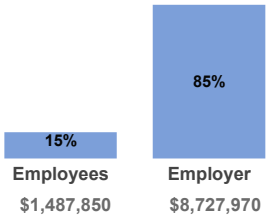
### *Per Employee Per Month*

| | vs. Prior | |
|---|---|---|
| *Budget* | ▲ 1% | $1,059.95 |
| *Total Net Claims* | ▲ 5% | $817.65 |
| *Total Fixed Costs* | ▲ 4% | $216.24 |
| *Total Plan Cost* | ▲ 5% | $1,033.89 |

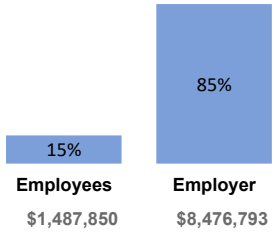
### *Large Claims*

| | | *Specific Stop Loss Limit $100,000* | *% of gross Claims* |
|---|---|---|---|
| *Total Claims over 50%* | 39 | $6,587,696 | 57.1% |
| *> 50% but < $100,000* | 24 | $1,437,178 | 12.5% |
| *Over $100,000* | 15 | $5,150,518 | 44.7% |
| *Specific Reimbursements* | | $3,650,518 | 31.7% |

### Share of Budget




### Share of Actual Cost

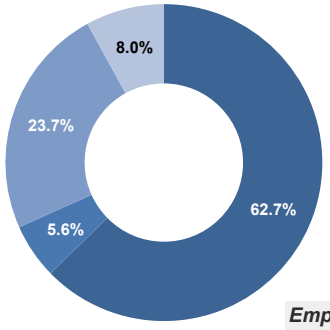



### *Cost By Plan (**Large Claims Included**)*

| Plan | T/C * | Total Cost |
|---|---|---|
| PPO High | 194.4% | $7,580,175 |
| PPO Low | 99.9% | $5,228,589 |
| HDHP | 74.4% | $806,397 |
| Total | 133.3% | $13,615,161 |
| Large Claims/Rebates | | ($3,650,518) |
| Net Cost | 97.5% | $9,964,643 |

*** Total Cost Ratio (Fixed Cost + Claims)/ Budget**

### *Enrollment by Tier*




| | | % |
|---|---|---|
| *Employee* | *524* | 62.7% |
| *Employee /Spouse* | *47* | 5.6% |
| *Employee/ Child(ren)* | *198* | 23.7% |
| *Family* | *67* | 8.0% |
| *Total* | *836* | 100.0% |

## Sample Company

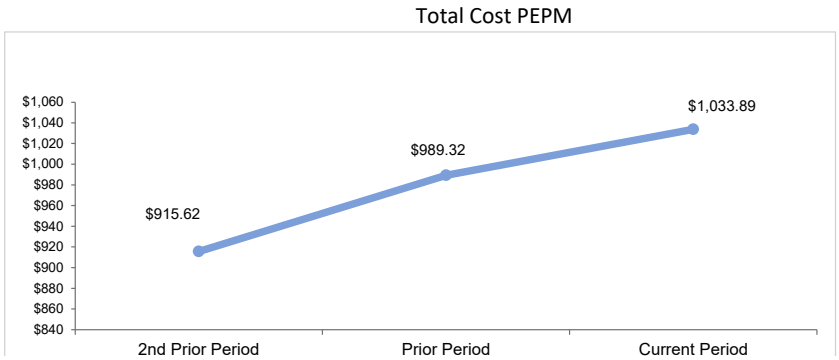
**Medical/Prescription Drug Plan Summary**

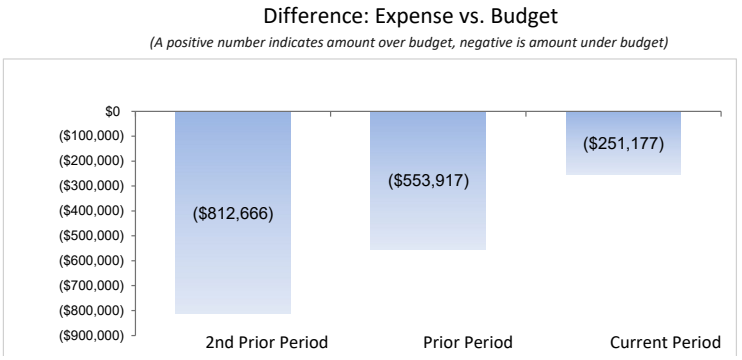
For the PLAN YEAR

January, 2022 thru December, 2022

Self-Funded

| | 2nd Prior Period<br>January, 2020 - December, 2020 | Prior Period<br>January, 2021 - December, 2021 | Current Period<br>January, 2022 thru December, 2022 | Combined Periods<br>Note: May not be consecutive 12 month periods |
|---|---|---|---|---|
| **Average Lives** | 657 | 713 | 803 | 724 |
| **Lives (Sum)** | 7,881 | 8,550 | 9,638 | 26,069 |
| **Budget** | $8,028,672 | $9,012,575 | $10,215,820 | $27,257,067 |
| **Total Fixed Cost** | $1,727,279 | $1,771,646 | $2,084,121 | $5,583,045 |
| **Total Claim Cost** | $6,465,810 | $8,806,260 | $11,531,040 | $26,803,110 |
| **Less: Rx Rebates** | (0) | (0) | (0) | (0) |
| **Less: Claims over Specific** | (977,083) | (2,119,248) | (3,650,518) | (6,746,849) |
| **Net Total Cost** | $7,216,006 | $8,458,657 | $9,964,643 | $25,639,307 |
| **Percent of Budget** | 89.88% | 93.85% | 97.54% | 94.06% |
| **Difference: Expense vs. Budget** | **($812,666)** | **($553,917)** | **($251,177)** | **($1,617,761)** |
| **Total Net Claims PEPM** | **$696.45** | **$782.11** | **$817.65** | **$769.35** |
| **Total Cost PEPM** | **$915.62** | **$989.32** | **$1,033.89** | **$983.52** |



# Sample Company

**PLAN YEAR Medical Report**
**January, 2022 thru December, 2022**

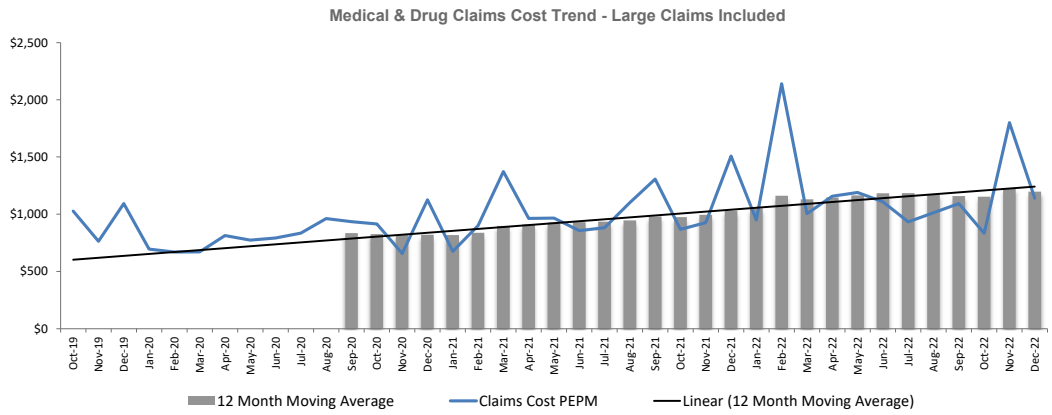
| | |
|---|---|
| Administrator | **Anthem** |
| PBM | **Ingenio Rx** |
| Stop Loss | **Anthem** |
| Network | **Anthem** |
| Specific Stop Loss | **$100,000** |
| Aggregate Corridor | |

**Current Period**

| Date | Enrollment | | | | | Contributions | | Monthly Budget | Year-To-Date Budget | Monthly Fixed and Claims Costs | | | | | | Monthly Total Cost | Year-To-Date Total Cost | YTD % of Budget |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Employee | Employee /Spouse | Employee/ Child(ren) | Family | Total Lives | ER | EE | | | Admin | Specific | Total Fixed Costs | Medical Claims | Rx Claims | Total Claims | | | |
| Jan-22 | 489 | 51 | 184 | 64 | 788 | $716,043 | $122,570 | $838,613 | $838,613 | $0 | $170,397 | $170,397 | $554,610 | $193,137 | $747,747 | $918,144 | $918,144 | 109.5% |
| Feb-22 | 492 | 51 | 184 | 62 | 789 | $713,756 | $122,369 | $836,125 | $1,674,737 | $0 | $170,613 | $170,613 | $1,551,206 | $137,473 | $1,688,679 | $1,859,292 | $2,777,436 | 165.8% |
| Mar-22 | 492 | 52 | 181 | 62 | 787 | $711,761 | $121,770 | $833,531 | $2,508,268 | $0 | $170,181 | $170,181 | $575,758 | $214,633 | $790,391 | $960,572 | $3,738,008 | 149.0% |
| Apr-22 | 494 | 50 | 180 | 63 | 787 | $711,302 | $121,683 | $832,985 | $3,341,253 | $0 | $170,181 | $170,181 | $771,897 | $138,823 | $910,720 | $1,080,901 | $4,818,909 | 144.2% |
| May-22 | 499 | 50 | 181 | 64 | 794 | $717,646 | $122,775 | $840,422 | $4,181,675 | $0 | $171,695 | $171,695 | $715,846 | $228,384 | $944,230 | $1,115,925 | $5,934,834 | 141.9% |
| Jun-22 | 504 | 48 | 183 | 66 | 801 | $724,365 | $123,650 | $848,015 | $5,029,690 | $0 | $173,208 | $173,208 | $712,387 | $174,913 | $887,300 | $1,060,508 | $6,995,342 | 139.1% |
| Jul-22 | 499 | 48 | 187 | 66 | 800 | $725,519 | $123,836 | $849,355 | $5,879,045 | $0 | $172,992 | $172,992 | $553,055 | $193,295 | $746,350 | $919,342 | $7,914,684 | 134.6% |
| Aug-22 | 494 | 46 | 190 | 67 | 797 | $725,450 | $123,433 | $848,884 | $6,727,929 | $0 | $172,343 | $172,343 | $592,141 | $214,567 | $806,708 | $979,051 | $8,893,735 | 132.2% |
| Sep-22 | 508 | 46 | 190 | 68 | 812 | $736,392 | $124,973 | $861,365 | $7,589,294 | $0 | $175,587 | $175,587 | $660,897 | $226,753 | $887,650 | $1,063,237 | $9,956,972 | 131.2% |
| Oct-22 | 519 | 46 | 189 | 68 | 822 | $742,164 | $125,796 | $867,960 | $8,457,255 | $0 | $177,749 | $177,749 | $496,398 | $187,848 | $684,246 | $861,995 | $10,818,967 | 127.9% |
| Nov-22 | 516 | 46 | 193 | 70 | 825 | $748,848 | $127,158 | $876,006 | $9,333,260 | $0 | $178,398 | $178,398 | $1,258,749 | $225,933 | $1,484,682 | $1,663,080 | $12,482,047 | 133.7% |
| Dec-22 | 524 | 47 | 198 | 67 | 836 | $754,724 | $127,836 | $882,560 | $10,215,820 | $0 | $180,777 | $180,777 | $746,196 | $206,141 | $952,337 | $1,133,114 | $13,615,161 | 133.3% |
| Total | 6030 | 581 | 2240 | 787 | 9638 | $8,727,970 | $1,487,850 | $10,215,820 | | $0 | $2,084,121 | $2,084,121 | $9,189,140 | $2,341,900 | $11,531,040 | $13,615,161 | | 133.3% |

| Contributions | Amount | % of Budget |
|---|---|---|
| Employees | $1,487,850 | 15% |
| Employer | $8,727,970 | 85% |

| | | |
|---|---|---|
| Specific Reimbursements | ($3,650,518) | |
| Net Total Cost Ratio | $9,964,643 | 97.5% |
| Net Plan Cost PEPM | $1,034 | |
| Net Plan Cost PEPY | $12,407 | |




| Specific Stop Loss Limit $100,000 | | |
|---|---|---|
| Total Claims over 50% of $100,000 | 39 | $6,587,696 |
| > 50% but < $100,000 | 24 | $1,437,178 |
| Over $100,000 | 15 | $5,150,518 |
| Specific Reimbursements | | $3,650,518 |
| **$3,650,518** Reimbursements | | **31.7%** % of Total Claims |

| Equivalent Rates | | | | |
|---|---|---|---|---|
| Plan | Employee | Employee /Spouse | Employee/ Child(ren) | Family |
| PPO High | $759.83 | $1,634.57 | $1,401.05 | $2,568.65 |
| PPO Low | $713.86 | $1,535.65 | $1,316.28 | $2,413.17 |
| HDHP | $673.73 | $1,449.33 | $1,242.29 | $2,277.52 |

| Plan | Administration | | Specific Stop Loss | | Aggregate | Expected Claims | |
|---|---|---|---|---|---|---|---|
| | Employee | Family | Employee | Family | PEPM | Employee | Family |
| PPO High | $0.00 | $0.00 | $216.24 | $216.24 | | $888.47 | $888.47 |
| PPO Low | $0.00 | $0.00 | $216.24 | $216.24 | | $888.47 | $888.47 |
| HDHP | $0.00 | $0.00 | $216.24 | $216.24 | | $888.47 | $888.47 |

## Sample Company

Medical/Prescription Drug Plan Summary
January, 2022 thru December, 2022
Self-Funded

| | Total | PPO High | PPO Low | HDHP |
|---|---|---|---|---|
| % of Budget | 133.3% | 194.4% | 99.9% | 74.4% |
| Current Lives | 836 | 293 | 433 | 110 |
| Total Paid Claims PEPM | $817.65 | $2,004.73 | $817.49 | $474.76 |
| Employer Contributions | **$8,727,970** | $3,119,830 | $4,642,892 | $965,248 |
| Employee Contributions | **$1,487,850** | $779,966 | $589,002 | $118,883 |
| Total Budget | **$10,215,820** | **$3,899,796** | **$5,231,893** | **$1,084,131** |
| ER % | **85%** | **80%** | **89%** | **89%** |
| EE % | **15%** | **20%** | **11%** | **11%** |
| **Paid Expenses** | | | | |
| Administration | $0 | $0 | $0 | $0 |
| Specific Premium | $2,084,121 | $738,027 | $1,093,742 | $252,352 |
| Aggregate Premium | | | | |
| **Fixed Costs Total** | **$2,084,121** | **$738,027** | **$1,093,742** | **$252,352** |
| Medical Claims | $9,189,140 | $5,093,371 | $3,627,078 | $468,691 |
| Drug Claims | $2,341,900 | $1,748,777 | $507,769 | $85,354 |
| **Total Paid Claims** | **$11,531,040** | **$6,842,148** | **$4,134,847** | **$554,045** |
| **Medical Claims** | 79.7% | 74.4% | 87.7% | 84.6% |
| **Drug %** | 20.3% | 25.6% | 12.3% | 15.4% |
| **Total Paid Expenses** | **$13,615,161** | **$7,580,175** | **$5,228,589** | **$806,397** |
| **Difference: Expense vs Budget** | **$3,399,341** | **$3,680,379** | **($3,304)** | **($277,734)** |
| **% of Budget** | **133.3%** | **194.4%** | **99.9%** | **74.4%** |
| Less Drug Rebates | ($0) | | | |
| **Less Excess Large Claims** | ($3,650,518) | | | |
| **Net Total Paid Expenses** | **$9,964,643** | | | |
| **Difference: Expense vs Budget** | ($251,177) | | | |
| **% of Budget** | **97.5%** | | | |

**Sample Company**
Medical/Prescription Drug Plan Summary
January, 2022 thru December, 2022

## PPO High

| | Enrollment | | | | | Contributions | | | | Monthly Fixed and Claims Costs | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Month | Employee | Employee /Spouse | Employee/ Child(ren) | Family | Total | ER | EE | Monthly Budget | Year-To-Date Budget | Admin | Specific | Total Fixed | Medical | Drug | Total Claims | Monthly Total Cost | Year-to-Date Total Cost | % of Budget |
| Jan-22 | 159 | 24 | 78 | 21 | 282 | $258,612 | $64,654 | $323,266 | $323,266 | $0 | $60,980 | $60,980 | $276,227 | $159,856 | $436,083 | $497,063 | $497,063 | 153.8% |
| Feb-22 | 159 | 24 | 80 | 21 | 284 | $260,854 | $65,214 | $326,068 | $649,335 | $0 | $61,412 | $61,412 | $1,268,406 | $102,420 | $1,370,826 | $1,432,238 | $1,929,301 | 297.1% |
| Mar-22 | 161 | 23 | 77 | 21 | 282 | $257,400 | $64,351 | $321,750 | $971,085 | $0 | $60,980 | $60,980 | $299,382 | $167,241 | $466,623 | $527,603 | $2,456,904 | 253.0% |
| Apr-22 | 160 | 22 | 76 | 23 | 281 | $258,473 | $64,619 | $323,092 | $1,294,177 | $0 | $60,763 | $60,763 | $452,016 | $105,960 | $557,976 | $618,739 | $3,075,643 | 237.7% |
| May-22 | 163 | 22 | 76 | 23 | 284 | $260,297 | $65,075 | $325,372 | $1,619,548 | $0 | $61,412 | $61,412 | $288,497 | $173,669 | $462,166 | $523,578 | $3,599,221 | 222.2% |
| Jun-22 | 166 | 21 | 75 | 23 | 285 | $259,692 | $64,924 | $324,615 | $1,944,164 | $0 | $61,628 | $61,628 | $309,363 | $140,456 | $449,819 | $511,447 | $4,110,669 | 211.4% |
| Jul-22 | 165 | 21 | 77 | 22 | 285 | $259,271 | $64,818 | $324,089 | $2,268,253 | $0 | $61,628 | $61,628 | $242,835 | $154,806 | $397,641 | $459,269 | $4,569,938 | 201.5% |
| Aug-22 | 160 | 21 | 76 | 23 | 280 | $257,165 | $64,292 | $321,458 | $2,589,710 | $0 | $60,547 | $60,547 | $254,010 | $167,707 | $421,717 | $482,264 | $5,052,202 | 195.1% |
| Sep-22 | 164 | 21 | 75 | 23 | 283 | $258,476 | $64,620 | $323,096 | $2,912,806 | $0 | $61,196 | $61,196 | $367,721 | $161,342 | $529,063 | $590,259 | $5,642,461 | 193.7% |
| Oct-22 | 168 | 21 | 74 | 23 | 286 | $259,787 | $64,947 | $324,734 | $3,237,540 | $0 | $61,845 | $61,845 | $226,603 | $129,105 | $355,708 | $417,553 | $6,060,014 | 187.2% |
| Nov-22 | 167 | 22 | 75 | 24 | 288 | $263,662 | $65,916 | $329,579 | $3,567,119 | $0 | $62,277 | $62,277 | $842,530 | $166,643 | $1,009,173 | $1,071,450 | $7,131,464 | 199.9% |
| Dec-22 | 172 | 24 | 74 | 23 | 293 | $266,141 | $66,536 | $332,677 | $3,899,796 | $0 | $63,358 | $63,358 | $265,781 | $119,572 | $385,353 | $448,711 | $7,580,175 | 194.4% |
| **Total** | **1,964** | **266** | **913** | **270** | **3,413** | **3,119,830** | **779,966** | **$3,899,796** | | **$0** | **$738,027** | **$738,027** | **$5,093,371** | **$1,748,777** | **$6,842,148** | **$7,580,175** | | **194.4%** |

## PPO Low

| | Enrollment | | | | | Contributions | | | | Monthly Fixed and Claims Costs | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Month | Employee | Employee /Spouse | Employee/ Child(ren) | Family | Total | ER | EE | Monthly Budget | Year-To-Date Budget | Admin | Specific | Total Fixed | Medical | Drug | Total Claims | Monthly Total Cost | Year-to-Date Total Cost | % of Budget |
| Jan-22 | 271 | 20 | 88 | 38 | 417 | $383,024 | $48,678 | $431,702 | $431,702 | $0 | $90,172 | $90,172 | $237,893 | $32,685 | $270,578 | $360,750 | $360,750 | 83.6% |
| Feb-22 | 271 | 21 | 85 | 37 | 414 | $378,755 | $48,121 | $426,876 | $858,578 | $0 | $89,523 | $89,523 | $276,323 | $32,429 | $308,752 | $398,275 | $759,025 | 88.4% |
| Mar-22 | 271 | 23 | 85 | 37 | 416 | $381,427 | $48,520 | $429,947 | $1,288,525 | $0 | $89,956 | $89,956 | $263,848 | $41,169 | $305,017 | $394,973 | $1,153,998 | 89.6% |
| Apr-22 | 272 | 22 | 85 | 36 | 415 | $378,682 | $48,030 | $426,712 | $1,715,237 | $0 | $89,740 | $89,740 | $302,007 | $31,156 | $333,163 | $422,903 | $1,576,901 | 91.9% |
| May-22 | 274 | 22 | 86 | 37 | 419 | $383,203 | $48,666 | $431,869 | $2,147,107 | $0 | $90,605 | $90,605 | $412,042 | $48,405 | $460,447 | $551,052 | $2,127,952 | 99.1% |
| Jun-22 | 273 | 22 | 87 | 38 | 420 | $385,797 | $49,088 | $434,885 | $2,581,991 | $0 | $90,821 | $90,821 | $344,924 | $30,801 | $375,725 | $466,546 | $2,594,498 | 100.5% |
| Jul-22 | 268 | 21 | 90 | 37 | 416 | $382,751 | $48,565 | $431,316 | $3,013,307 | $0 | $89,956 | $89,956 | $285,960 | $34,037 | $319,997 | $409,953 | $3,004,451 | 99.7% |
| Aug-22 | 269 | 19 | 93 | 37 | 418 | $384,275 | $48,632 | $432,907 | $3,446,214 | $0 | $90,388 | $90,388 | $301,607 | $38,102 | $339,709 | $430,097 | $3,434,548 | 99.7% |
| Sep-22 | 275 | 19 | 94 | 39 | 427 | $393,417 | $49,916 | $443,333 | $3,889,547 | $0 | $92,334 | $92,334 | $263,016 | $62,814 | $325,830 | $418,164 | $3,852,713 | 99.1% |
| Oct-22 | 281 | 19 | 94 | 39 | 433 | $397,272 | $50,344 | $447,616 | $4,337,163 | $0 | $93,632 | $93,632 | $171,396 | $50,935 | $222,331 | $315,963 | $4,168,676 | 96.1% |
| Nov-22 | 275 | 20 | 96 | 39 | 430 | $397,122 | $50,379 | $447,501 | $4,784,664 | $0 | $92,983 | $92,983 | $366,112 | $44,616 | $410,728 | $503,711 | $4,672,387 | 97.7% |
| Dec-22 | 278 | 19 | 99 | 37 | 433 | $397,165 | $50,064 | $447,229 | $5,231,893 | $0 | $93,632 | $93,632 | $401,950 | $60,620 | $462,570 | $556,202 | $5,228,589 | 99.9% |
| **Total** | **3,278** | **247** | **1,082** | **451** | **5,058** | **4,642,892** | **589,002** | **$5,231,893** | | **$0** | **$1,093,742** | **$1,093,742** | **$3,627,078** | **$507,769** | **$4,134,847** | **$5,228,589** | | **99.9%** |

## HDHP

| | Enrollment | | | | | Contributions | | | | Monthly Fixed and Claims Costs | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Month | Employee | Employee /Spouse | Employee/ Child(ren) | Family | Total | ER | EE | Monthly Budget | Year-To-Date Budget | Admin | Specific | Total Fixed | Medical | Drug | Total Claims | Monthly Total Cost | Year-to-Date Total Cost | % of Budget |
| Jan-22 | 59 | 7 | 18 | 5 | 89 | $74,406 | $9,238 | $83,644 | $83,644 | $0 | $19,245 | $19,245 | $40,490 | $596 | $41,086 | $60,331 | $60,331 | 72.1% |
| Feb-22 | 62 | 6 | 19 | 4 | 91 | $74,147 | $9,034 | $83,181 | $166,825 | $0 | $19,678 | $19,678 | $6,477 | $2,624 | $9,101 | $28,779 | $89,110 | 53.4% |
| Mar-22 | 60 | 6 | 19 | 4 | 89 | $72,934 | $8,900 | $81,833 | $248,658 | $0 | $19,245 | $19,245 | $12,528 | $6,223 | $18,751 | $37,996 | $127,107 | 51.1% |
| Apr-22 | 62 | 6 | 19 | 4 | 91 | $74,147 | $9,034 | $83,181 | $331,839 | $0 | $19,678 | $19,678 | $17,874 | $1,707 | $19,581 | $39,259 | $166,365 | 50.1% |
| May-22 | 62 | 6 | 19 | 4 | 91 | $74,147 | $9,034 | $83,181 | $415,020 | $0 | $19,678 | $19,678 | $15,307 | $6,310 | $21,617 | $41,295 | $207,660 | 50.0% |
| Jun-22 | 65 | 5 | 21 | 5 | 96 | $78,877 | $9,638 | $88,515 | $503,535 | $0 | $20,759 | $20,759 | $58,100 | $3,656 | $61,756 | $82,515 | $290,175 | 57.6% |
| Jul-22 | 66 | 6 | 20 | 7 | 99 | $83,498 | $10,453 | $93,951 | $597,485 | $0 | $21,408 | $21,408 | $24,260 | $4,452 | $28,712 | $50,120 | $340,295 | 57.0% |
| Aug-22 | 65 | 6 | 21 | 7 | 99 | $84,009 | $10,510 | $94,519 | $692,005 | $0 | $21,408 | $21,408 | $36,524 | $8,758 | $45,282 | $66,690 | $406,985 | 58.8% |
| Sep-22 | 69 | 6 | 21 | 6 | 102 | $84,499 | $10,438 | $94,937 | $786,941 | $0 | $22,056 | $22,056 | $30,160 | $2,597 | $32,757 | $54,813 | $461,798 | 58.7% |
| Oct-22 | 70 | 6 | 21 | 6 | 103 | $85,105 | $10,505 | $95,610 | $882,551 | $0 | $22,273 | $22,273 | $98,399 | $7,808 | $106,207 | $128,480 | $590,278 | 66.9% |
| Nov-22 | 74 | 4 | 22 | 7 | 107 | $88,063 | $10,863 | $98,926 | $981,478 | $0 | $23,138 | $23,138 | $50,107 | $14,674 | $64,781 | $87,919 | $678,197 | 69.1% |
| Dec-22 | 74 | 4 | 25 | 7 | 110 | $91,417 | $11,236 | $102,653 | $1,084,131 | $0 | $23,786 | $23,786 | $78,465 | $25,949 | $104,414 | $128,200 | $806,397 | 74.4% |
| **Total** | **788** | **68** | **245** | **66** | **1,167** | **965,248** | **118,883** | **$1,084,131** | | **$0** | **$252,352** | **$252,352** | **$468,691** | **$85,354** | **$554,045** | **$806,397** | | **74.4%** |

# Sample Company

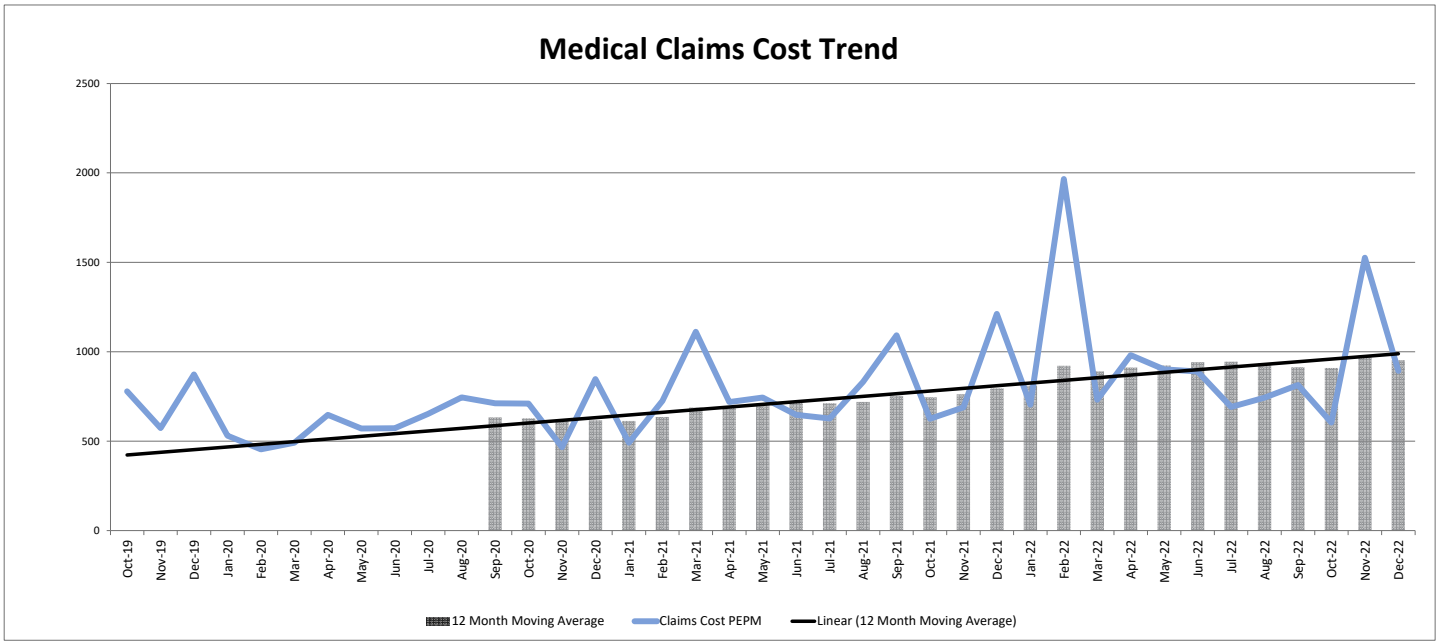
**Explanation of Reporting Methodology**

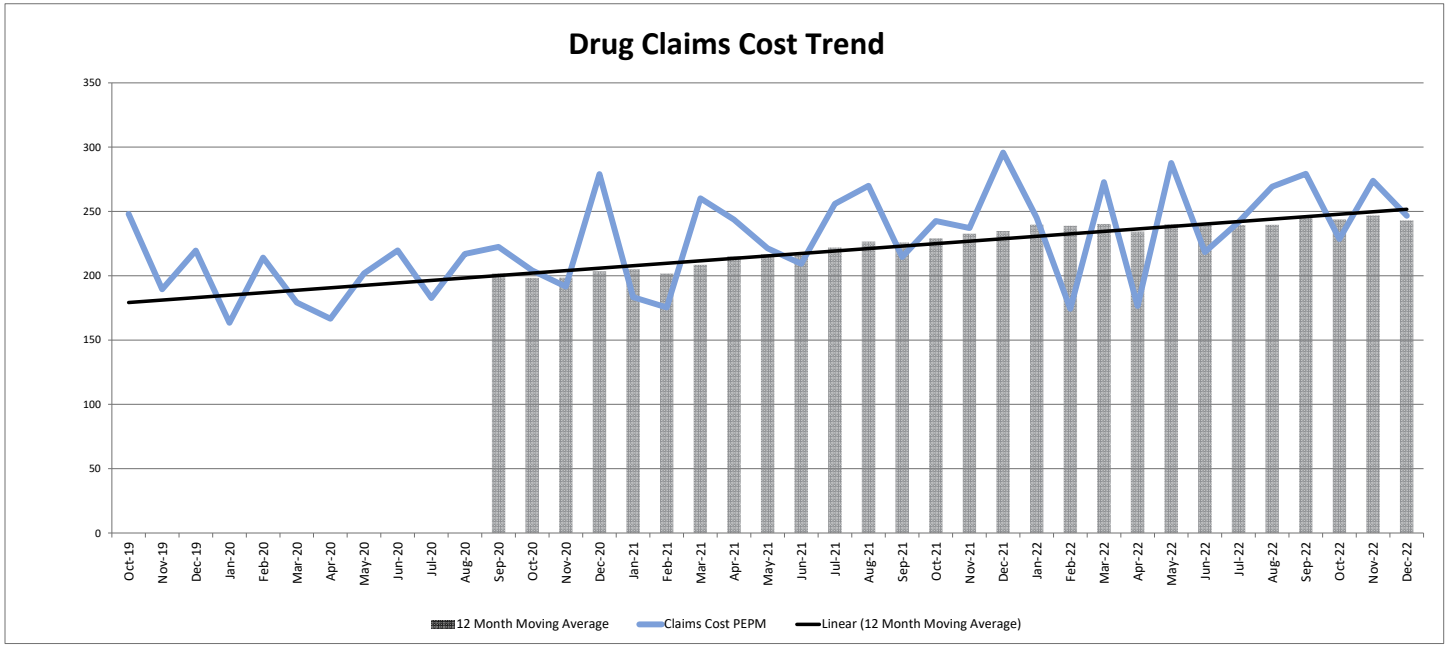
| | |
|---|---|
| **1. Content:** | **The data used in this report is as presented to McGohan Brabender by Anthem. Budget calcuations are based on Self-Funded Equivalent Rates.** |
| **2. Plan Year** | **Plan Year data will only show those months that have been reported in the current plan year. Prior years will show only the corresponding months experience.** |
| **3. % of Budget:** | **% of Budget is calculated by dividing Year-To-Date Total Cost by Year-to-Date Budget.** |
| **4. Specific Reimbursement:** | **In order to help stabilize your cash flow against the impact of large individual claims, you have purchased specific Stop Loss insurance through Anthem. This sets an upper limit on your cost in the event of a significant accident or illness for any one individual. At your last renewal you purchased a specific deductible of $100,000 In the current reporting period you have 15 Claims Over the Limit.** |
| **5. Administrative Fee:**<br>**Specific Stop Loss:**<br>**Aggregate Stop Loss:** | **These factors only apply to Self-Funded accounts. Please review and let us know of any discrepancies.** |
| **6. Budget Based on** | **The Budget amount shown is based on Equivalent Rates.** |
| **7. Medical and Drug Claims Cost Trend:** | **The chart that we have included is designed to provide a visual of how your claims activity is changing over time. The blue line shows your monthly cost of Medical and Drug coverage on a Per Employee Per Month basis. Since this line does not usually give a clear indication of the trend, we have added two additional items to the chart to help and show the trend. The grey columns are a 12 month moving average. To calculate this we took the average PEPM for the first 12 months of data and that gives you the first grey column. Then we move ahead one month at a time while dropping off the oldest month until we have used all of the data. The result gives us a better view of your claims data over time. The last part of the chart is the Linear Trend Line that we have included. This line has been calculated using Linear Regression Analysis. This equation gives us the line that "best fits" the claims data and clearly reveals the trend in your claims cost.** |

# Sample Company

**ROLLING 28 MONTH REPORT - MEDICAL VS. RX**

*For the Period of September, 2020 - December, 2022*

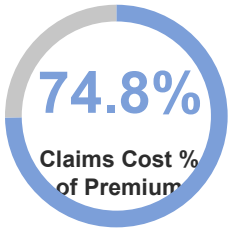


## Sample Company

*For the PLAN YEAR* **Fully Insured** **Dental Benefits**

*January, 2022 thru December, 2022*

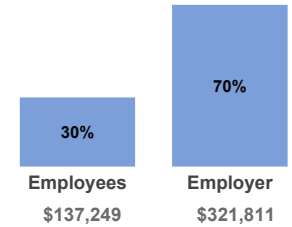



| Average Lives | Premium | Claims | Less Than Premium |
|---|---|---|---|
| 834 | $459.1 K | $343.3 K | -$115.8 K |

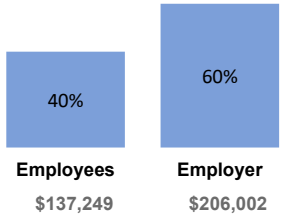
### *Per Employee Per Month*

| | | |
|---|---|---|
| *Premium* | -2% | $45.86 |
| *Total Net Claims* | -5% | $34.29 |

**Share of Budget**



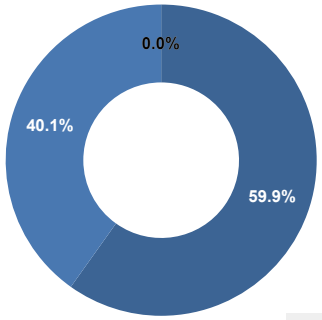

**Share of Actual Cost**




### *Cost By Plan (Large Claims Included)*

| Plan | L/R | Cost |
|---|---|---|
| High | 78.0% | 333,888 |
| Low | 30.1% | 9,363 |
| Total | 74.8% | 343,251 |

### *Enrollment by Tier*




| | | % |
|---|---|---|
| *Employee* | *516* | 59.9% |
| *Family* | *346* | 40.1% |
| *Total* | *862* | 100.0% |

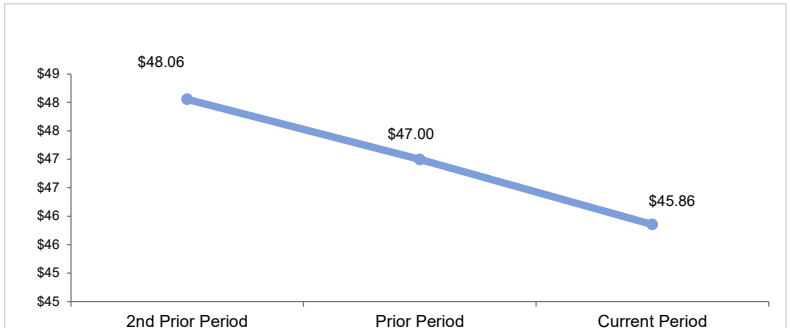
## Sample Company

**Dental Plan Summary**

For the PLAN YEAR
January, 2022 thru December, 2022
Fully Insured

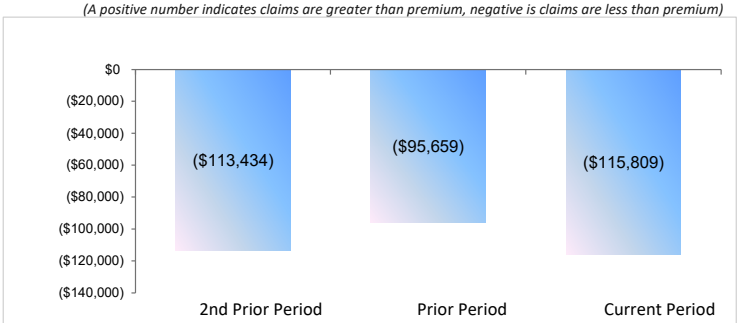
| | 2nd Prior Period<br>January, 2020 - December, 2020 | Prior Period<br>January, 2021 - December, 2021 | Current Period<br>January, 2022 thru December, 2022 | Combined Periods<br>Note: May not be consecutive 12 month periods |
|---|---|---|---|---|
| **Average Lives** | 657 | 720 | 834 | 737 |
| **Lives (Sum)** | 7,888 | 8,639 | 10,011 | 26,538 |
| **Premium** | $379,071 | $406,014 | $459,061 | $1,244,146 |
| **Total Claim Cost** | $265,637 | $310,356 | $343,251 | $919,244 |
| **Total Cost** | $265,637 | $310,356 | $343,251 | $919,244 |
| **Loss Ratio** | 70.08% | 76.44% | 74.77% | 73.89% |
| **Difference: Claims vs Premium** | **($113,434)** | **($95,659)** | **($115,809)** | **($324,903)** |
| **Total Net Claims PEPM** | **$33.68** | **$35.92** | **$34.29** | **$34.64** |
| **Total Premium PEPM** | **$48.06** | **$47.00** | **$45.86** | **$46.88** |

Total Premium PEPM




Difference: Expense vs. Budget

*(A positive number indicates claims are greater than premium, negative is claims are less than premium)*



# Sample Company

**MONTHLY REPORT - DENTAL**

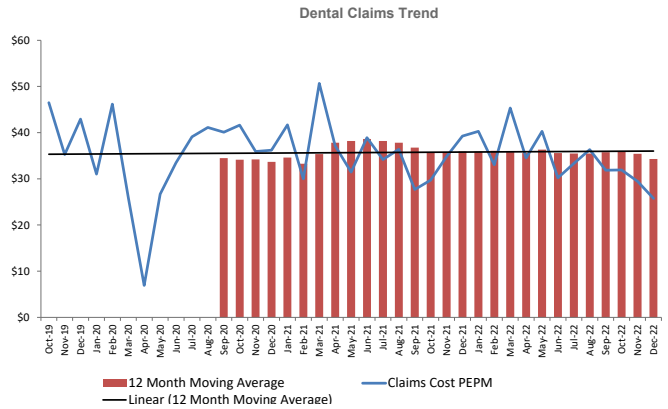
**January, 2022 thru December, 2022**

**All Plans Combined**

**Fully Insured**

| All Combined | Enrollment | | | Contributions | | Monthly Premium | Year-To-Date | Expense | Monthly Claims | Year-To-Date | Year-To-Date Loss Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Employee | Family | Total | ER | EE | | | Dental Claims | | | |
| Jan-22 | 475 | 343 | 818 | $26,720 | $11,411 | $38,131 | $38,131 | $32,945 | $32,945 | $32,945 | 86.4% |
| Feb-22 | 479 | 344 | 823 | $26,821 | $11,445 | $38,266 | $76,397 | $27,202 | $27,202 | $60,148 | 78.7% |
| Mar-22 | 481 | 334 | 815 | $26,351 | $11,257 | $37,608 | $114,005 | $36,937 | $36,937 | $97,085 | 85.2% |
| Apr-22 | 486 | 335 | 821 | $26,454 | $11,286 | $37,740 | $151,745 | $28,344 | $28,344 | $125,429 | 82.7% |
| May-22 | 495 | 337 | 832 | $26,706 | $11,389 | $38,095 | $189,839 | $33,526 | $33,526 | $158,955 | 83.7% |
| Jun-22 | 499 | 338 | 837 | $26,822 | $11,436 | $38,258 | $228,098 | $25,289 | $25,289 | $184,244 | 80.8% |
| Jul-22 | 497 | 333 | 830 | $26,532 | $11,318 | $37,850 | $265,948 | $27,668 | $27,668 | $211,912 | 79.7% |
| Aug-22 | 495 | 338 | 833 | $26,760 | $11,413 | $38,173 | $304,120 | $30,245 | $30,245 | $242,157 | 79.6% |
| Sep-22 | 503 | 339 | 842 | $26,955 | $11,497 | $38,452 | $342,572 | $26,817 | $26,817 | $268,974 | 78.5% |
| Oct-22 | 507 | 340 | 847 | $27,049 | $11,527 | $38,577 | $381,149 | $27,037 | $27,037 | $296,010 | 77.7% |
| Nov-22 | 510 | 341 | 851 | $27,131 | $11,553 | $38,685 | $419,833 | $25,061 | $25,061 | $321,071 | 76.5% |
| Dec-22 | 516 | 346 | 862 | $27,510 | $11,717 | $39,227 | $459,061 | $22,181 | $22,181 | $343,251 | 74.8% |
| Total | 5943 | 4068 | 10011 | $321,811 | $137,249 | $459,061 | | $343,251 | $343,251 | | 74.8% |
| Amount Per Employee Per Month | | | | $32.15 | $13.71 | $45.86 | | $34.29 | $34.29 | | |

| | Contributions | |
|---|---|---|
| | Amount | % of Premium |
| Employees | $137,249 | 30% |
| Employer | $321,811 | 70% |




| Premium Rates | | | | |
|---|---|---|---|---|
| Plan | Employee | Family | | |
| High | $26.23 | $79.00 | | |
| Low | $16.69 | $49.38 | | |

| Plan | Administration | Expected Claims |
|---|---|---|
| High | | |
| Low | | |

# Sample Company

**MONTHLY REPORT - DENTAL**

***January, 2022 thru December, 2022***

**PLAN YEAR**

**Fully Insured**

| High | Enrollment | | | Contributions | | Monthly Premium | Year-To-Date | Expense | Monthly Claims | Year-To-Date | Year-To-Date Loss Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Employee | Family | Total | ER | EE | | | Dental Claims | | | |
| Jan-22 | 397 | 320 | 717 | $24,808 | $10,885 | $35,693 | $35,693 | $31,959 | $31,959 | $31,959 | 89.5% |
| Feb-22 | 399 | 320 | 719 | $24,844 | $10,901 | $35,746 | $71,439 | $26,353 | $26,353 | $58,312 | 81.6% |
| Mar-22 | 400 | 313 | 713 | $24,477 | $10,742 | $35,219 | $106,658 | $36,339 | $36,339 | $94,651 | 88.7% |
| Apr-22 | 403 | 312 | 715 | $24,476 | $10,742 | $35,219 | $141,877 | $27,821 | $27,821 | $122,471 | 86.3% |
| May-22 | 411 | 313 | 724 | $24,677 | $10,831 | $35,508 | $177,384 | $32,836 | $32,836 | $155,307 | 87.6% |
| Jun-22 | 416 | 313 | 729 | $24,767 | $10,872 | $35,639 | $213,023 | $24,921 | $24,921 | $180,228 | 84.6% |
| Jul-22 | 415 | 309 | 724 | $24,529 | $10,768 | $35,296 | $248,319 | $27,097 | $27,097 | $207,325 | 83.5% |
| Aug-22 | 414 | 313 | 727 | $24,731 | $10,855 | $35,586 | $283,906 | $29,586 | $29,586 | $236,912 | 83.4% |
| Sep-22 | 421 | 314 | 735 | $24,913 | $10,936 | $35,849 | $319,754 | $25,084 | $25,084 | $261,996 | 81.9% |
| Oct-22 | 425 | 313 | 738 | $24,930 | $10,944 | $35,875 | $355,629 | $26,826 | $26,826 | $288,822 | 81.2% |
| Nov-22 | 429 | 312 | 741 | $24,948 | $10,953 | $35,901 | $391,530 | $24,026 | $24,026 | $312,848 | 79.9% |
| Dec-22 | 434 | 317 | 751 | $25,314 | $11,113 | $36,427 | $427,957 | $21,040 | $21,040 | $333,888 | 78.0% |
| Total | 4964 | 3769 | 8733 | $297,414 | $130,543 | $427,957 | | $333,888 | $333,888 | | 78.0% |
| Amount Per Employee Per Month | | | | $34.06 | $14.95 | $49.00 | | $38.23 | $38.23 | | |

| Low | Enrollment | | | CONTRIBUTION DISTRIBUTION | | Monthly Premium | Year-To-Date | Expense | Monthly Claims | Year-To-Date | Year-To-Date Loss Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Employee | Family | Total | EE | ER | | | Dental Claims | | | |
| Jan-22 | 78 | 23 | 101 | $1,912 | $526 | $2,438 | $2,438 | $986 | $986 | $986 | 40.5% |
| Feb-22 | 80 | 24 | 104 | $1,977 | $543 | $2,520 | $4,958 | $850 | $850 | $1,836 | 37.0% |
| Mar-22 | 81 | 21 | 102 | $1,874 | $515 | $2,389 | $7,347 | $598 | $598 | $2,434 | 33.1% |
| Apr-22 | 83 | 23 | 106 | $1,978 | $543 | $2,521 | $9,868 | $524 | $524 | $2,958 | 30.0% |
| May-22 | 84 | 24 | 108 | $2,029 | $558 | $2,587 | $12,455 | $690 | $690 | $3,648 | 29.3% |
| Jun-22 | 83 | 25 | 108 | $2,055 | $565 | $2,620 | $15,075 | $368 | $368 | $4,016 | 26.6% |
| Jul-22 | 82 | 24 | 106 | $2,003 | $551 | $2,554 | $17,628 | $570 | $570 | $4,587 | 26.0% |
| Aug-22 | 81 | 25 | 106 | $2,029 | $558 | $2,586 | $20,215 | $658 | $658 | $5,245 | 25.9% |
| Sep-22 | 82 | 25 | 107 | $2,042 | $561 | $2,603 | $22,818 | $1,733 | $1,733 | $6,977 | 30.6% |
| Oct-22 | 82 | 27 | 109 | $2,119 | $583 | $2,702 | $25,520 | $210 | $210 | $7,188 | 28.2% |
| Nov-22 | 81 | 29 | 110 | $2,183 | $601 | $2,784 | $28,304 | $1,035 | $1,035 | $8,223 | 29.1% |
| Dec-22 | 82 | 29 | 111 | $2,196 | $604 | $2,801 | $31,104 | $1,140 | $1,140 | $9,363 | 30.1% |
| Total | 979 | 299 | 1278 | $24,397 | $6,707 | $31,104 | | $9,363 | $9,363 | | 30.1% |
| Amount Per Employee Per Month | | | | $19.09 | $5.25 | $24.34 | | $7.33 | $7.33 | | |

# HEALTH INTELLIGENCE REPORT

SAMPLE

February 2023

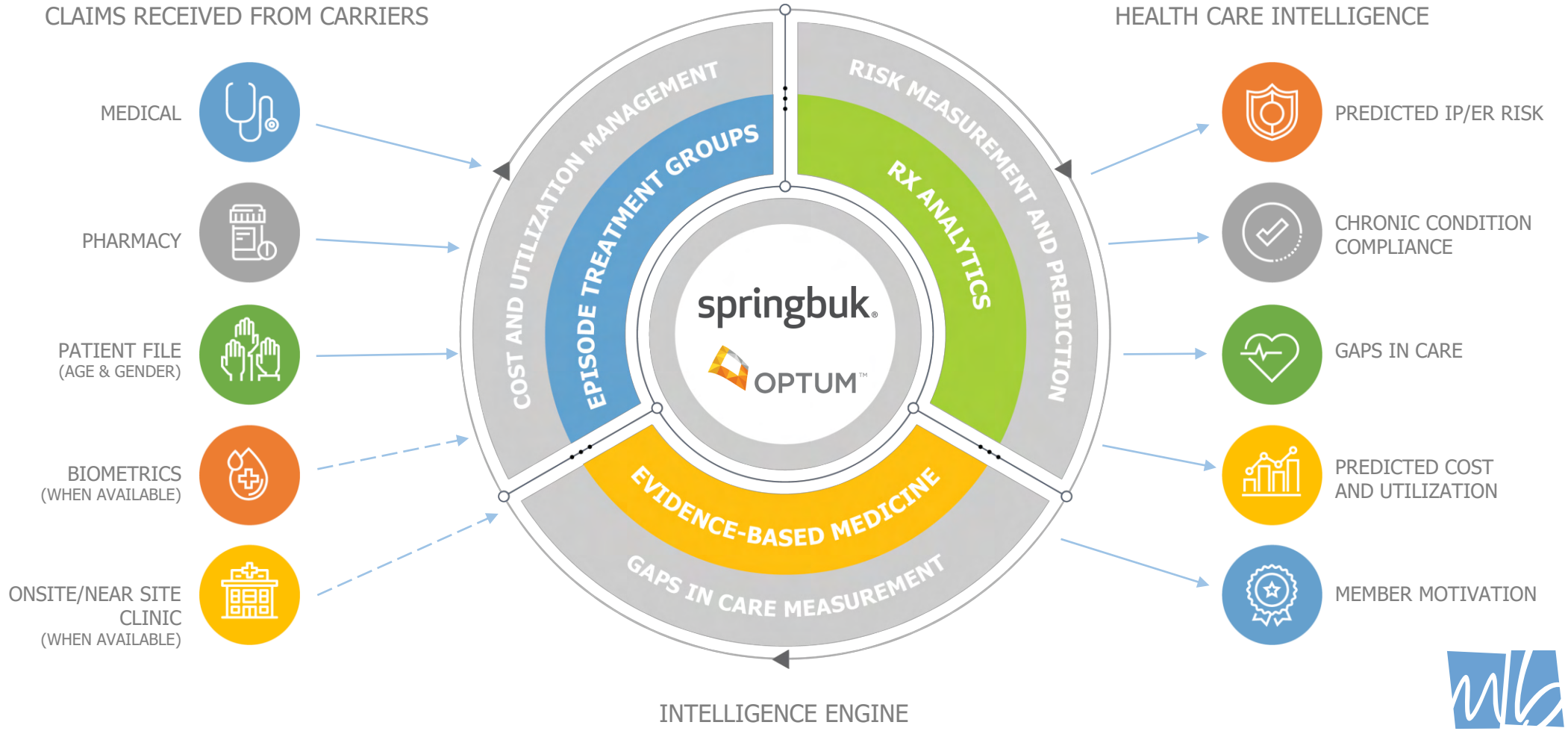
McGohanBrabender

Good, smart people effectively managing the entire health care dollar.

# SETTING THE STAGE: The Health Intelligence System – Powered by Springbuk

**TURN DATA INTO DIRECTION** - Beyond traditional data warehousing and analytics, Springbuk unlocks the potential of your data in order to maximize the value of your employee health investment decisions. The intelligence engine's risk generation and predictive modeling are powered by Optum's clinical expertise - using the latest in machine learning and AI capabilities.

springbuk®



# Executive Dashboard – Health Plan Utilization & Performance



## Overall

| | | $ Change | Plan Paid | % of Total |
|---|---|---|---|---|
| Overall Claims Trend | 54.0% ▲ | $4,410,992 | $12,576,856 | |
| Medical Trend | 58.9% ▲ | $3,654,056 | $9,858,520 | 78.4% |
| Rx Trend | 38.6% ▲ | $756,936 | $2,718,337 | 21.6% |

76.6%
23.4%

5.7%
6.3%
3.9%

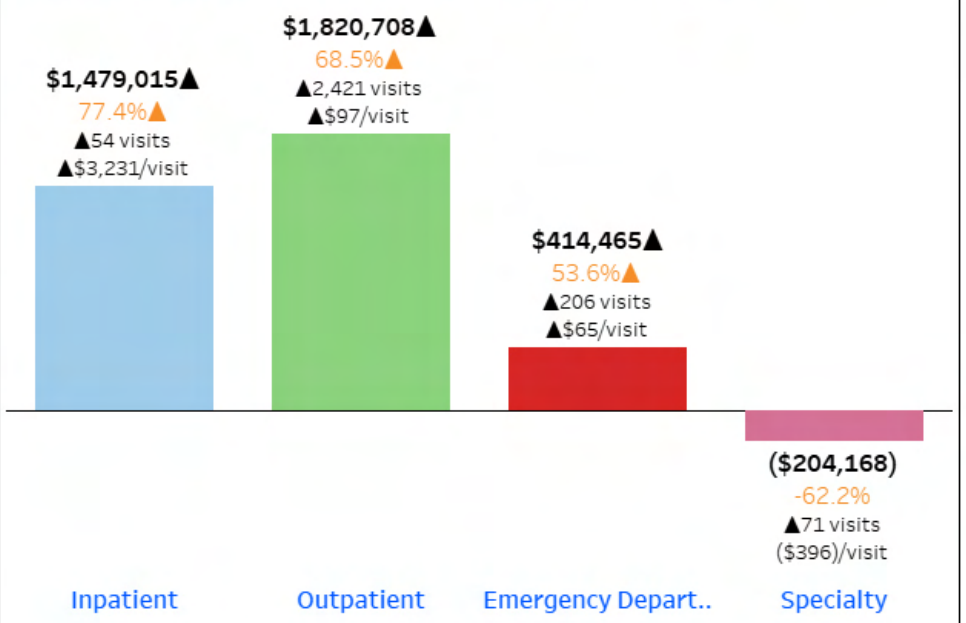
## Demographics

| | % Change | | Current Cost | |
|---|---|---|---|---|
| Membership change = | 20.0%▲ | | | |
| PEPY Costs = | 29.1% ▲ | | $12,654 | $13,621 |
| PMPY Costs = | 28.4% ▲ | | $6,863 | $11,469 |
| | | | | $6,235 |
| | | | | $5,700 |

| Avg # Emp | Avg # Members |
|---|---|
| 994 | 1,833 |

4%

## Claims Impact by Place of Service - Change from Prior




## Large Claims Impact

32 Members with spend over $50,000 are Responsible for:

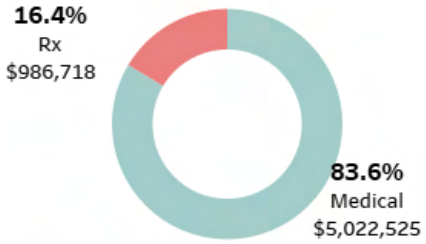
47.8% of total spend = $6,009,243

Difference from prior = $2,743,595 ▲

Avg Cost/HCC Member = $187,789

49%

$126,922

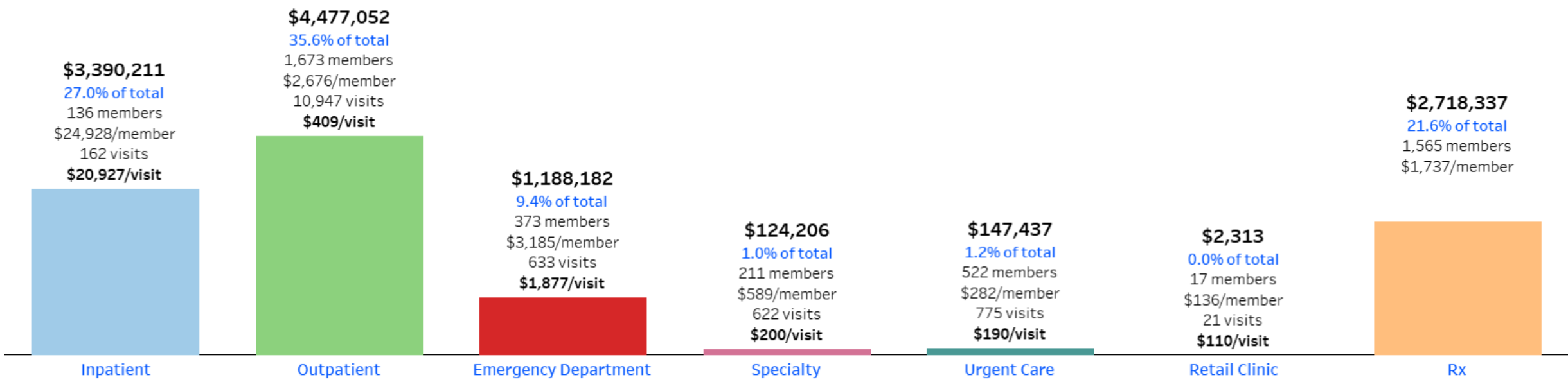



## Company Risk Trend

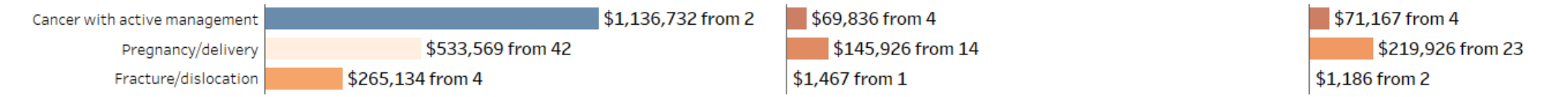
| Current Risk Score | Forecasted Risk Score | Risk Change |
|---|---|---|
| 1.29 | 1.08 | -16.2% |

1.27

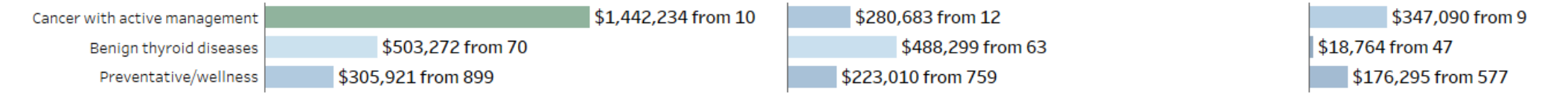
## Claims Impact by Place of Service (Current Spend, % of Total Spend, # Members, Avg $/member, # Visits, Avg $/Visit)



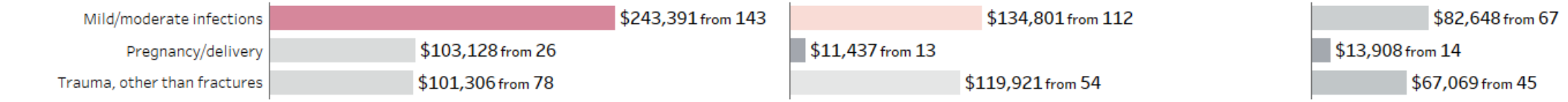

## Inpatient - Top 3 Spend Conditions




## Outpatient - Top 3 Spend Conditions




## ER - Top 3 Spend Conditions

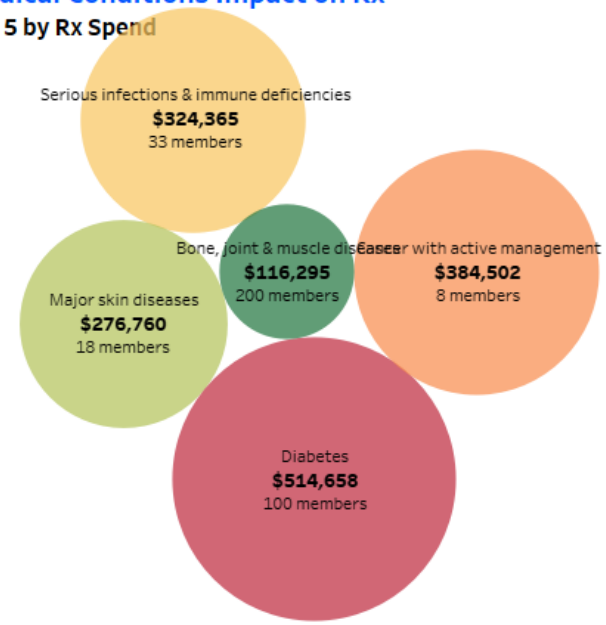


# Executive Dashboard - Rx



## Medical Conditions Impact on Rx

**Top 5 by Rx Spend**



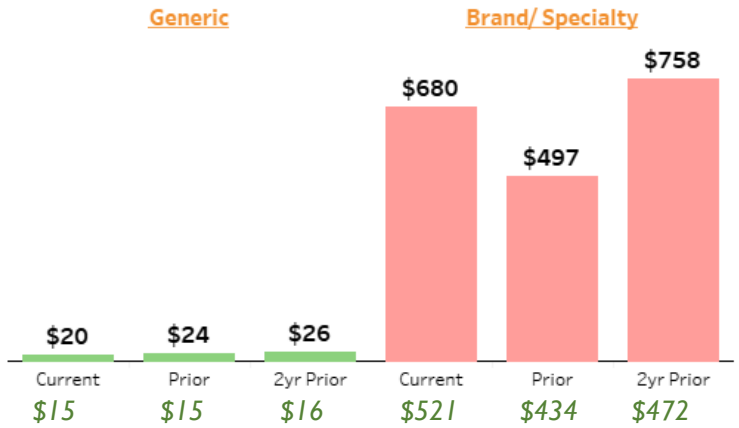

**Top 5 Most Common Rx by # of Members**


## Rx Claims Impact

| Rx Spend - Current | |
|---|---|
| Plan Paid | $2,718,337 |
| $ Change | $756,936▲ |

| Rx Scripts - Current | |
|---|---|
| Script Count | 16,872 |
| # Change | 2,726▲ |
| Avg $/Rx | $161 |
| $ Change/Rx | $22▲ |

**Avg Cost/Rx - 3yr look**




## Impact of Top 10 Most Expensive Drugs

Top 10 Drugs are responsible for **46.6%** of total Rx spend *29.8%*

**$1,266,511** from **68** members

Top 10 Drugs by **Spend** change = ▲ **$463,185**

▲ **57.7%** from Prior

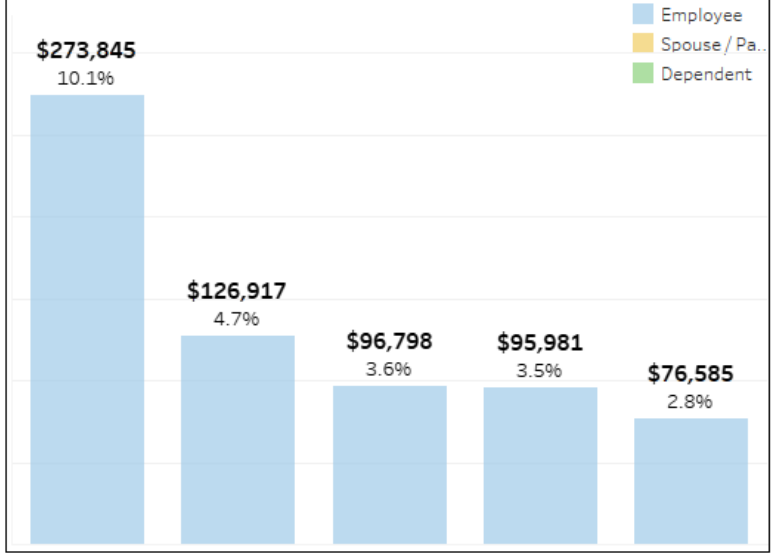
Average Cost/Rx for Top 10 Drugs = **$3,166** *$1,591*

Top 10 Drugs **# of Rx scripts** changed by = ▲ **138**

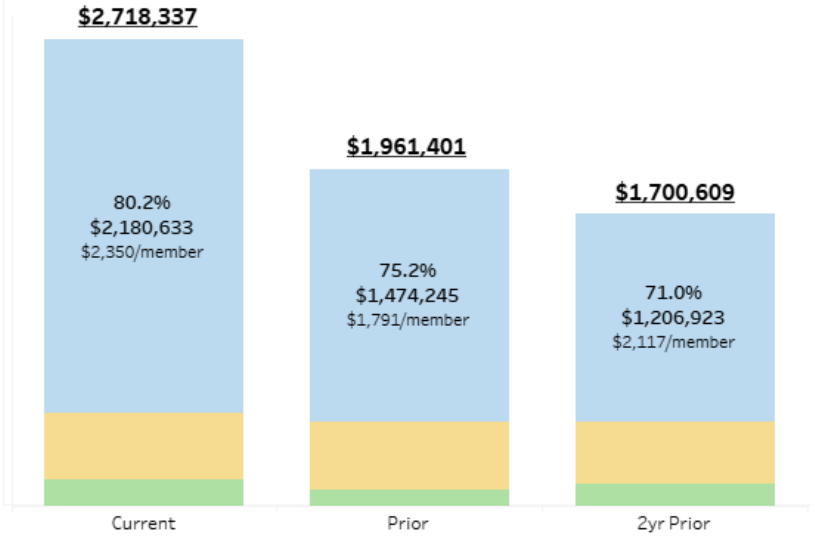
Cost per script changed by = ▲ **$100**

# of Members changed by = ▲ **31**

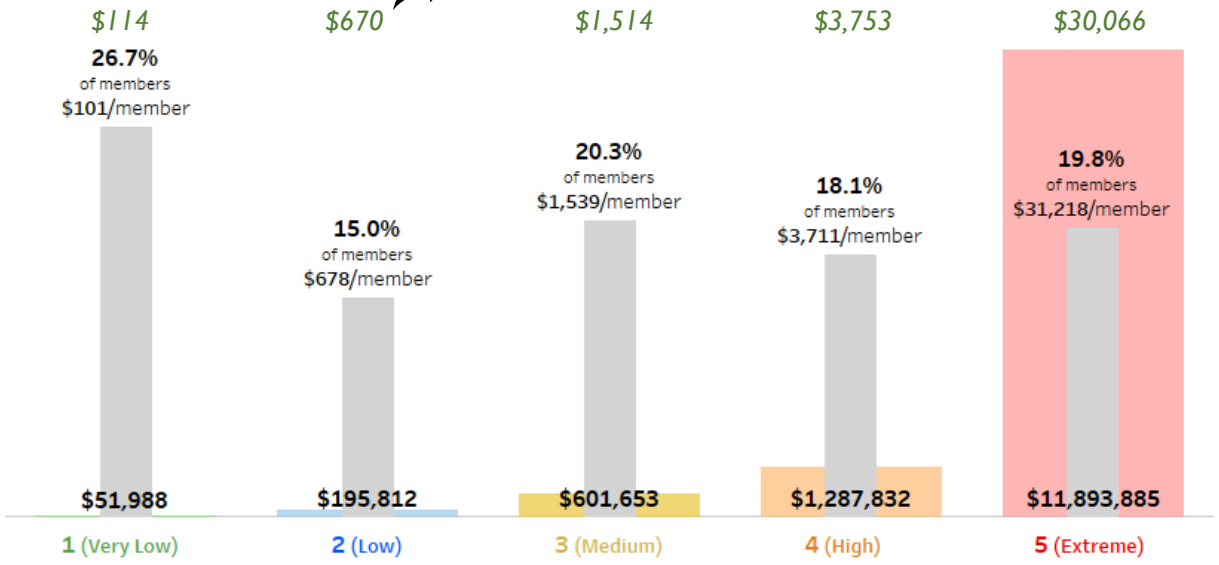
## Top 5 Rx Claimants by Spend & Member Type (Plan Paid, % of Total Rx)



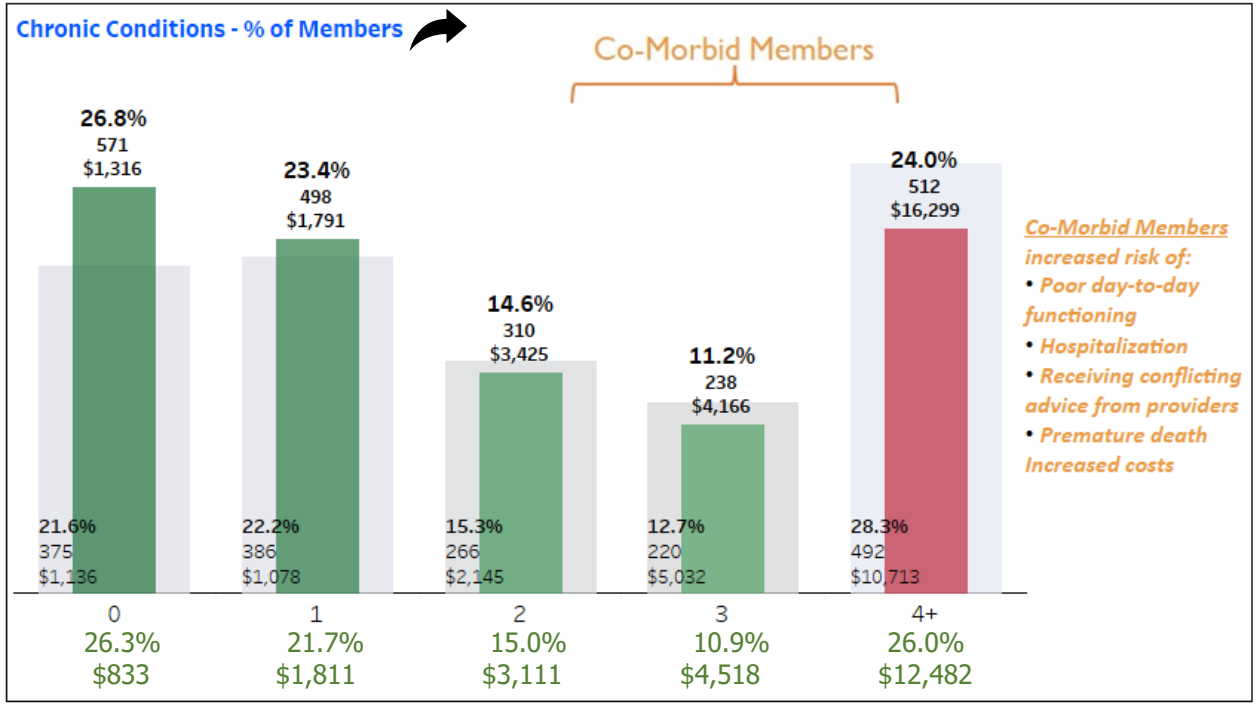

## Rx Claims Impact - Cost by Member Type (E-S-D)



## Where's the Risk - Risk Tiers




## Chronic Conditions - % of Members




## Where's the Risk - Lifestyle-Based Chronic Conditions Impact (Med & Rx)

Lifestyle-based Chronic Condition Spend = **$2,304,362** = **18.3%** of total spend

*21.2%*

This spend is from **1,122** members = **61.2%** of all members.

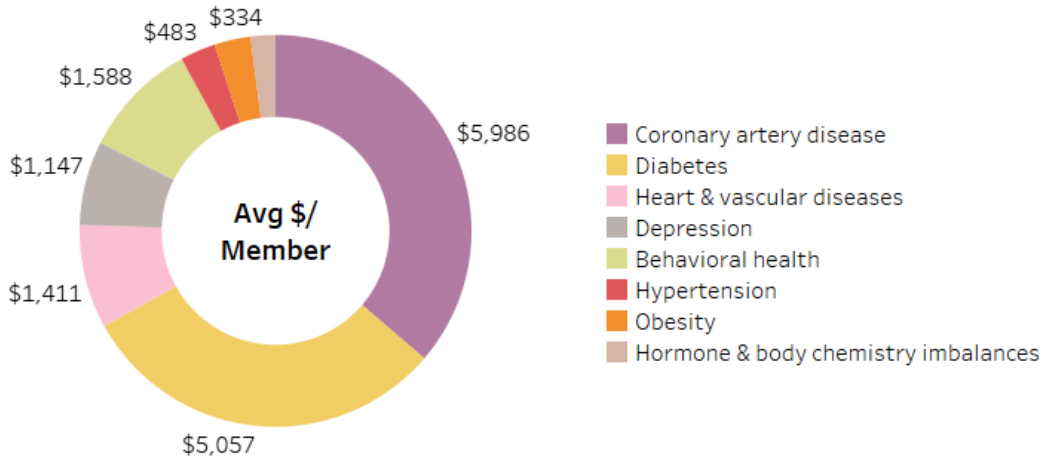
Lifestyle-based Chronic Condition Spend **▲ 52.7%** = **$795,405** from prior

Top 3 **most common** lifestyle-related chronic conditions are:

| | # Members | Spend | % of all members |
|---|---|---|---|
| Hormone & body chemistry imbalances | 464 | $155,150 | 25.3% |
| Obesity | 327 | $160,868 | 17.8% |
| Behavioral health | 264 | $419,309 | 14.4% |

Top 3 **most costly** lifestyle-related chronic conditions are:

| | Spend | # Members | % of total spend |
|---|---|---|---|
| Diabetes | $611,936 | 121 | 4.9% |
| Behavioral health | $419,309 | 264 | 3.3% |
| Coronary artery disease | $233,457 | 39 | 1.9% |



# Executive Dashboard – Risk Mitigation & Gaps in Care

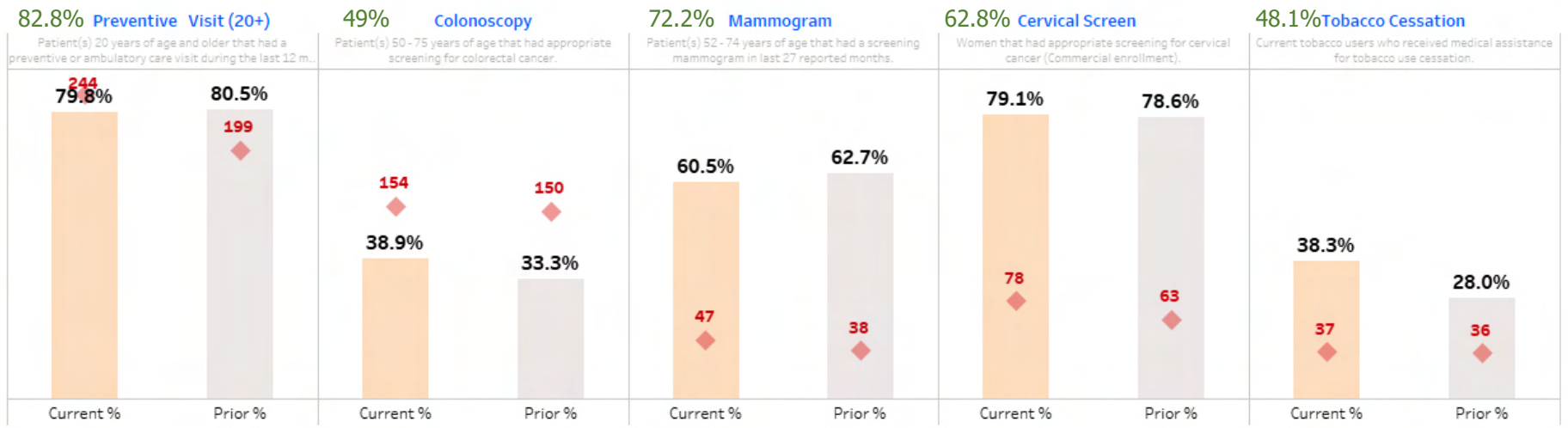


## Where's the Risk - Preventive Gaps in Care Risk Mitigation - Preventive Care Specific Screenings

Currently there are **596** members NOT COMPLIANT with PREVENTIVE care.

Compliance % = **61%** 52%

| | # Members | Compliance % | |
|---|---|---|---|
| Employee | 291 | 65% | 59% |
| Spouse / Pa.. | 110 | 61% | 56% |
| Dependent | 195 | 55% | 41% |




**253** Non-Utilizers of Healthcare

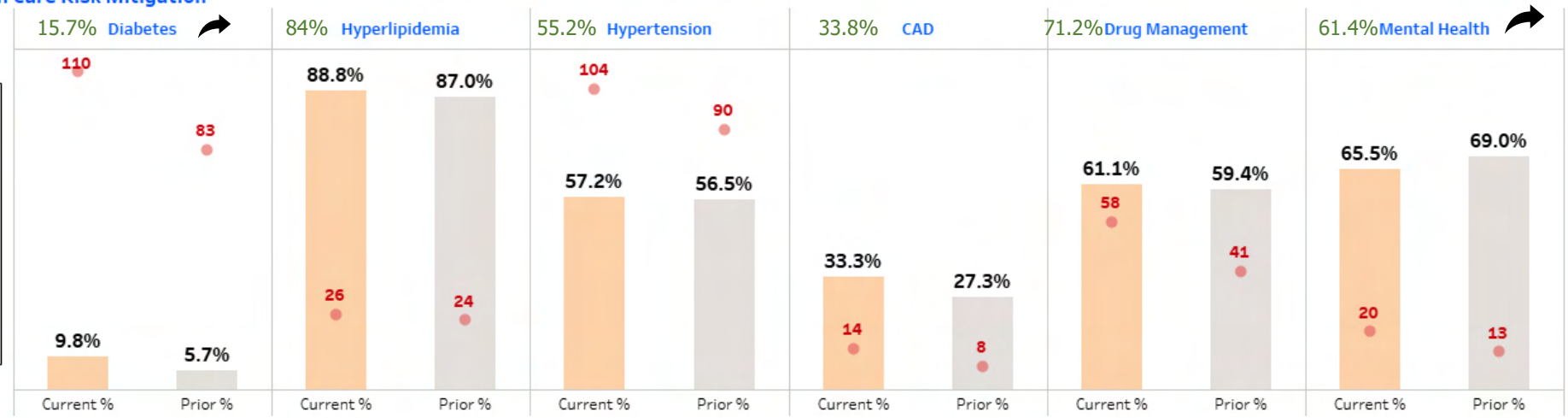
- At risk of having unknown conditions
- Poor management of Chronic conditions
- At risk for more serious illness or injury
- Missed age/gender screenings - Missed immunizations & vaccines

## Where's the Risk - Chronic Conditions Gaps in Care Risk Mitigation

Currently there are **273** members NOT COMPLIANT with CHRONIC care.

Compliance % = **42%** 45%

| | # Members | Compliance % | |
|---|---|---|---|
| Employee | 191 | 42% | 44% |
| Spouse / Pa.. | 67 | 40% | 44% |
| Dependent | 15 | 46% | 54% |




| Potential Savings Opportunity: | $486,817 | $47,101 | $304,034 | $73,064 | $79,549 | $177,716 |
|---|---|---|---|---|---|---|

# THANK YOU!

We would appreciate your feedback on this report –

- Is there other data you would like to see?
- Too much information?
- Not enough information?

# NEXT STEPS

- RENEWAL FOLLOW UP MEETING?
- REAL  APPEAL DEEP DIVE IF RENEWING WITH UMR?
- FINAL DECISIONS DUE?
- OPEN ENROLLMENT DATES?
- ANY ADDITIONAL QUESTIONS?

# Health Plan Performance 3yr*

*Totals include **claims only**. No stop loss reimbursements and no admin fees are included.

(C) 2022 vs (P) 2021



## HEALTH PLAN PERFORMANCE - 3yr Look

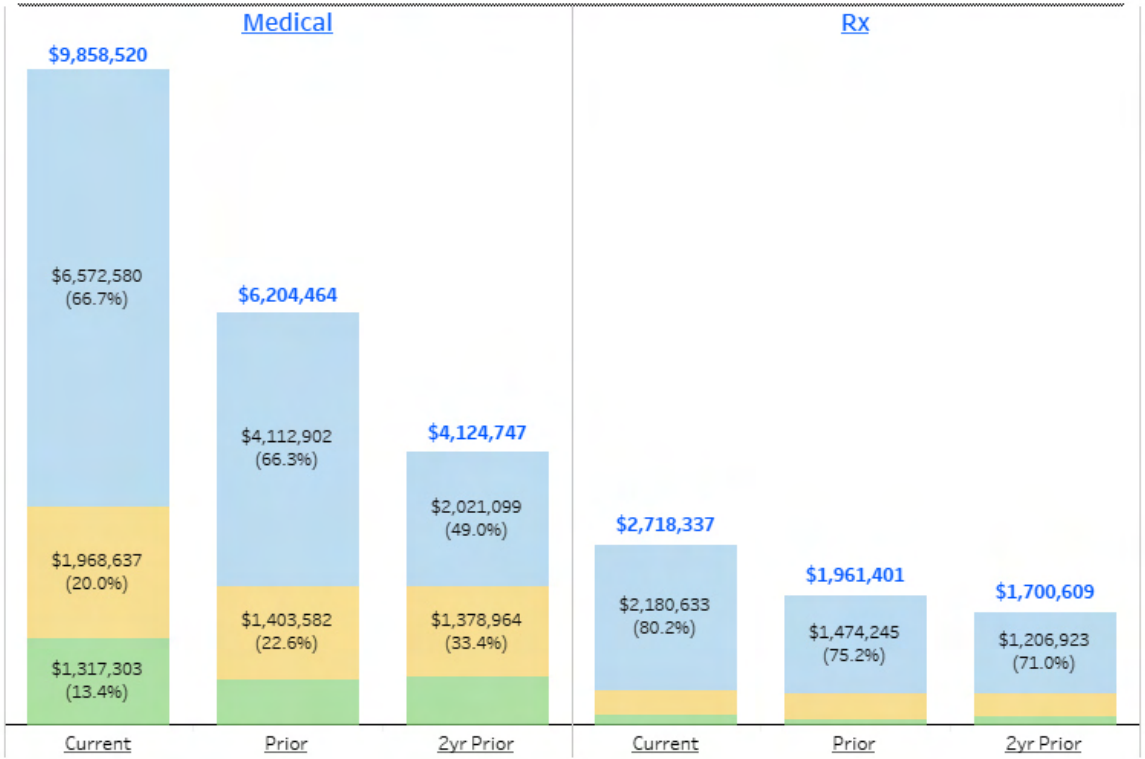
| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Plan Paid | $12,576,856 | $8,165,865 | $5,825,356 |
| $ Change | $4,410,992 | $2,340,508 | |
| % Difference | 54.0%▲ | 40.2%▲ | |
| | 5.7% | 13.6% | |

Current TREND

| | |
|---|---|
| Overall | 54.0% ▲ |
| Medical | 58.9% ▲ |
| Rx | 38.6% ▲ |

Claims Trend - Medical and Rx

| | Medical | | | Rx | | |
|---|---|---|---|---|---|---|
| | Current | Prior | 2yr Prior | Current | Prior | 2yr Prior |
| Plan Paid | $9,858,520 | $6,204,464 | $4,124,747 | $2,718,337 | $1,961,401 | $1,700,609 |
| $ Change | $3,654,056 | $2,079,717 | | $756,936 | $260,791 | |
| % Difference | 58.9%▲ | 50.4%▲ | | 38.6%▲ | 15.3%▲ | |
| | 6.3% | 15.1% | | 3.9% | 8.9% | |




MED
51.5%
26.2%
22.3%

RX
57.9%
28.7%
13.4%

PEPY $13,621 | $11,495

## Enrolled Employees & Members

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Avg # Members | 1,833 | 1,528 | 1,326 |
| % Diff # Members | 20.0%▲ | 15.2%▲ | |
| Avg # Emp | 994 | 833 | 718 |
| % Diff # EMP | 19.3%▲ | 16.0%▲ | |

PMPY $6,235 | $5,767
PMPM $520 | $481

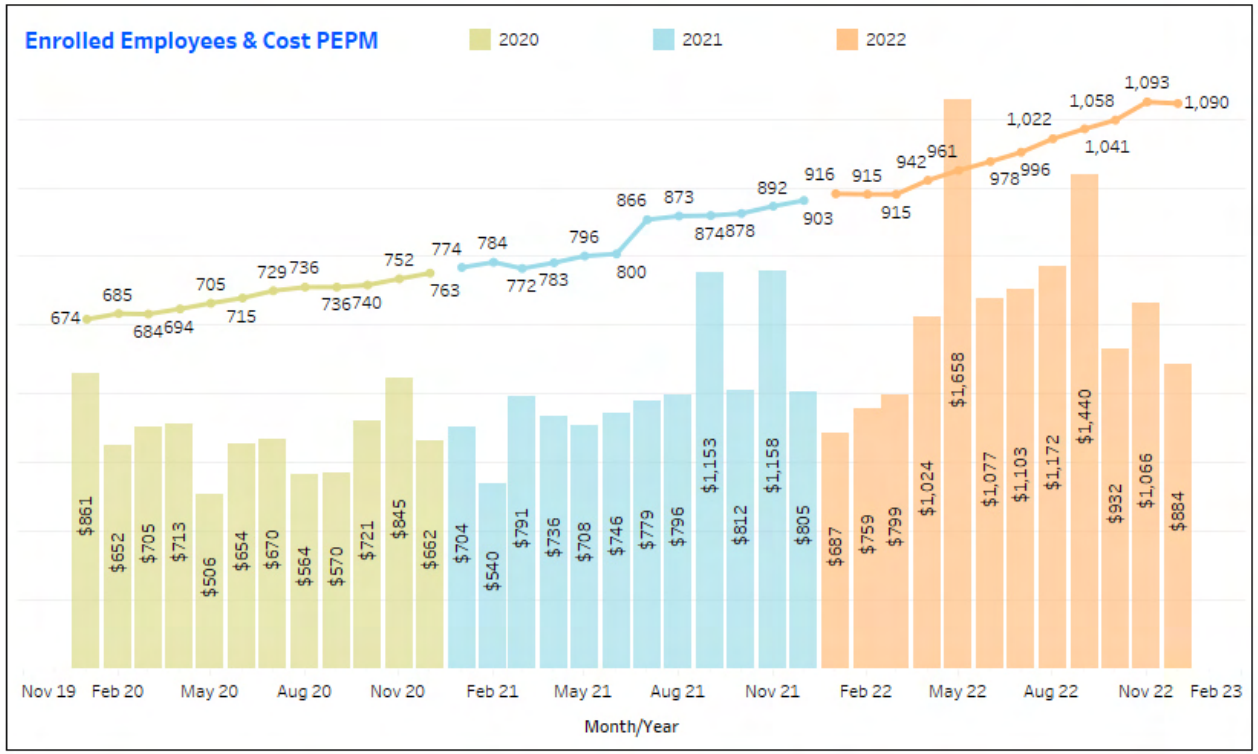
## Per EMPLOYEE per Year and per Month Costs

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| PEPY Cost | $12,654 | $9,804 | $8,116 |
| Difference in PEPY Cos.. | $2,850 | $1,688 | |
| PEPM Cost | $1,054 | $817 | $676 |
| Difference in PEPM Co.. | $237 | $141 | |
| % Difference in PEPM .. | 29.1%▲ | 20.8%▲ | |

## Per MEMBER per Year and per Month Costs

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| PMPY Cost | $6,863 | $5,345 | $4,394 |
| PMPM Cost | $572 | $445 | $366 |
| % Difference in PMPM .. | 28.4%▲ | 21.6%▲ | |

## Enrolled Employees & Cost PEPM



# Large Claims Impact - Claims by High-Cost Members over $50,000

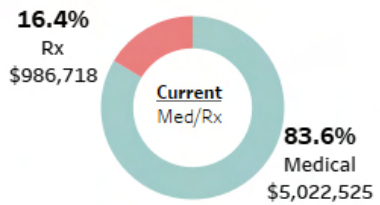


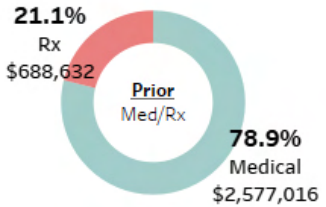
Benchmark

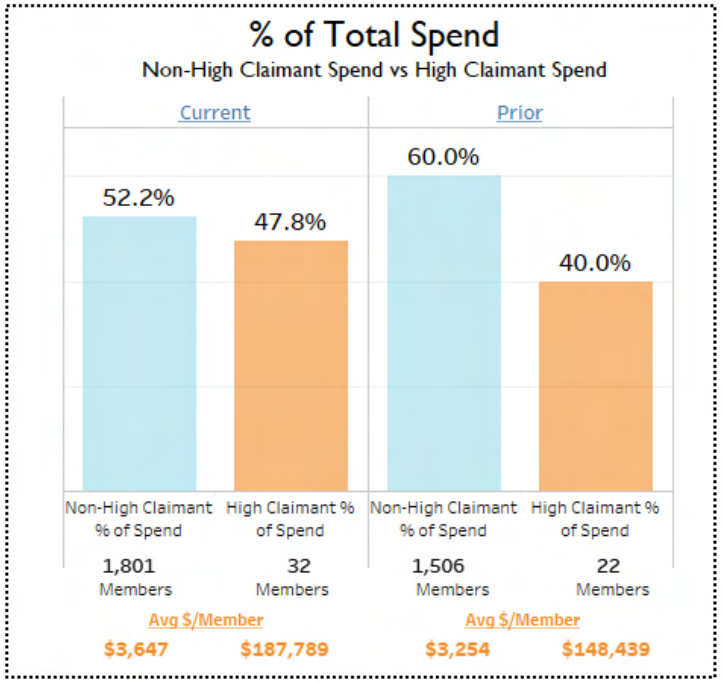
49%

## Claimants over $50,000

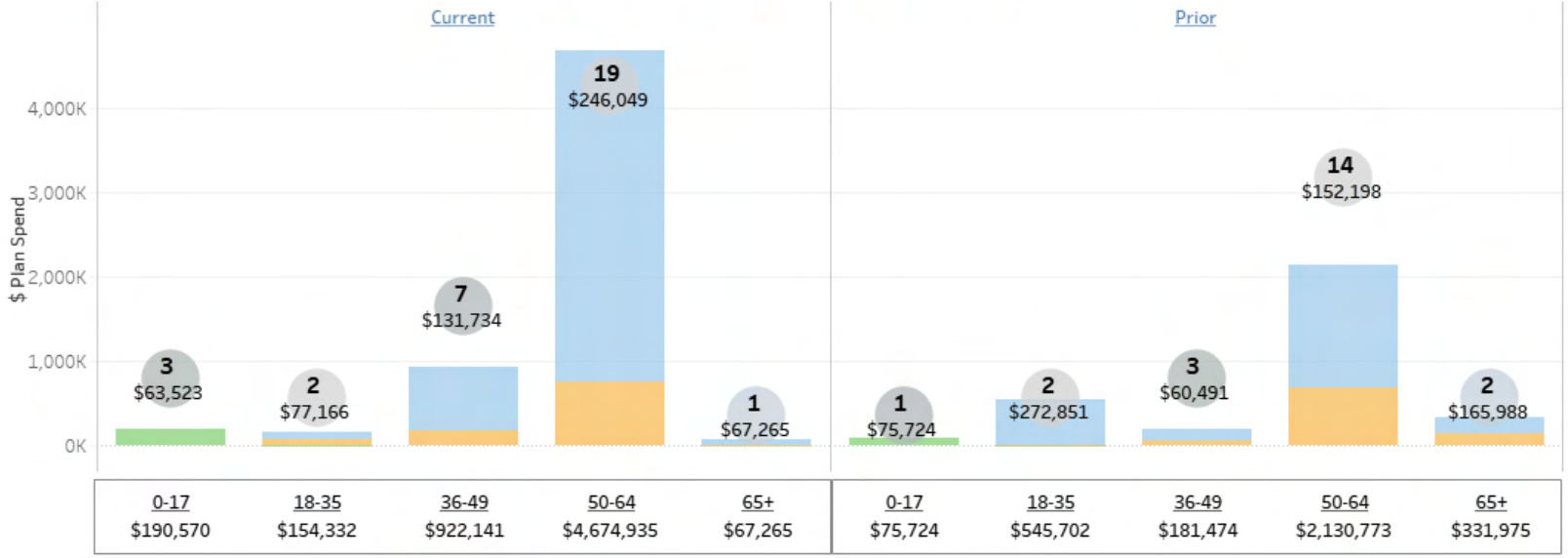
| Current | Prior |
|---|---|
| % of Total Spend: 47.8% | % of Total Spend: 40.0% |
| Total Spend by High Claimants: $6,009,243 | Total Spend by High Claimants: $3,265,648 |
| Change in Spend from Prior: $2,743,595 | |
| Total # High Claimants: 32 | Total # High Claimants: 22 |
| Avg $/Member: $187,789 | Avg $/Member: $148,439 |

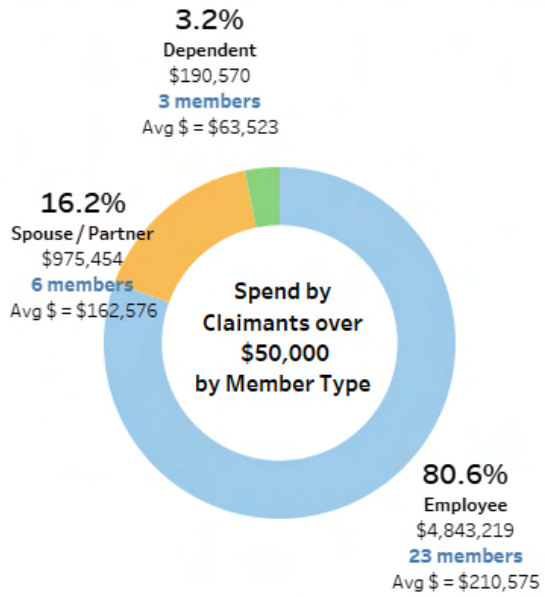



## Claimants over $50,000 by Age Group

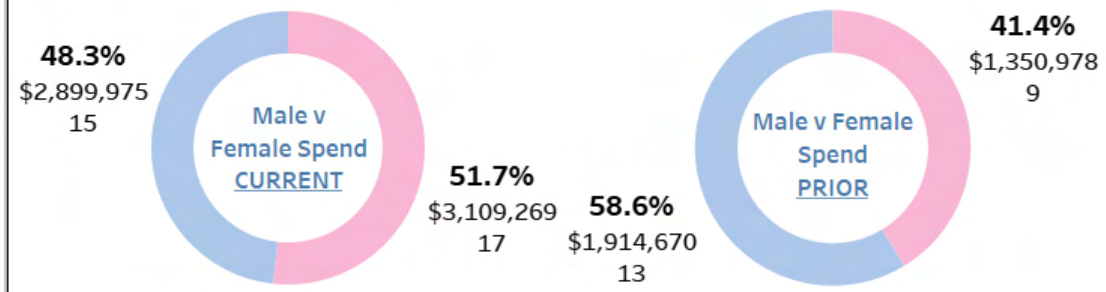


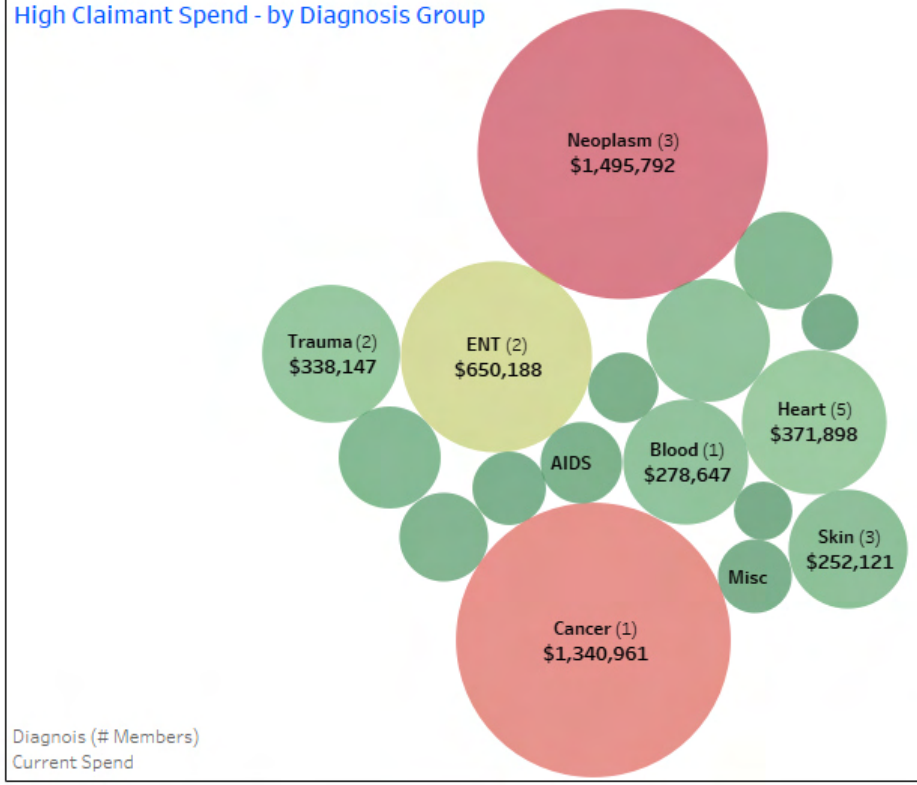
# Large Claims Impact – Spend Details on Members with $50k+



## High Claimant Spend - Male vs Female




## High Claimant Spend - by Diagnosis Group




## HCC Details for Universal Insurance Holdings

| | | | | Current | Prior | 2yr Prior | Current Medical | Current Rx |
|---|---|---|---|---|---|---|---|---|
| Grand Total | | | | $6,009,243 | $3,265,648 | $2,390,434 | $5,022,525 | $986,718 |
| M | 50-64 | Terminated | Cancer | $1,340,961 | | | $1,214,044 | $126,917 |
| F | 50-64 | Active | Neoplasm | $660,478 | $243,626 | | $659,694 | $784 |
| F | 50-64 | Active | ENT | $483,799 | | | $483,492 | $307 |
| F | 50-64 | Active | Neoplasm | $457,136 | | | $453,200 | $3,936 |
| M | 50-64 | Active | Neoplasm | $378,179 | | | $370,395 | $7,783 |
| M | 50-64 | Active | Blood | $278,647 | $253,688 | $304,977 | $4,801 | $273,845 |
| F | 36-49 | Active | Trauma | $229,953 | | | $227,922 | $2,031 |
| F | 36-49 | Terminated | ENT | $166,389 | | | $166,241 | $149 |
| F | 36-49 | Active | Gastrointes.. | $161,066 | | | $156,694 | $4,372 |
| F | 36-49 | Active | Pregnancy | $126,553 | | | $126,163 | $390 |
| F | 50-64 | Active | Gastrointes.. | $108,365 | | | $105,137 | $3,228 |
| M | 50-64 | Active | Trauma | $108,194 | | | $107,741 | $453 |
| F | 50-64 | Active | Heart | $101,036 | | | $99,966 | $1,069 |
| M | 50-64 | Active | Skin | $97,651 | $110,360 | $70,188 | $853 | $96,798 |
| F | 36-49 | Active | Misc | $96,792 | | | $811 | $95,981 |
| M | 50-64 | Active | Central Ner.. | $95,929 | | | $93,064 | $2,865 |
| F | 18-35 | Active | Psychiatric | $95,809 | | | $67,384 | $28,424 |
| F | 50-64 | Active | Epilepsy | $87,740 | | | $87,393 | $347 |
| M | 50-64 | Active | Orthopedic | $84,557 | | | $78,740 | $5,817 |
| M | 50-64 | Active | Heart | $83,531 | | | $83,458 | $73 |
| F | 50-64 | Active | Skin | $82,053 | | | $5,468 | $76,585 |
| M | 0-17 | Active | Psychiatric | $73,978 | $75,724 | | $73,898 | $80 |
| M | 36-49 | Active | Skin | $72,418 | $71,691 | $71,917 | $169 | $72,249 |
| F | 36-49 | Terminated | Heart | $68,970 | | | $68,613 | $357 |
| F | 65+ | Active | Heart | $67,265 | | | $61,580 | $5,685 |
| M | 50-64 | Active | AIDS | $66,657 | $59,865 | $72,743 | $2,292 | $64,364 |
| M | 0-17 | Active | Infection | $60,670 | | | $60,622 | $47 |
| F | 18-35 | Active | Pregnancy | $58,523 | | | $48,174 | $10,350 |
| F | 50-64 | Active | Rheumatoi.. | $57,343 | $60,218 | $47,150 | $4,519 | $52,824 |
| M | 0-17 | Active | Orthopedic | $55,922 | | $72,350 | $52,423 | $3,499 |
| M | 50-64 | Active | AIDS | $51,586 | $63,143 | $55,679 | $7,770 | $43,816 |
| M | 50-64 | Active | Heart | $51,096 | | | $49,802 | $1,294 |
| M | 50-64 | Active | Neoplasm | | $252,201 | $51,737 | | |
| F | 36-49 | Active | Misc | | | $26,530 | | |
| M | 50-64 | Active | Skin | | | $85,209 | | |
| M | 18-35 | Terminated | Null | | | $969 | | |
| M | 36-49 | Terminated | Null | | | ($58) | | |
| M | 36-49 | Active | Diabetes | | | $8,889 | | |
| M | 18-35 | Terminated | Null | | | $53,204 | | |

# Members - Demographic Spend



## DEMOGRAPHICS

2.18

**Member to Employee Ratio**

**1.84**

**Average Age**

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Employee | 42.3 | 42.8 | 43.3 |
| Spouse / Partner | 44.6 | 45.2 | 45.8 |
| Dependent | 12.6 | 13.5 | 14.4 |
| Grand Total | **34.4** | **35.2** | **35.6** |

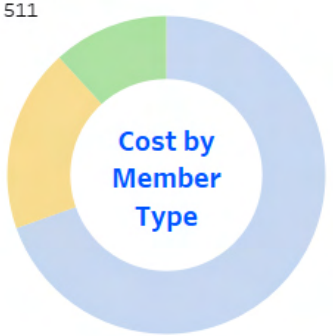
Benchmark Age
EMP 46
All 35

**Non-Utilizers of Healthcare (current)**

| | Employee | Spouse / P.. | Dependent | Grand Total |
|---|---|---|---|---|
| F | 86 | 16 | 26 | **128** |
| M | 56 | 36 | 33 | **125** |
| Grand Total | **142** | **52** | **59** | **253** |

**11.7% of Spend**
$1,476,086
Dependent
511

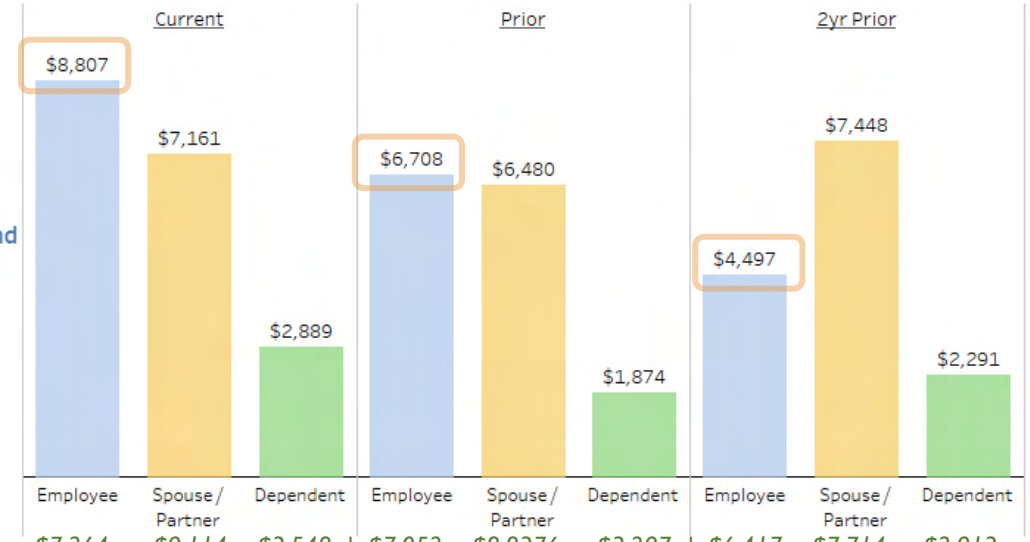
**18.7% of Spend**
$2,347,558
Spouse / Partner
328




**69.6% of Spend**
$8,753,213
Employee
994

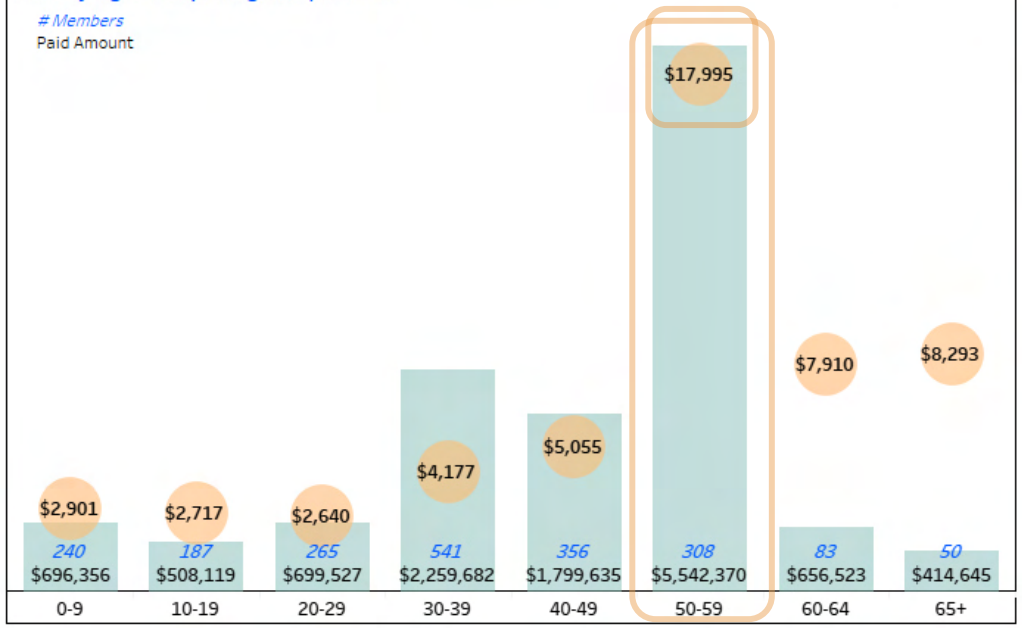
Spouses 25.6%▲

Spouses cost -18.7% ▼ than employees




$7,264 $9,114 $3,548 | $7,052 $8,8376 $3,297 | $6,417 $7,714 $2,913

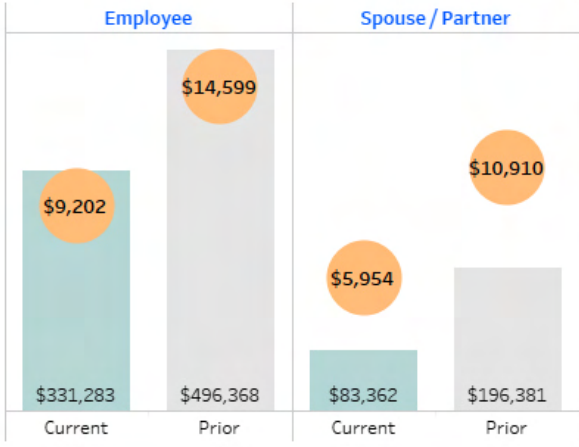
**Cost by Age Group - Avg Cost/Member**



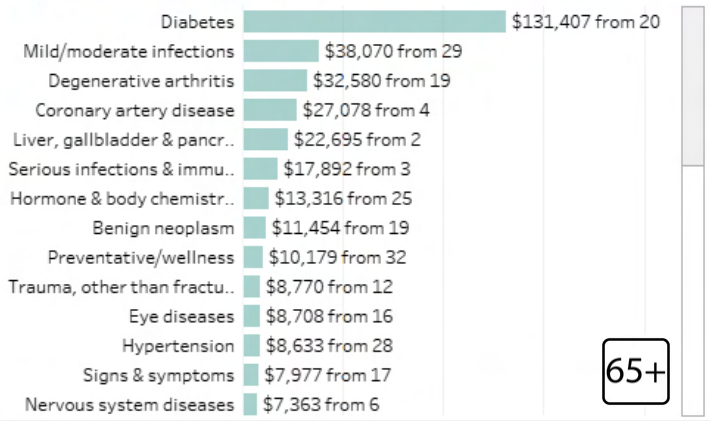

$4,038 $3,005 $3,099 $4,277 $5,896 $8,724 $11,040 $12,215

**Over Age 65 Spend**

| | Current | | | Prior | | | Current | | Prior | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Paid Amount | # Members | $/Member | Paid Amount | # Members | $/Member | Medical | Rx | Medical | Rx |
| Employee | $331,283 | 36 | $9,202 | $496,368 | 34 | $14,599 | $170,465 | $160,818 | $380,723 | $115,645 |
| Spouse / Pa.. | $83,362 | 14 | $5,954 | $196,381 | 18 | $10,910 | $53,535 | $29,826 | $164,300 | $32,081 |
| Grand Total | $414,645 | 50 | $8,293 | $692,749 | 52 | $13,322 | $224,000 | $190,644 | $545,023 | $147,726 |




**Top Conditions by Spend (current)**



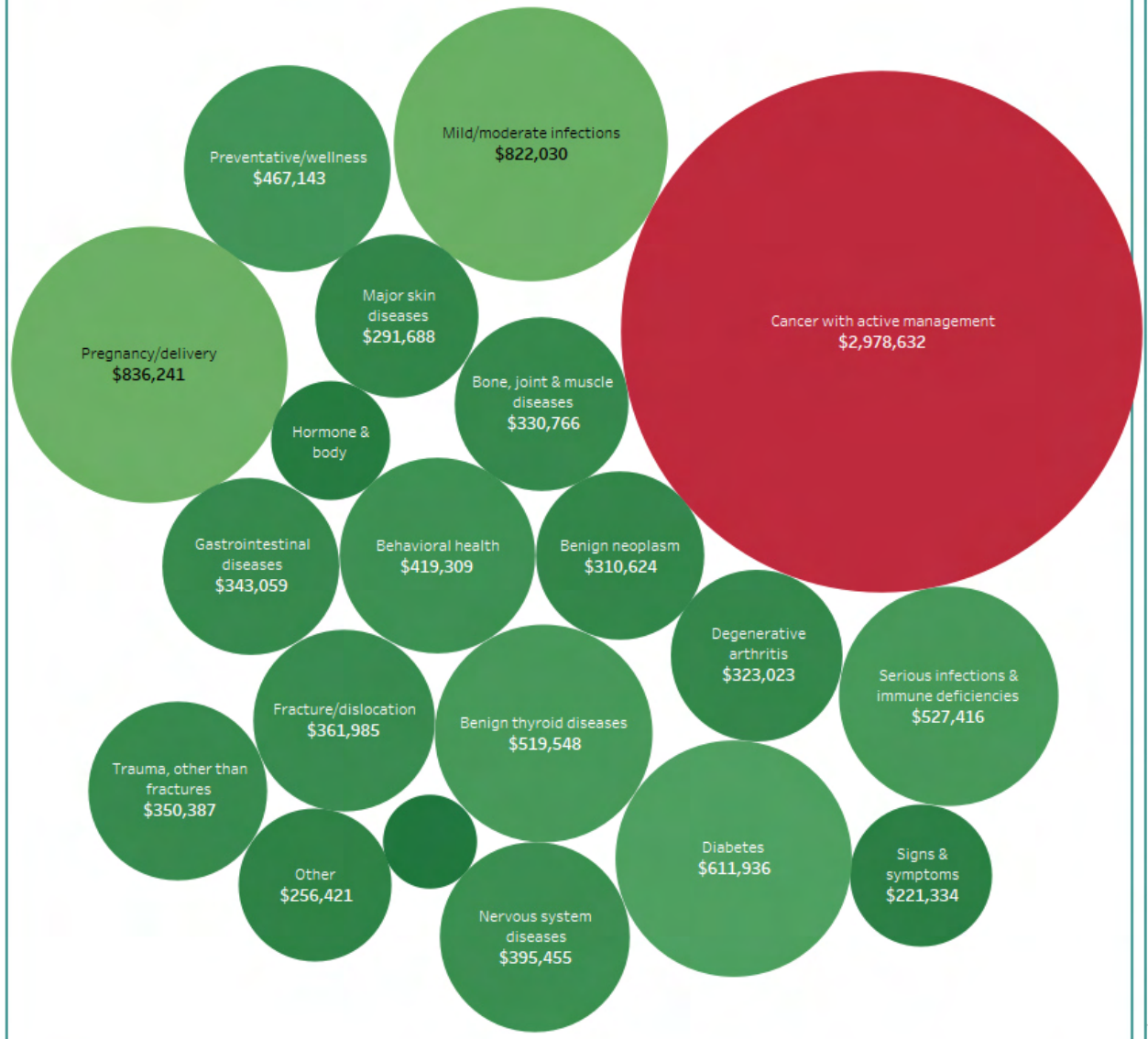

$10,936 $9,8600 | $14,606 $12,460

MB Top 5 Conditions 65+
- Cancer
- Degen Ortho
- Heart/Vas
- Diabetes
- CAD

# Health Plan Performance – Claims by Conditions



## Top 20 Claims by Condition (by Med & Rx Spend - Current)




## Top Claims by Condition (3yr look)

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Cancer with active manag.. | $2,978,632 | $882,802 | $757,704 |
| Pregnancy/delivery | $836,241 | $230,700 | $277,480 |
| Mild/moderate infections | $822,030 | $779,211 | $321,471 |
| Diabetes | $611,936 | $442,537 | $281,332 |
| Serious infections & immu.. | $527,416 | $393,280 | $310,417 |
| Benign thyroid diseases | $519,548 | $527,609 | $40,347 |
| Preventative/wellness | $467,143 | $365,784 | $292,036 |
| Behavioral health | $419,309 | $343,112 | $275,551 |
| Nervous system diseases | $395,455 | $129,545 | $203,763 |
| Fracture/dislocation | $361,985 | $43,041 | $9,715 |
| Trauma, other than fractu.. | $350,387 | $217,160 | $96,824 |
| Gastrointestinal diseases | $343,059 | $544,865 | $172,429 |
| Bone, joint & muscle disea.. | $330,766 | $226,689 | $214,318 |
| Degenerative arthritis | $323,023 | $469,235 | $193,313 |
| Benign neoplasm | $310,624 | $298,054 | $202,681 |
| Major skin diseases | $291,688 | $185,877 | $150,044 |
| Other | $256,421 | $152,364 | $432,881 |
| Coronary artery disease | $233,457 | $44,362 | $21,526 |
| Signs & symptoms | $221,334 | $171,426 | $108,090 |
| Depression | $206,436 | $93,338 | $59,702 |
| Heart & vascular diseases | $186,273 | $148,115 | $66,152 |
| Obesity | $160,868 | $113,837 | $80,556 |
| Hormone & body chemistr.. | $155,150 | $90,539 | $285,123 |
| Hypertension | $142,960 | $103,306 | $90,621 |
| Minor skin diseases | $125,011 | $110,330 | $83,416 |
| Kidney & urinary tract dis.. | $107,442 | $164,316 | $105,783 |
| Liver, gallbladder & pancr.. | $102,921 | $183,878 | $63,996 |
| Newborn care | $96,910 | $35,829 | $121,633 |
| Cancer without active ma.. | $53,483 | $179,928 | $73,897 |
| Congenital anomalies | $36,448 | $66,003 | $43,648 |

$0 $2,000,000 $4,000,000 — Paid Amount (Current)

$0 $2,000,000 $4,000,000 — Paid Amount (Prior)

$0 $2,000,000 $4,000,000 — Paid Amount (2yr Prior)

# Claims - Top Inpatient/Outpatient Spend



## Inpatient - Top 15 Claims by Condition Spend

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Cancer with active manage.. | $1,136,732 from 2 ($568,366/member) | $69,836 from 4 ($17,459/member) | $71,167 from 4 ($17,792/member) |
| Pregnancy/delivery | $533,569 from 42 ($12,704/member) | $145,926 from 14 ($10,423/member) | $219,926 from 23 ($9,562/member) |
| Fracture/dislocation | $265,134 from 4 ($66,283/member) | $1,467 from 1 ($1,467/member) | $1,186 from 2 ($593/member) |
| Trauma, other than fractures | $191,078 from 6 ($31,846/member) | $2,344 from 5 ($469/member) | $4,029 from 3 ($1,343/member) |
| Coronary artery disease | $164,125 from 7 ($23,446/member) | $2,020 from 4 ($505/member) | |
| Nervous system diseases | $140,031 from 9 ($15,559/member) | $11,459 from 11 ($1,042/member) | $37,182 from 6 ($6,197/member) |
| Behavioral health | $124,093 from 9 ($13,788/member) | $93,990 from 7 ($13,427/member) | $87,822 from 10 ($8,782/member) |
| Gastrointestinal diseases | $122,968 from 13 ($9,459/member) | $407,679 from 7 ($58,240/member) | $16,502 from 7 ($2,357/member) |
| Mild/moderate infections | $103,173 from 29 ($3,558/member) | $220,671 from 34 ($6,490/member) | $31,375 from 19 ($1,651/member) |
| Degenerative arthritis | $101,826 from 11 ($9,257/member) | $268,499 from 5 ($53,700/member) | $100,557 from 7 ($14,365/member) |
| Newborn care | $90,927 from 32 ($2,841/member) | $32,109 from 11 ($2,919/member) | $109,779 from 24 ($4,574/member) |
| Heart & vascular diseases | $89,207 from 11 ($8,110/member) | $50,172 from 11 ($4,561/member) | $982 from 3 ($327/member) |
| Serious infections & immun.. | $87,000 from 20 ($4,350/member) | $114,213 from 13 ($8,786/member) | $49,894 from 22 ($2,268/member) |
| Benign neoplasm | $72,352 from 6 ($12,059/member) | $79,623 from 7 ($11,375/member) | $19,842 from 5 ($3,968/member) |
| Liver, gallbladder & pancrea.. | $33,346 from 4 ($8,336/member) | $63,885 from 2 ($31,943/member) | $34,024 from 3 ($11,341/member) |

**INPATIENT CLAIMS - Change from Prior**

| | |
|---|---|
| Spend = | $1,479,015 ▲ |
| Visits = | 54 ▲ |
| Members = | 49 ▲ |
| $/Member = | $3,231 ▲ |

**OUTPATIENT CLAIMS - Change from Prior**

| | |
|---|---|
| Spend = | $1,820,708 ▲ |
| Visits = | 2,421 ▲ |
| Members = | 295 ▲ |
| $/Member = | $97 ▲ |

## Outpatient - Top 15 Claims by Condition Spend

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Cancer with active manage.. | $1,442,234 from 10 ($144,223/member) | $280,683 from 12 ($23,390/member) | $347,090 from 9 ($38,566/member) |
| Benign thyroid diseases | $503,272 from 70 ($7,190/member) | $488,299 from 63 ($7,751/member) | $18,764 from 47 ($399/member) |
| Preventative/wellness | $305,921 from 899 ($340/member) | $223,010 from 759 ($294/member) | $176,295 from 577 ($306/member) |
| Benign neoplasm | $193,651 from 251 ($772/member) | $197,771 from 245 ($807/member) | $150,898 from 193 ($782/member) |
| Bone, joint & muscle diseases | $166,233 from 207 ($803/member) | $119,583 from 171 ($699/member) | $72,249 from 132 ($547/member) |
| Pregnancy/delivery | $154,196 from 73 ($2,112/member) | $48,750 from 47 ($1,037/member) | $29,583 from 26 ($1,138/member) |
| Nervous system diseases | $153,628 from 75 ($2,048/member) | $51,336 from 52 ($987/member) | $95,668 from 49 ($1,952/member) |
| Degenerative arthritis | $152,072 from 160 ($950/member) | $168,983 from 127 ($1,331/member) | $76,628 from 94 ($815/member) |
| Mild/moderate infections | $151,568 from 601 ($252/member) | $130,974 from 570 ($230/member) | $69,505 from 362 ($192/member) |
| Gastrointestinal diseases | $126,427 from 117 ($1,081/member) | $71,121 from 101 ($704/member) | $86,089 from 82 ($1,050/member) |
| Signs & symptoms | $94,084 from 320 ($294/member) | $59,154 from 238 ($249/member) | $45,073 from 186 ($242/member) |
| Depression | $81,460 from 83 ($981/member) | $25,262 from 81 ($312/member) | $12,684 from 55 ($231/member) |
| Behavioral health | $78,947 from 143 ($552/member) | $45,665 from 89 ($513/member) | $42,462 from 86 ($494/member) |
| Gynecologic diseases | $73,804 from 120 ($615/member) | $60,796 from 111 ($548/member) | $36,492 from 75 ($487/member) |
| Fracture/dislocation | $57,964 from 28 ($2,070/member) | $22,639 from 27 ($838/member) | $4,861 from 14 ($347/member) |

## ER Spend - 3yr Look

| | Paid Amount | % Change | $ Change | # Members | Change # Members | $/Member | # Visits | Change # Visits | % Change Visits | $/Visit |
|---|---|---|---|---|---|---|---|---|---|---|
| Current | $1,188,182 | 53.6% | $414,465 | 373 | 95 | $3,185 | 633 | 206 | 48.2% | $1,877 |
| Prior | $773,716 | 33.1% | $192,558 | 278 | 53 | $2,783 | 427 | 57 | 15.4% | $1,812 |
| 2yr Prior | $581,158 | | | 225 | | $2,583 | 370 | | | $1,571 |

## ER Frequent Users (5+)

| Member | | | Plan Paid | |
|---|---|---|---|---|
| # Visits | | Age | Paid Amount | $/Visit |
| 7 | Employee | 43 | $19,342 | $2,763 |
| 6 | Employee | 38 | $30,980 | $5,163 |
| 6 | Employee | 60 | $33,446 | $5,574 |
| 6 | Dependent | 8 | $14,166 | $2,361 |
| 6 | Employee | 40 | $28,883 | $4,814 |
| 5 | Employee | 38 | $11,774 | $2,355 |
| 5 | Employee | 37 | $11,326 | $2,265 |
| 5 | Dependent | 4 | $4,030 | $806 |
| 5 | Spouse / Pa.. | 41 | $3,894 | $779 |
| 5 | Spouse / Pa.. | 55 | $81 | $16 |
| 5 | Dependent | 3 | $5,986 | $1,197 |
| 5 | Employee | 30 | $11,785 | $2,357 |
| 5 | Employee | 39 | $5,949 | $1,190 |
| 5 | Dependent | 4 | $25,474 | $5,095 |
| 5 | Dependent | 2 | $5,460 | $1,092 |
| 5 | Dependent | 23 | $4,628 | $926 |
| Grand Total | | | $217,203 | $2,526 |

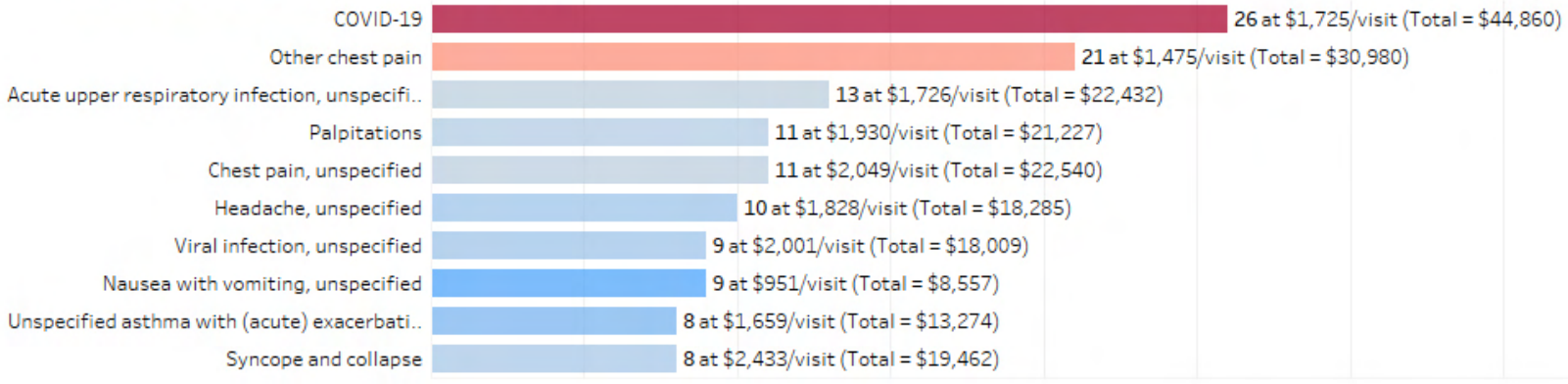
## ER Avoidable Visits

| | Paid Amount | % Change | $ Change | # Members | Diff in # Members | # Visits | Diff in # Visits | $/Visit |
|---|---|---|---|---|---|---|---|---|
| Current | $201,064 | 84.8% | $92,292 | 102 | 24 | 129 | 45 | $1,559 |
| Prior | $108,772 | 7.3% | $7,400 | 78 | 12 | 84 | 4 | $1,295 |
| 2yr Prior | $101,373 | | | 66 | | 80 | | $1,267 |

## Top 5 Avoidable ER Visits (by diagnosis)

| | # Visits | Paid Amount | # Members |
|---|---|---|---|
| Acute upper respiratory infection, unspecified | 13 | $22,432 | 12 |
| Noninfective gastroenteritis and colitis, unspecified | 8 | $18,577 | 7 |
| Dizziness and giddiness | 7 | $15,972 | 5 |
| Allergy, unspecified, initial encounter | 5 | $7,946 | 4 |
| Acute pharyngitis, unspecified | 5 | $11,339 | 5 |

## Top 10 ER Visits by Frequency (by diagnosis)

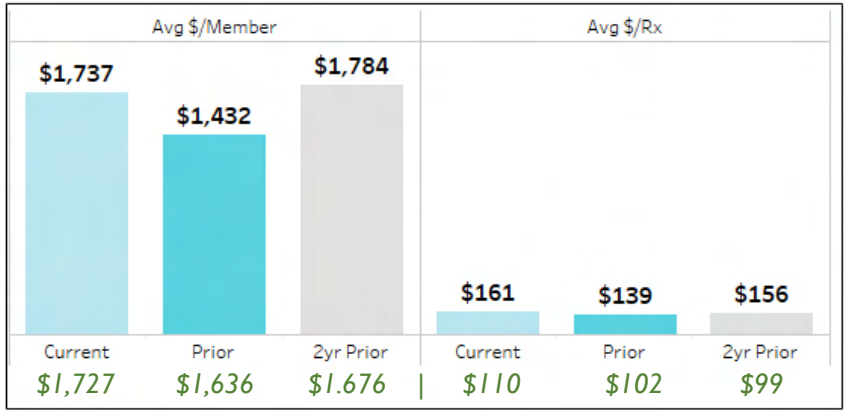


# Rx Overview – 3-year look



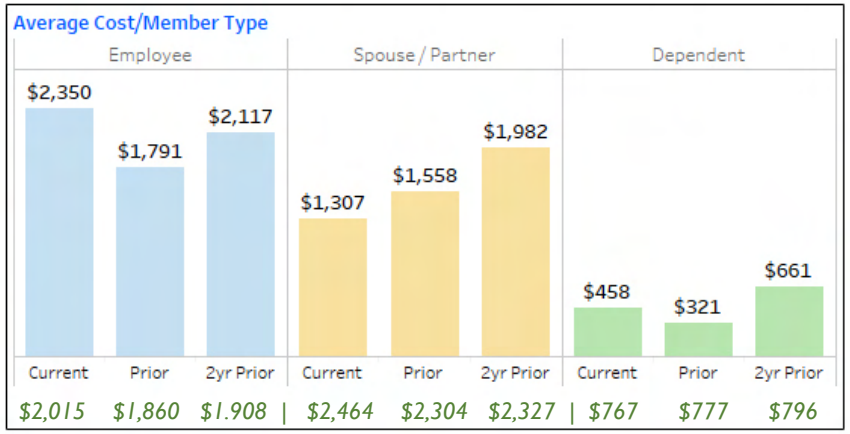
## Rx - Overview

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Paid Amount | $2,718,337 | $1,961,401 | $1,700,609 |
| % Difference in Paid Amou.. | 38.6% ▲ | 15.3% ▲ | |
| Difference in Paid Amount .. | $756,936 ▲ | $260,791 ▲ | |
| Script Count | 16,872 | 14,146 | 10,868 |
| # Members | 1,565 | 1,370 | 953 |
| Avg $/Member | $1,737 | $1,432 | $1,784 |
| Avg $/Rx | $161 | $139 | $156 |



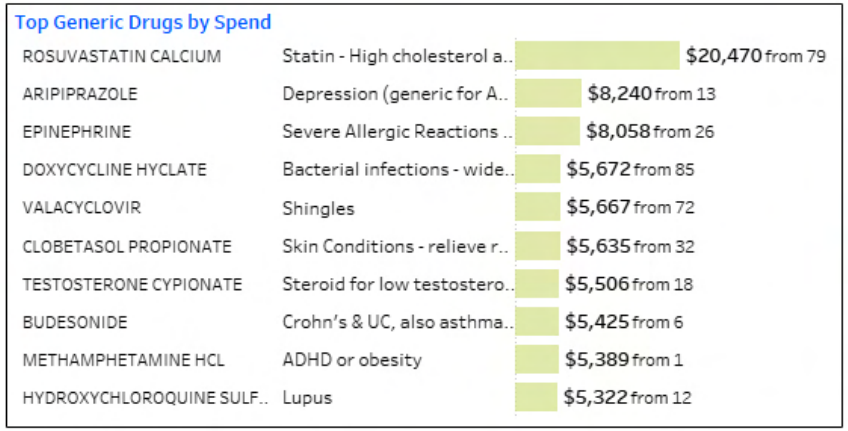

## Rx - Generic

| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Paid Amount | $326,418 | $297,149 | $249,991 |
| % Difference in Paid Amou.. | 9.8% ▲ | 18.9% ▲ | |
| Difference in Paid Amount .. | $29,269 ▲ | $47,159 ▲ | |
| Script Count | 13,729 | 10,898 | 9,003 |
| # Members | 1,439 | 1,138 | 912 |
| Avg $/Member | $227 | $261 | $274 |
| Avg $/Rx | $24 | $27 | $28 |

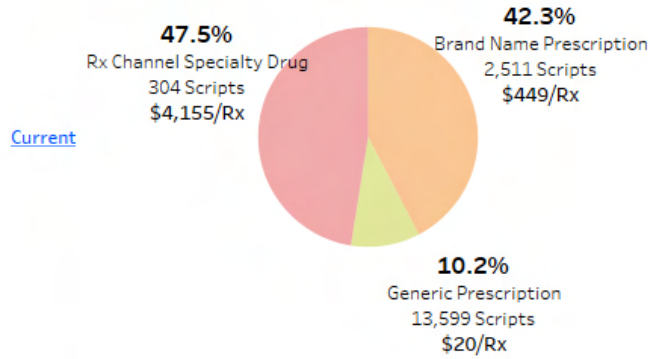


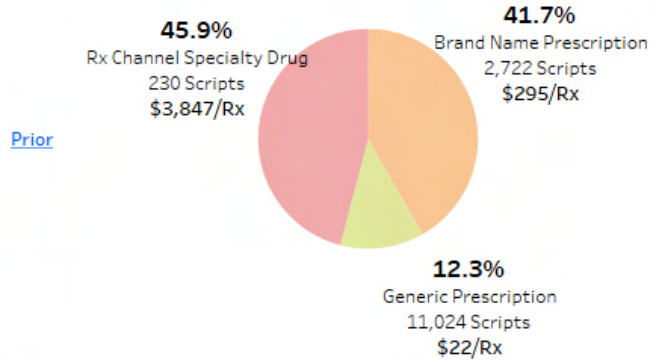

## Rx - Brand/Specialty

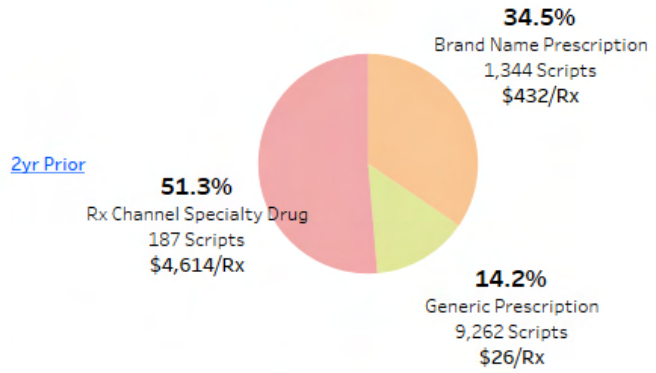
| | Current | Prior | 2yr Prior |
|---|---|---|---|
| Paid Amount | $2,391,919 | $1,664,251 | $1,450,619 |
| % Difference in Paid Amou.. | 43.7% ▲ | 14.7% ▲ | |
| Difference in Paid Amount .. | $727,667 ▲ | $213,633 ▲ | |
| Script Count | 3,143 | 3,248 | 1,865 |
| # Members | 757 | 895 | 397 |
| Avg $/Member | $3,160 | $1,859 | $3,654 |
| Avg $/Rx | $761 | $512 | $778 |




## Rx - Spend by Rx Type



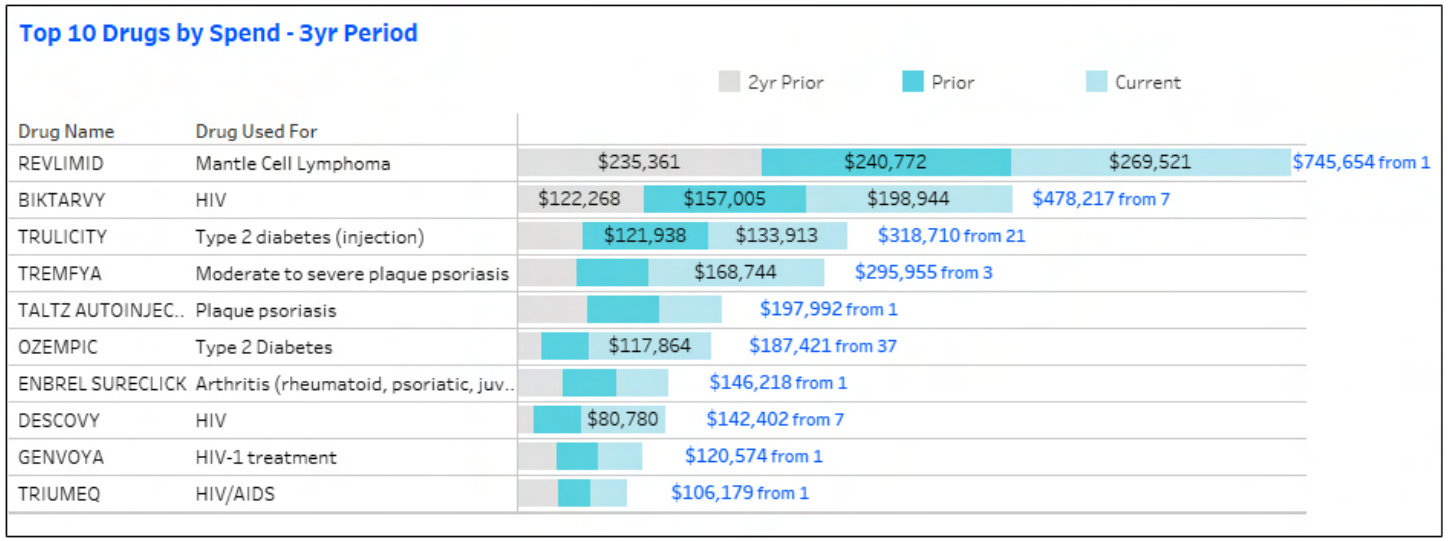



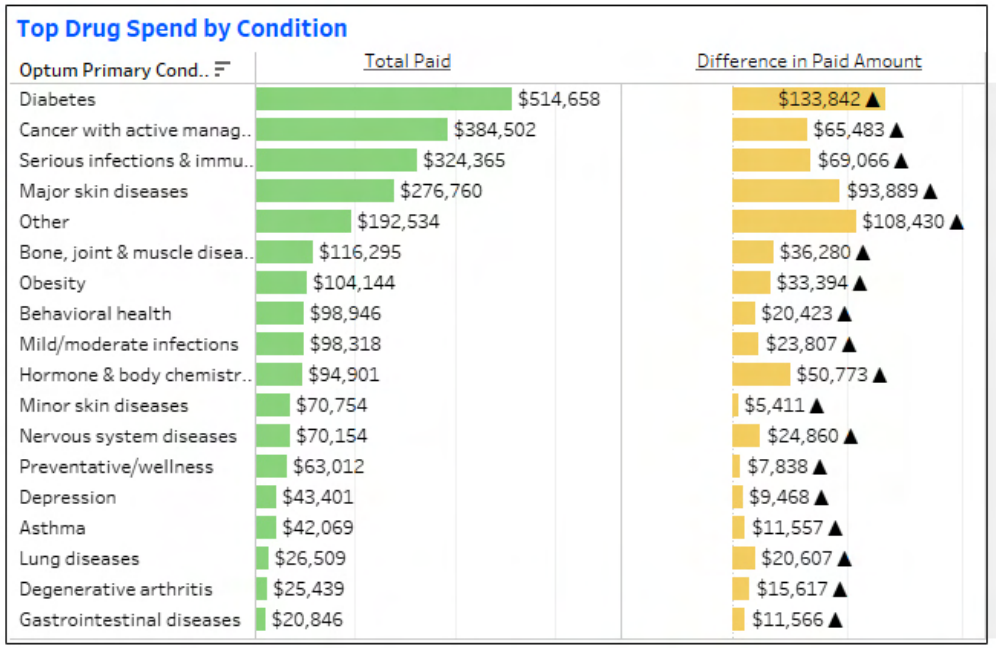
# Rx Spend by Most Expensive Drugs – 3-year look



## Top 10 Drugs by Spend - 3yr Period




## Top Drug Spend by Condition




*At least six Humira biosimilars are set to enter the market in 2023

## Top 15 Drugs by Spend

| Drug Name | Drug Used For | Current Plan Paid | Current # Members | Current # Scripts | Current $/Rx | Prior Plan Paid | Prior # Members | Prior # Scripts | Prior $/Rx | 2yr Prior Plan Paid | 2yr Prior # Members | 2yr Prior # Scripts | 2yr Prior $/Rx | Change from Prior $ Paid Diff | Change from Prior # Members Change | Change from Prior Cost/Rx Diff |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Grand Total** | | $1,482,705 | 85 | 512 | $2,896 | $939,030 | 49 | 321 | $2,925 | $732,971 | 28 | 192 | $3,818 | $543,675 ▲ | 36 ▲ | ($29) |
| REVLIMID | Mantle Cell Lymphoma | $269,521 | 1 | 12 | $22,460 | $240,772 | 1 | 11 | $21,888 | $235,361 | 1 | 11 | $21,396 | $28,749 ▲ | 0 ▲ | $572 ▲ |
| BIKTARVY | HIV | $198,944 | 7 | 57 | $3,490 | $157,005 | 5 | 43 | $3,651 | $122,268 | 4 | 38 | $3,218 | $41,939 ▲ | 2 ▲ | ($161) |
| TREMFYA | Moderate to severe plaq.. | $168,744 | 3 | 14 | $12,053 | $70,253 | 1 | 6 | $11,709 | $56,958 | 1 | 5 | $11,392 | $98,491 ▲ | 2 ▲ | $344 ▲ |
| TRULICITY | Type 2 diabetes (injection) | $133,913 | 20 | 133 | $1,007 | $121,938 | 15 | 116 | $1,051 | $62,860 | 8 | 55 | $1,143 | $11,975 ▲ | 5 ▲ | ($44) |
| OZEMPIC | Type 2 Diabetes | $117,864 | 31 | 113 | $1,043 | $45,979 | 10 | 41 | $1,121 | $23,577 | 4 | 16 | $1,474 | $71,885 ▲ | 21 ▲ | ($78) |
| HIZENTRA | Primary immune deficien.. | $95,078 | 1 | 6 | $15,846 | | | | | | | | | $95,078 ▲ | 1 ▲ | $15,846 ▲ |
| SPRYCEL | Chemotherapy (Leukemia) | $91,640 | 1 | 6 | $15,273 | | | | | | | | | $91,640 ▲ | 1 ▲ | $15,273 ▲ |
| DESCOVY | HIV | $80,780 | 7 | 41 | $1,970 | $45,277 | 4 | 24 | $1,887 | $16,346 | 1 | 9 | $1,816 | $35,503 ▲ | 3 ▲ | $84 ▲ |
| TALTZ AUTOINJE.. | Plaque psoriasis | $60,132 | 1 | 10 | $6,013 | $70,104 | 1 | 12 | $5,842 | $67,755 | 1 | 12 | $5,646 | ($9,972) | 0 ▲ | $171 ▲ |
| ENBREL SURECLI.. | Arthritis (rheumatoid, ps.. | $49,896 | 1 | 8 | $6,237 | $51,998 | 1 | 9 | $5,778 | $44,324 | 1 | 8 | $5,541 | ($2,102) | 0 ▲ | $459 ▲ |
| NOVOLOG | Diabetes | $48,822 | 8 | 45 | $1,085 | $22,032 | 7 | 24 | $918 | $11,472 | 5 | 9 | $1,275 | $26,790 ▲ | 1 ▲ | $167 ▲ |
| OTEZLA | Psoriasis | $45,540 | 2 | 11 | $4,140 | $39,763 | 1 | 11 | $3,615 | $14,275 | 1 | 4 | $3,569 | $5,777 ▲ | 1 ▲ | $525 ▲ |
| WEGOVY | Weight loss, regulates ap.. | $44,205 | 7 | 33 | $1,340 | $2,556 | 2 | 2 | $1,278 | | | | | $41,649 ▲ | 5 ▲ | $61 ▲ |
| GENVOYA | HIV-1 treatment | $41,881 | 1 | 12 | $3,490 | $40,068 | 1 | 12 | $3,339 | $38,625 | 1 | 12 | $3,219 | $1,812 ▲ | 0 ▲ | $151 ▲ |
| TRIUMEQ | HIV/AIDS | $35,745 | 1 | 11 | $3,250 | $31,284 | 1 | 10 | $3,128 | $39,149 | 1 | 13 | $3,011 | $4,461 ▲ | 0 ▲ | $121 ▲ |

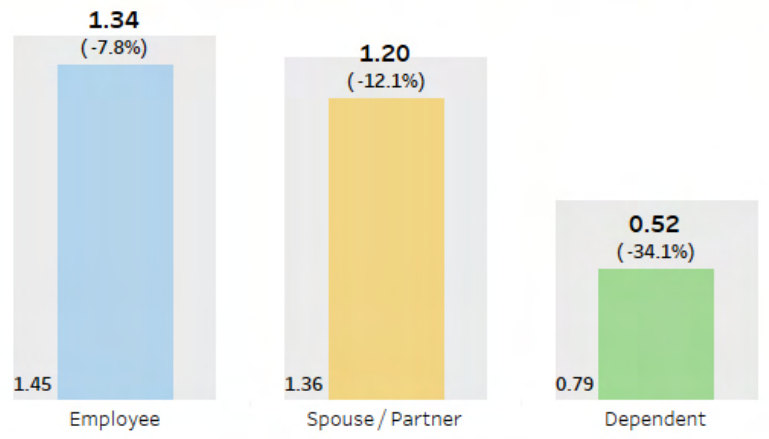
# Where's the Risk? Risk by Member, Age Group, Risk Tier



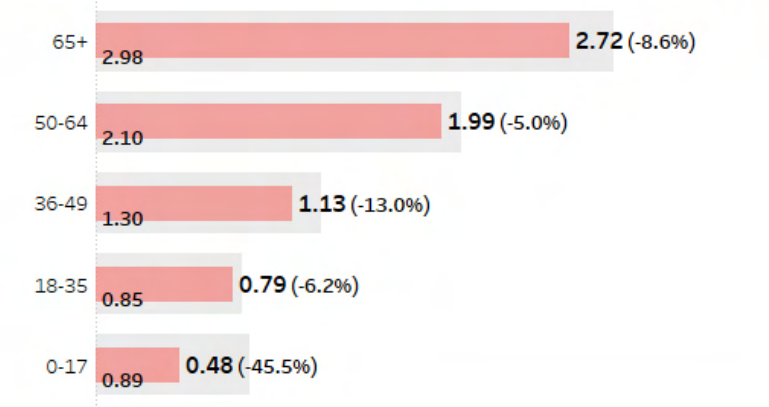
1.27

| Company Risk Score | | Company Forecasted Spend | |
|---|---|---|---|
| Current Risk Score | 1.29 | Amount Paid | $12,576,856 |
| Forecasted Risk Score | 1.08 | Forecasted Spend | $14,031,171 |

## Where's the Risk - Risk by Member Type (Risk Score & Forecasted % Change)




## Where's the Risk - Risk by Age Group (Risk Score & Forecasted % Change)




## Where's the Risk - Conditions & Spend in Risk Tier 5

| Primary Diagnosis Group Category | Total Paid Amount | # Members | Medical Paid Amount | Rx Paid Amount | Prevention Gap Members | Chronic Gap Members | Forecast Chronic Gaps Spend $ | Savings Opportunity |
|---|---|---|---|---|---|---|---|---|
| Grand Total | $9,881,434 | 381 | $7,599,290 | $2,282,144 | 77 | 127 | $3,988,291 | $980,180 |
| Neoplasm | $1,709,634 | 21 | $1,663,338 | $46,295 | 4 | 7 | $946,431 | $11,695 |
| Cancer | $1,340,961 | 1 | $1,214,044 | $126,917 | 0 | 0 | | |
| Pregnancy | $830,417 | 42 | $798,889 | $31,528 | 6 | 4 | $120,892 | $21,100 |
| Diabetes | $624,705 | 47 | $146,064 | $478,641 | 15 | 41 | $836,417 | $295,749 |
| ENT | $555,278 | 10 | $551,855 | $3,423 | 1 | 1 | $12,526 | |
| Gastrointestinal | $540,226 | 23 | $515,025 | $25,201 | 5 | 6 | $83,845 | $2,619 |
| Heart | $521,149 | 21 | $482,302 | $38,847 | 6 | 9 | $288,062 | $44,769 |
| Trauma | $484,400 | 15 | $475,696 | $8,704 | 2 | 2 | $104,595 | $3,241 |
| Orthopedic | $461,846 | 29 | $419,065 | $42,781 | 9 | 8 | $351,792 | $148,225 |
| Psychiatric | $433,611 | 26 | $320,759 | $112,852 | 1 | 7 | $108,774 | $3,454 |
| AIDS | $375,084 | 10 | $29,494 | $345,591 | 3 | 4 | $183,578 | $21,672 |
| Skin | $329,260 | 12 | $30,789 | $298,471 | 2 | 2 | $113,917 | $10,975 |
| Blood | $315,990 | 3 | $38,198 | $277,791 | 1 | 1 | $9,147 | |
| Infection | $197,627 | 12 | $183,894 | $13,733 | 2 | 5 | $98,794 | $25,778 |
| Central Nervous System | $196,386 | 13 | $147,984 | $48,402 | 3 | 4 | $58,203 | $20,388 |
| Metabolism | $152,949 | 13 | $61,248 | $91,701 | 4 | 8 | $137,326 | $55,317 |
| Pulmonary | $122,567 | 10 | $101,471 | $21,096 | 1 | 4 | $101,428 | $58,019 |
| Rheumatoid Arthritis | $103,321 | 3 | $7,058 | $96,263 | 0 | 1 | $134,592 | $77,249 |
| Preventive | $86,317 | 26 | $73,190 | $13,126 | 1 | 2 | $14,000 | $3,432 |
| Gall Stones | $73,567 | 3 | $57,834 | $15,733 | 1 | 2 | $24,690 | |
| Genitourinary | $52,552 | 7 | $45,948 | $6,604 | 4 | 4 | $40,431 | $16,442 |
| Eye | $50,146 | 4 | $38,091 | $12,055 | 0 | 3 | $189,805 | $145,642 |
| Kidney | $36,067 | 5 | $30,243 | $5,824 | 2 | 1 | $21,986 | $12,999 |
| Neonatology | $32,113 | 6 | $31,379 | $734 | | | | |
| Female | $30,564 | 4 | $28,524 | $2,040 | 0 | 0 | | |
| Auto-Immune | $23,539 | 4 | $9,471 | $14,068 | 1 | 1 | $7,061 | $1,415 |
| Reproduction | $16,438 | 1 | $14,582 | $1,856 | 0 | | | |
| Drug Dependence | $10,482 | 1 | $10,482 | $0 | 1 | | | |
| Epilepsy | $9,025 | 1 | $6,859 | $2,166 | 0 | | | |
| Endocrinology | $5,723 | 2 | $3,734 | $1,989 | 0 | | | |

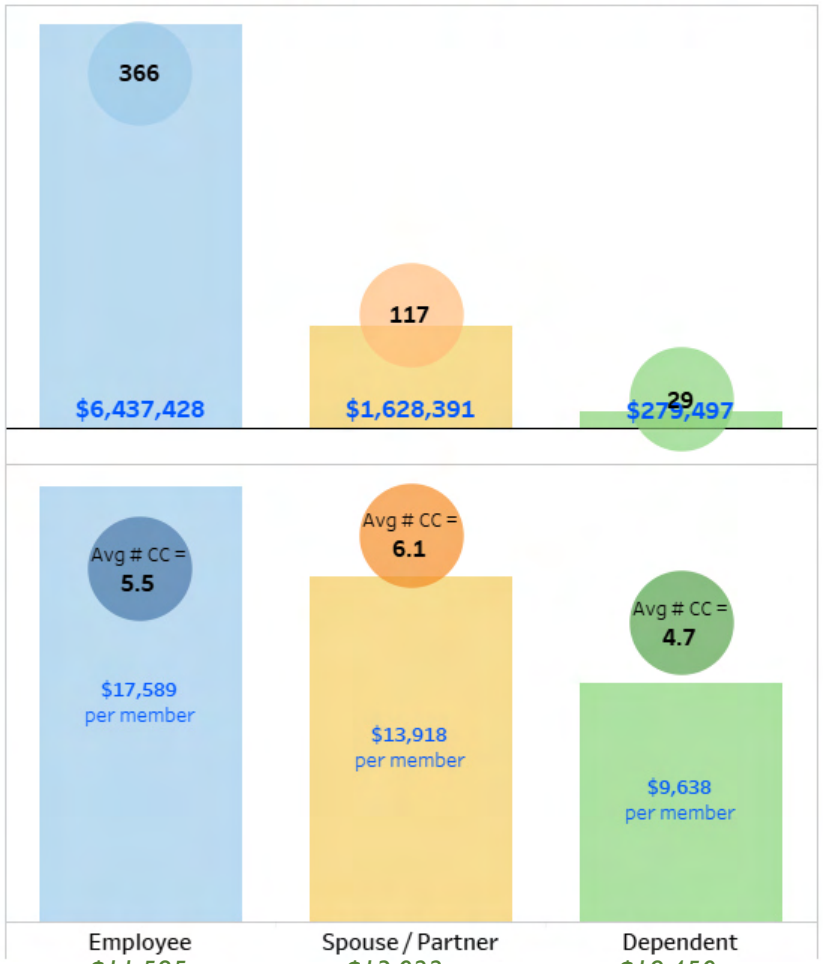
# 4+ Chronic Conditions Spend Details



## Members with 4+ Chronic Conditions

| | Current Paid Amount | CURRENT # Members | Avg #CC/ Member | Cost/Member CURRENT |
|---|---|---|---|---|
| Employee | $6,437,428 | 366 | 5.5 | $17,589 |
| Spouse / Partner | $1,628,391 | 117 | 6.1 | $13,918 |
| Dependent | $279,497 | 29 | 4.7 | $9,638 |
| Grand Total | $8,345,316 | 512 | 5.6 | $16,299 |

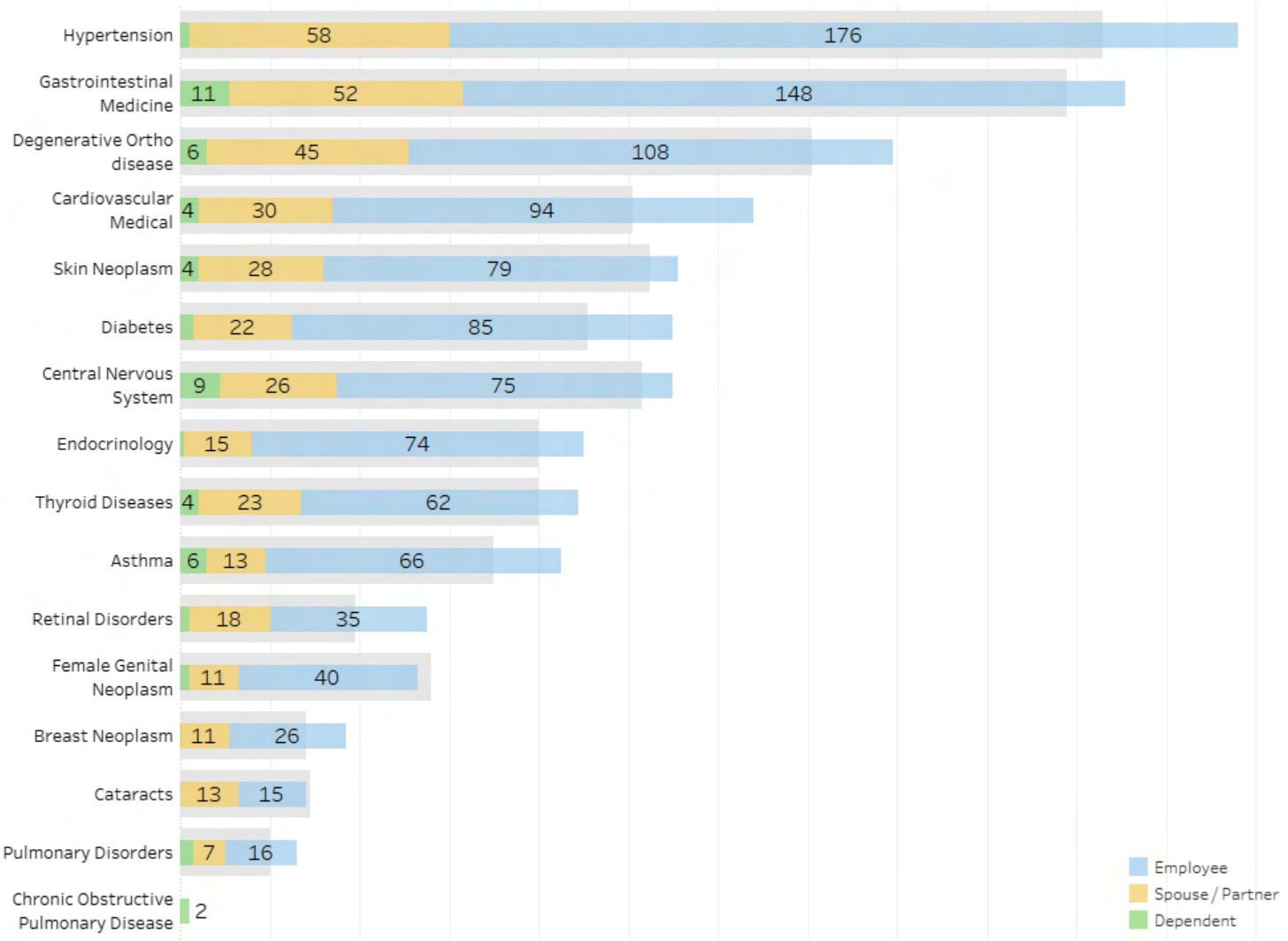
## 4+ Chronic Conditions - Spend & # of Members, Avg $/Member & Avg # CC




5.7 5.9 4.8

*$11,585* *$13,022* *$18,450*

## Members with 4+ Chronic Conditions - Key Conditions



# Lifestyle Related Chronic Conditions Med & Rx Spend Details



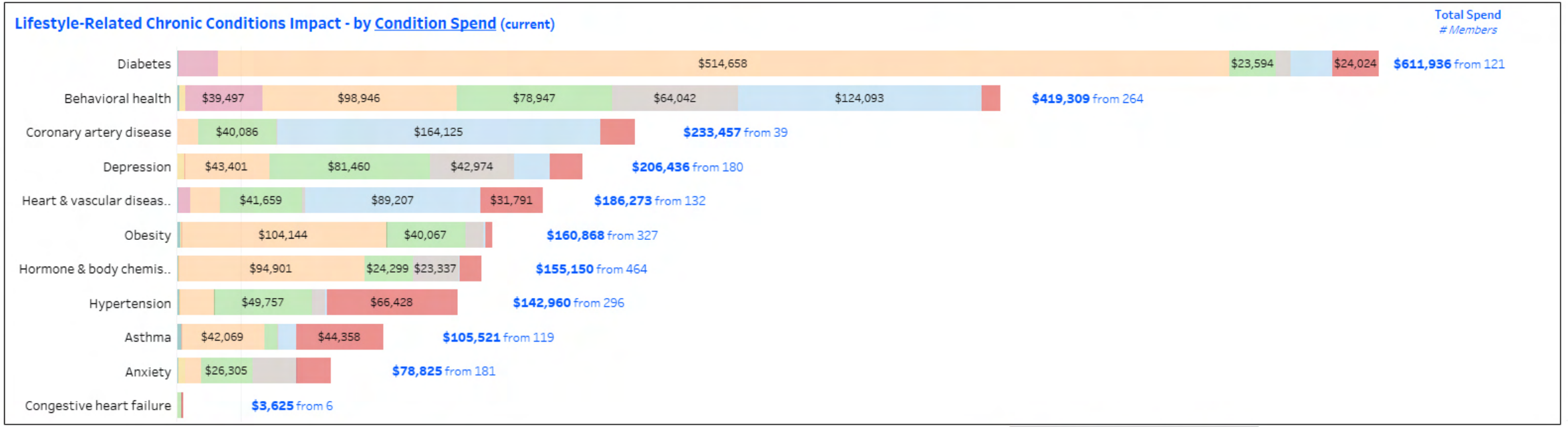
*- 80% of chronic diseases are driven by lifestyle factors such as diet and exercise.*

*- 71% of health care spending in the US is for Americans with >1 chronic condition*

## Where's the Risk - Lifestyle-Related Chronic Conditions (Med & Rx Spend)

| | Paid Amount | $ Change from Prior | Member Change | Medical Current | Medical Prior | Rx Current | Rx Prior |
|---|---|---|---|---|---|---|---|
| Diabetes | $611,936 from 121 | ▲$169,399 = 38.3% | ▲19 members | $97,278 | $61,722 | $514,658 | $380,816 |
| Behavioral health | $419,309 from 264 | ▲$76,198 = 22.2% | ▲78 members | $320,363 | $264,588 | $98,946 | $78,524 |
| Coronary artery disease | $233,457 from 39 | ▲$189,096 = 426.3% | ▲10 members | $223,213 | $36,980 | $10,245 | $7,382 |
| Depression | $206,436 from 180 | ▲$113,098 = 121.2% | ▲27 members | $163,035 | $59,405 | $43,401 | $33,933 |
| Heart & vascular diseases | $186,273 from 132 | ▲$38,158 = 25.8% | ▲34 members | $171,047 | $131,760 | $15,227 | $16,355 |
| Obesity | $160,868 from 327 | ▲$47,032 = 41.3% | ▲34 members | $56,725 | $43,087 | $104,144 | $70,750 |
| Hormone & body chemistr.. | $155,150 from 464 | ▲$64,611 = 71.4% | ▲110 members | $60,249 | $46,410 | $94,901 | $44,129 |
| Hypertension | $142,960 from 296 | ▲$39,654 = 38.4% | ▲54 members | $125,498 | $81,876 | $17,463 | $21,430 |
| Asthma | $105,521 from 119 | ▲$40,753 = 62.9% | ▲36 members | $63,451 | $34,255 | $42,069 | $30,512 |
| Anxiety | $78,825 from 181 | ▲$26,776 = 51.4% | ▲35 members | $70,645 | $39,948 | $8,181 | $12,102 |
| Congestive heart failure | $3,625 from 6 | ($9,369) = -72.1% | -3 members | $3,559 | $12,792 | $66 | $202 |

## Lifestyle-Related Chronic Conditions Impact - by Condition Spend (current)




| Lifestyle Total Spend | Lifestyle % of Total |
|---|---|
| $2,304,362 | 18.3% |

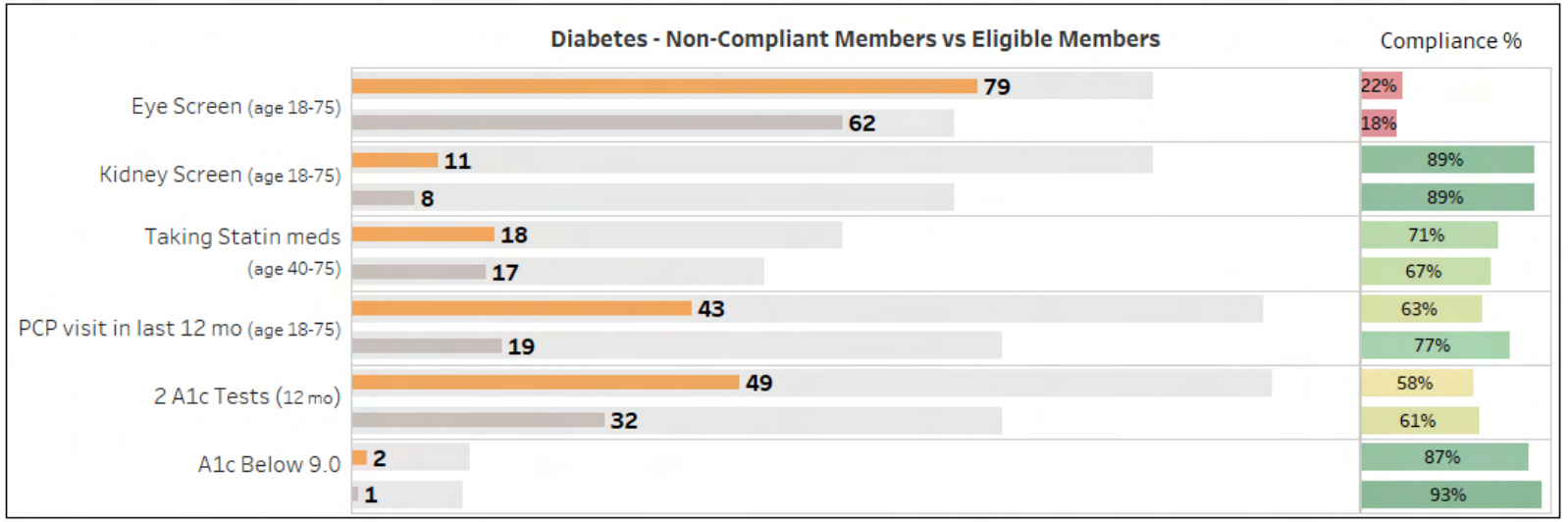
# Gaps in Care - Diabetes



## Pre-Diabetics

| Current | Prior | 2yr Prior |
|---|---|---|
| 58 | 39 | 23 |

***Potential Risk***




> 9.0% HbA1c = poor control

- Increases the risk of complications
- Begins the process of destroying your kidneys & eyes
- Lights the fire of neuropathy
- It's cytotoxic (lethal to cells)

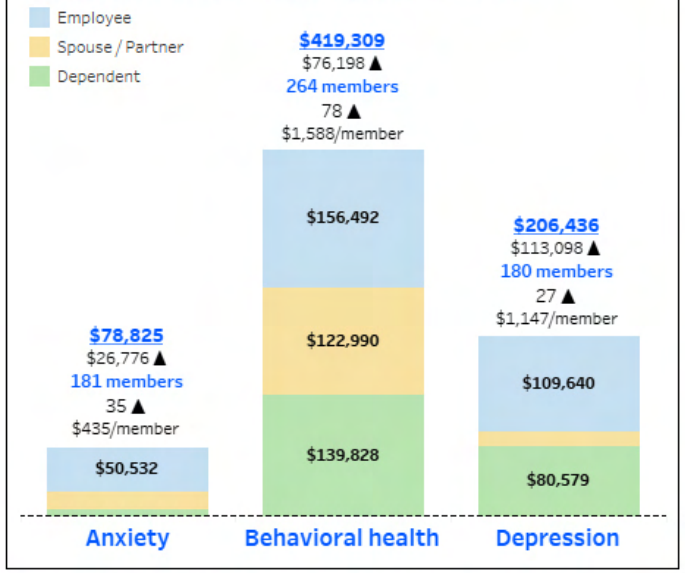
## Diabetics have 2.3x Higher Costs

- **30.3** million **Diabetics** in US
- **84.1** million people have **prediabetes**
- 24% of people with diabetes, and 90% of people with prediabetes are **unaware of their condition**

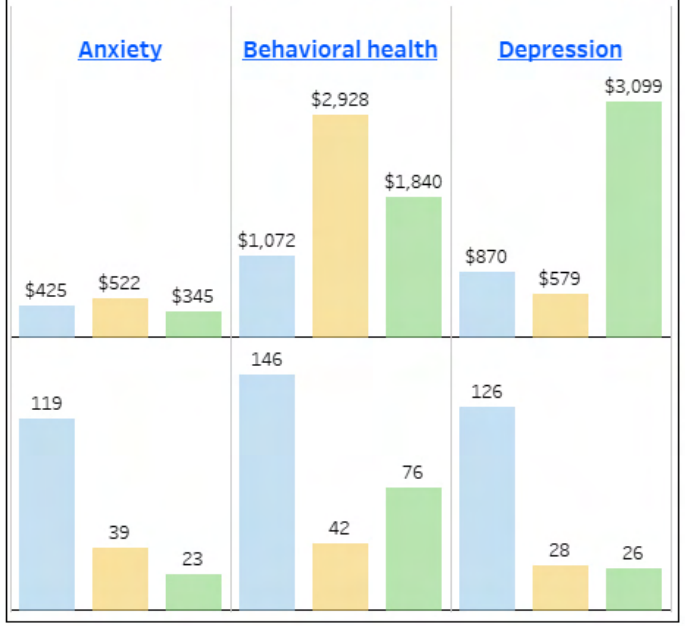
"People with pre-diabetes can often prevent or delay diabetes if they **lose a modest amount of weight** by cutting calories in their diet and **increasing physical activity** (for example, walking 30 minutes a day 5 days a week). A major study has shown that **lifestyle changes** leading to a 5% to 7% weight loss **lowered diabetes onset by 58%.**"

| | Current % | | | Prior % | |
|---|---|---|---|---|---|
| Measure Description | Non-Compliant M.. | Compliance % | Difference in Compliance.. | Non-Compliant .. | Compliance % |
| Patient(s) 18 - 75 years of age that had an annual screening test for diabetic retinopathy. | 79 | 22% | 3% | 62 | 18% |
| Patient(s) that had at least 2 HbA1c tests in last 12 reported months. | 49 | 58% | -3%▼ | 32 | 61% |
| Patient(s) that had ambulatory care for diabetes in last 12 reported months. | 43 | 63% | -14%▼ | 19 | 77% |
| Patient(s) compliant with prescribed biguanide-containing medication (minimum compliance 80%). | 18 | 65% | -5%▼ | 10 | 70% |
| Patient(s) compliant with prescribed GLP-1 agonist (minimum compliance 80%). | 18 | 57% | -4%▼ | 10 | 62% |
| Patient(s) 40-75 years of age with diabetes that received a statin medication. | 18 | 71% | 4% | 17 | 67% |
| Patient(s) 18 - 75 years of age that had annual screening for nephropathy or evidence of nephropathy. | 11 | 89% | 0% | 8 | 89% |
| Adult(s) 17 -75 that had a serum creatinine or estimated glomerular filtration rate in last 12 reported months. | 10 | 91% | -2%▼ | 5 | 94% |
| Patient(s) compliant with prescribed statin-containing medication (minimum compliance 80%). | 9 | 79% | 10% | 12 | 68% |
| Patient(s) compliant with prescribed angiotensin receptor blocker-containing medication (minimum compliance 8.. | 6 | 73% | 2% | 7 | 71% |
| Patient(s) compliant with prescribed Short-acting insulin (minimum compliance 80%). | 5 | 58% | 8% | 4 | 50% |
| Patient(s) compliant with prescribed Long or intermediate-acting insulin (minimum compliance 80%). | 5 | 58% | 18% | 6 | 40% |
| Patient(s) compliant with prescribed ACE-inhibitor-containing medication (minimum compliance 80%). | 5 | 80% | -2%▼ | 3 | 82% |
| Adult(s) with a triglyceride test in last 24 reported months. | 5 | 96% | -1%▼ | 3 | 96% |
| Adult(s) with a LDL cholesterol in last 24 reported months. | 5 | 96% | -1%▼ | 3 | 96% |
| Adult(s) with a HDL cholesterol test in last 24 reported months. | 5 | 96% | -1%▼ | 3 | 96% |
| Patient(s) with a diagnosis of diabetic nephropathy, proteinuria, or chronic renal failure currently taking an ACE-in.. | 4 | 69% | 0% | 4 | 69% |
| Patient(s) taking a biguanide, ACE-inhibitor, or angiotensin receptor blocker (ARB) that had a serum creatinine or .. | 4 | 93% | -5%▼ | 1 | 98% |
| Patient(s) compliant with prescribed sulfonylurea (minimum compliance 80%). | 4 | 71% | -21%▼ | 1 | 93% |
| Patient(s) compliant with prescribed SGLT2 inhibitor-containing medication (minimum compliance 80%). | 4 | 73% | -4%▼ | 2 | 78% |
| Patient(s) compliant with prescribed Dipeptidyl peptidase (DPP)-4 inhibitor containing medication (minimum com.. | 3 | 77% | -11%▼ | 1 | 88% |
| Patient(s) with most recent HbA1c result 9.0% or lower. | 2 | 87% | -6%▼ | 1 | 93% |
| Patient(s) with diabetes and cardiovascular disease that are currently taking a statin. | 2 | 50% | 0% | 2 | 50% |
| Adult(s) with most recent LDL result < 100mg/dL. | 2 | 50% | -10%▼ | 2 | 60% |
| Patient(s) taking an ACE-inhibitor or angiotensin receptor blocker (ARB) that had a serum potassium (K+) in last 1.. | 1 | 98% | 0% | 1 | 97% |

## Mental & Behavioral Health Spend (by E-S-D)




## Mental & Behavioral Health (Cost/Member, # Members)




## Impact of Mental Health Claims

| | | Paid Amount | % of Plan Paid | # Members | % of Members |
|---|---|---|---|---|---|
| Current | Total | $704,571 | 5.6% | 522 | 9.5% |
| | Anxiety | $78,825 | 0.6% | 181 | 9.9% |
| | Behavioral health | $419,309 | 3.3% | 264 | 14.4% |
| | Depression | $206,436 | 1.6% | 180 | 9.8% |
| Prior | Total | $488,499 | 6.0% | 415 | 9.1% |
| | Anxiety | $52,050 | 0.6% | 146 | 9.6% |
| | Behavioral health | $343,112 | 4.2% | 186 | 12.2% |
| | Depression | $93,338 | 1.1% | 153 | 10.0% |

Overall **28.5%** of members are being treated for mental health

**33.1%** of Employees — *30.9%*

**27.5%** of Spouses — *31.6%*

**20.2%** of Dependents — *36.3%*

*27.1%*

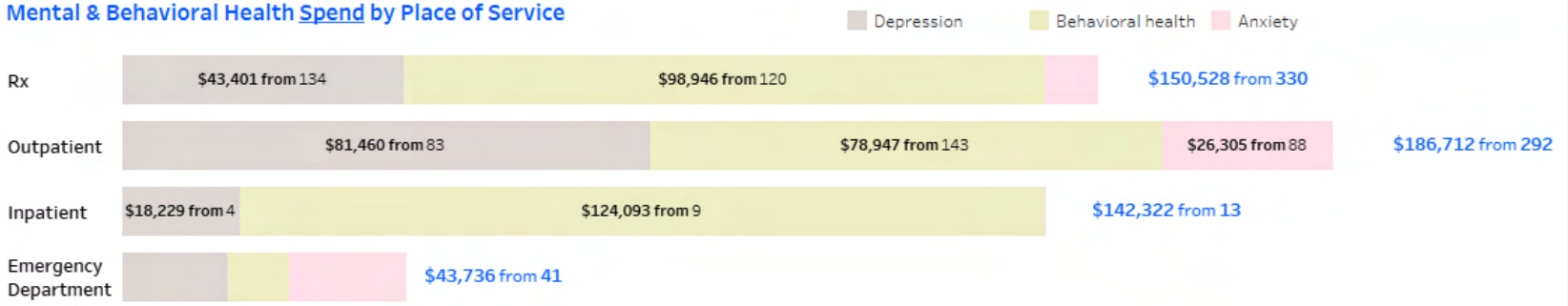
**50 Million** people experienced a mental illness in 2021
**More than ½ do not receive treatment**

**15%** of our youth experienced a **major depression** episode last year
**60% do not receive treatment**

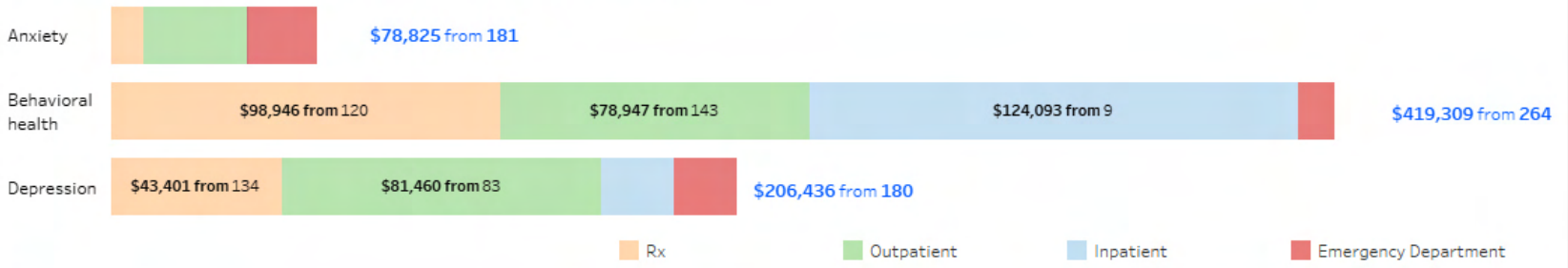
**4.5%** of adults had serious thoughts of **suicide**

**7%** of the population lives with **major depression**- people with depression are:
- 2x as likely to develop **coronary artery disease**
- 2x as likely to have a **stroke**
- More than 4x as likely to have a **heart attack**

## Mental & Behavioral Health Spend by Place of Service




## Mental & Behavioral Health Condition Spend and Place of Service




LABEL DETAILS

# Appendix

## Mental & Behavioral Health

| Optum Primary C.. | Optum ETG Base Description | Current Unique Claimants | Current Paid Amount | Current $/Member | Difference in Unique Claiman.. | Difference in Paid Amount fr.. |
|---|---|---|---|---|---|---|
| Grand Total | | **522** | **$704,571** | **$1,350** | **107 ▲** | **$216,071 ▲** |
| Anxiety | Total | **181** | **$78,825** | **$435** | **35 ▲** | **$26,776 ▲** |
| | Anxiety disorder or phobias | 150 | $78,824 | $525 | 24 ▲ | $26,790 ▲ |
| | Ongoing Rx Tx wo Prov interventi.. | 32 | $2 | $0 | 8 ▲ | ($14) |
| Behavioral health | Total | **264** | **$419,309** | **$1,588** | **78 ▲** | **$76,198 ▲** |
| | Psychotic & schizophrenic disorde.. | 6 | $91,317 | $15,219 | 4 ▲ | $43,848 ▲ |
| | Autism spectrum disorders | 6 | $76,918 | $12,820 | 2 ▲ | $1,456 ▲ |
| | Attention deficit disorder | 89 | $64,144 | $721 | 31 ▲ | $18,045 ▲ |
| | Eating disorder | 4 | $53,342 | $13,335 | 2 ▲ | $51,945 ▲ |
| | Mood disorder, bipolar | 15 | $47,325 | $3,155 | 7 ▲ | $37,685 ▲ |
| | Other neuropsychological or beha.. | 94 | $35,396 | $377 | 35 ▲ | $17,362 ▲ |
| | Other drug dependence | 36 | $20,989 | $583 | 3 ▲ | $3,216 ▲ |
| | Ongoing Rx Tx wo Prov interventi.. | 3 | $15,265 | $5,088 | 2 ▲ | $987 ▲ |
| | Alcohol dependence | 5 | $5,056 | $1,011 | 1 ▲ | ($95,730) |
| | Development disorder | 16 | $3,082 | $193 | 4 ▲ | $1,765 ▲ |
| | Mental disorders, organic & drug-.. | 8 | $2,449 | $306 | 3 ▲ | $1,421 ▲ |
| | Acute alcohol intoxication | 8 | $2,132 | $266 | 3 ▲ | ($5,013) |
| | Opioid or barbiturate dependence | 3 | $947 | $316 | -1 | ($222) |
| | Psychosexual disorder | 4 | $630 | $157 | 2 ▲ | $486 ▲ |
| | Cocaine or amphetamine depende.. | 1 | $318 | $318 | 0 ▲ | ($602) |
| | Somatoform disorder | 1 | $0 | $0 | 1 ▲ | $0 ▲ |
| | Personality disorder | | | | -1 | ($451) |
| Depression | Total | **180** | **$206,436** | **$1,147** | **27 ▲** | **$113,098 ▲** |
| | Mood disorder, depressed | 148 | $206,052 | $1,392 | 14 ▲ | $112,936 ▲ |
| | Ongoing Rx Tx wo Prov interventi.. | 32 | $384 | $12 | 13 ▲ | $162 ▲ |

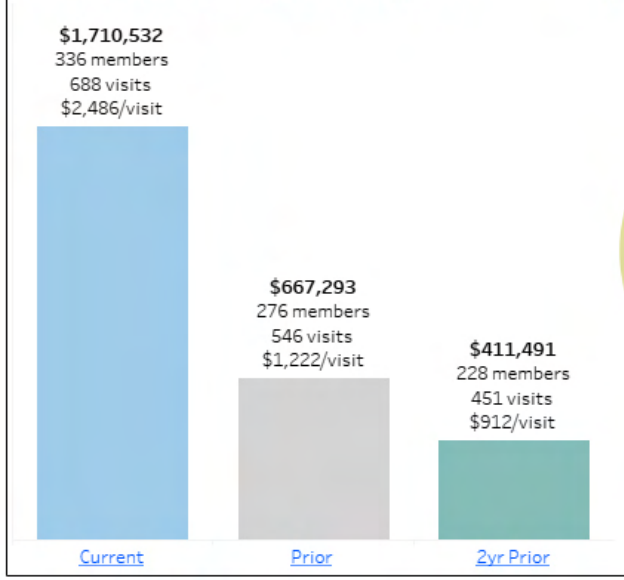
## Mental & Behavioral Health (Encounter)

| Null to Rx Encounter | Optum Primary Condition | Current Paid Amount | Current % of Total Paid Amoun.. | Current Unique Claimants | Current $/Member | Difference in Paid Amoun.. | Difference in Unique Clai.. |
|---|---|---|---|---|---|---|---|
| Grand Total | | **$704,571** | **100.0%** | **522** | **$1,350** | **$216,071 ▲** | **107 ▲** |
| Emergency Department | Total | **$43,736** | **6.2%** | **41** | **$1,067** | **($15,094)** | **0 ▲** |
| | Anxiety | $18,023 | 2.6% | 12 | $1,502 | $1,722 ▲ | 0 ▲ |
| | Behavioral health | $9,468 | 1.3% | 22 | $430 | ($26,583) | -4 |
| | Depression | $16,245 | 2.3% | 9 | $1,805 | $9,767 ▲ | 3 ▲ |
| Inpatient | Total | **$142,322** | **20.2%** | **13** | **$10,948** | **$48,102 ▲** | **3 ▲** |
| | Anxiety | $0 | 0.0% | 1 | $0 | $0 ▲ | -1 |
| | Behavioral health | $124,093 | 17.6% | 9 | $13,788 | $30,104 ▲ | 2 ▲ |
| | Depression | $18,229 | 2.6% | 4 | $4,557 | $17,998 ▲ | 1 ▲ |
| Other | Total | **$128,876** | **18.3%** | **219** | **$588** | **$68,606 ▲** | **53 ▲** |
| | Anxiety | $21,859 | 3.1% | 52 | $420 | $8,459 ▲ | 4 ▲ |
| | Behavioral health | $64,042 | 9.1% | 98 | $653 | $44,168 ▲ | 30 ▲ |
| | Depression | $42,974 | 6.1% | 93 | $462 | $15,979 ▲ | 27 ▲ |
| Outpatient | Total | **$186,712** | **26.5%** | **292** | **$639** | **$107,008 ▲** | **75 ▲** |
| | Anxiety | $26,305 | 3.7% | 88 | $299 | $17,529 ▲ | 26 ▲ |
| | Behavioral health | $78,947 | 11.2% | 143 | $552 | $33,282 ▲ | 54 ▲ |
| | Depression | $81,460 | 11.6% | 83 | $981 | $56,197 ▲ | 2 ▲ |
| Rx | Total | **$150,528** | **21.4%** | **330** | **$456** | **$25,970 ▲** | **68 ▲** |
| | Anxiety | $8,181 | 1.2% | 124 | $66 | ($3,921) | 26 ▲ |
| | Behavioral health | $98,946 | 14.0% | 120 | $825 | $20,423 ▲ | 30 ▲ |
| | Depression | $43,401 | 6.2% | 134 | $324 | $9,468 ▲ | 20 ▲ |
| Specialty | Total | **$39,562** | **5.6%** | **5** | **$7,912** | **($29,471)** | **4 ▲** |
| | Behavioral health | $39,497 | 5.6% | 4 | $9,874 | ($29,536) | 3 ▲ |
| | Depression | $64 | 0.0% | 1 | $64 | $64 ▲ | 1 ▲ |
| Urgent Care | Total | **$3,141** | **0.4%** | **17** | **$185** | **$1,258 ▲** | **4 ▲** |
| | Anxiety | $818 | 0.1% | 6 | $136 | ($653) | -2 |
| | Behavioral health | $1,676 | 0.2% | 6 | $279 | $1,701 ▲ | 4 ▲ |
| | Depression | $647 | 0.1% | 5 | $129 | $209 ▲ | 2 ▲ |

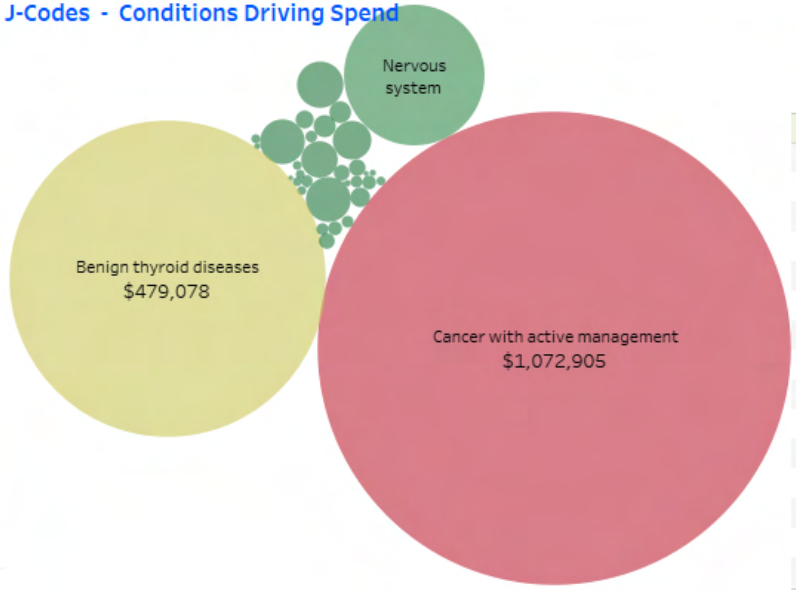
# J-Codes Overview



## J-Codes Overview - Spend over 3 years




## J-Codes - Conditions Driving Spend




## J-Codes - Current Details

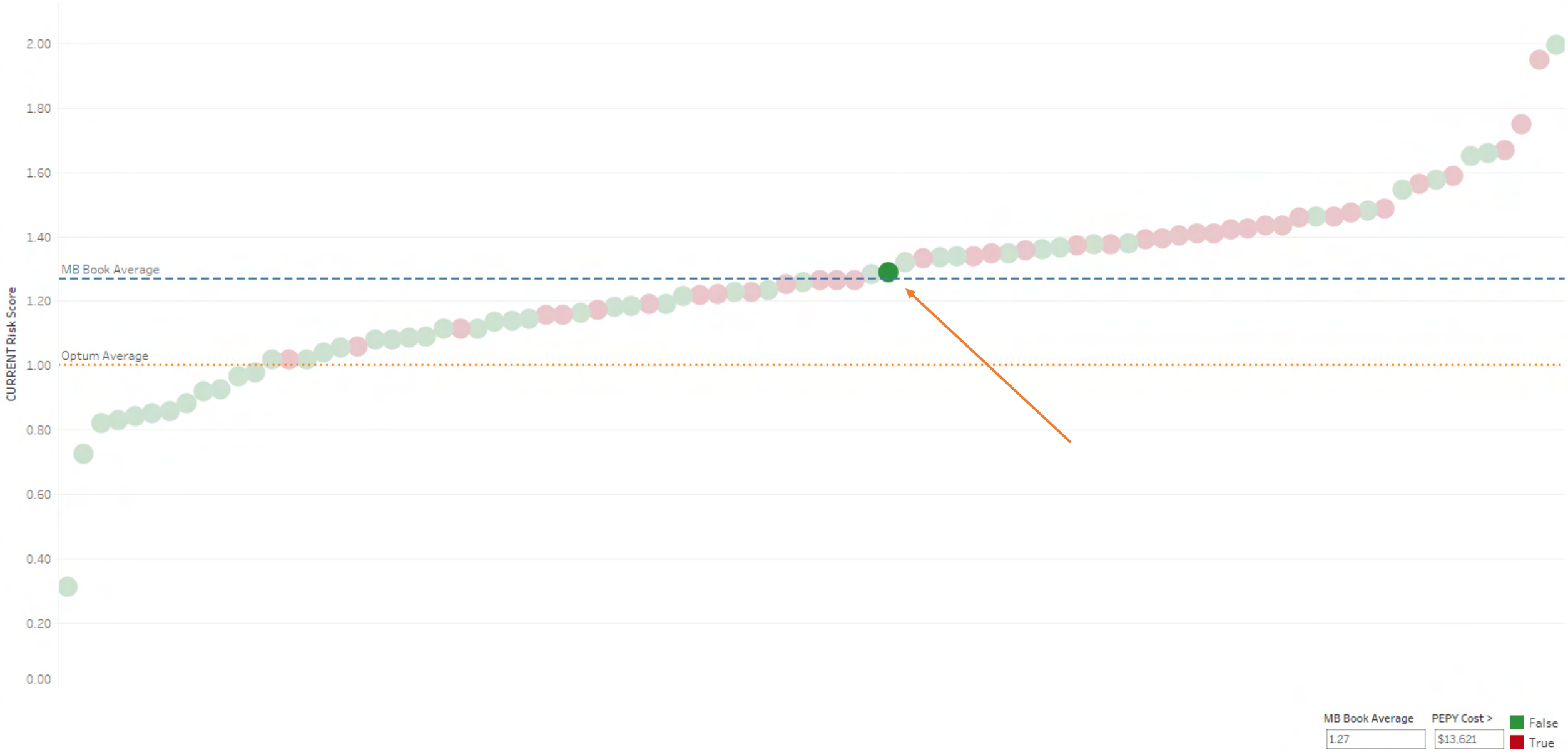
| Optum Primary Condition | Current Paid Am.. | % of Total P.. | Difference i.. | # Members | # Visits | Cost/Visit |
|---|---|---|---|---|---|---|
| Grand Total | $1,710,532 | 100% | $1,043,239▲ | 336 | 688 | $2,486 |
| Cancer with active mana.. | $1,072,905 | 63% | $950,022▲ | 8 | 65 | $16,506 |
| Benign thyroid diseases | $479,078 | 28% | $5,618▲ | 3 | 10 | $47,908 |
| Nervous system diseases | $94,756 | 6% | $71,679▲ | 12 | 19 | $4,987 |
| Preventative/wellness | $10,363 | 1% | $1,810▲ | 9 | 13 | $797 |
| Major skin diseases | $9,677 | 1% | $9,665▲ | 3 | 12 | $806 |
| Blood diseases | $9,675 | 1% | ($4,925) | 8 | 19 | $509 |
| Mild/moderate infections | $7,176 | 0% | $795▲ | 75 | 94 | $76 |
| Degenerative arthritis | $6,453 | 0% | $5,384▲ | 52 | 102 | $63 |
| Other | $2,372 | 0% | $652▲ | 36 | 41 | $58 |
| Pregnancy/delivery | $2,261 | 0% | $2,100▲ | 18 | 25 | $90 |
| Cancer without active m.. | $1,856 | 0% | $1,855▲ | 2 | 3 | $619 |
| Serious infections & imm.. | $1,565 | 0% | $1,417▲ | 7 | 16 | $98 |
| Hypertension | $1,322 | 0% | ($53) | 23 | 32 | $41 |
| Diabetes | $1,213 | 0% | $1,196▲ | 12 | 27 | $45 |
| Benign neoplasm | $1,092 | 0% | $581▲ | 20 | 22 | $50 |

## J-Codes (by Most Expensive)

| CPT C.. | CPT Description | Indivi.. | Optum Primary Condition | Encounter .. | Current Paid Amo.. | Current Difference i.. | Current # Members | Current Cost/Visit | Prior Paid Amount | Prior Difference i.. | Prior # Members | Prior Cost/Visit | 2yr Prior Paid Amount | 2yr Prior Difference i.. | 2yr Prior # Members | 2yr Prior Cost/Visit |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grand Total | | | | | $1,616,764 | $1,001,784▲ | 14 | $23,776 | $614,980 | $253,372▲ | 14 | $19,838 | $361,608 | | 9 | $12,915 |
| J3241 | INJECTION, TEPROTUMUMAB-TRBW, 10 MG | Emplo.. | Benign thyroid diseases | Outpatient | | ($473,460) | | | $473,460 | $473,460▲ | 1 | $59,183 | | | | |
| | | Spous.. | Benign thyroid diseases | Outpatient | $479,052 | $479,052▲ | 1 | $59,882 | | $0▲ | | | | | | |
| J9355 | INJECTION, TRASTUZUMAB, EXCLUDES BI | Emplo.. | Cancer with active management | Outpatient | $237,443 | $201,548▲ | 1 | $13,967 | $35,895 | $35,895▲ | 1 | $17,948 | | | | |
| | | | | | $105,575 | $88,960▲ | 1 | $15,082 | $16,615 | $16,615▲ | 1 | $16,615 | | | | |
| J9358 | INJ FAM-TRASTU DERU-NXKI 1MG | Emplo.. | Cancer with active management | Outpatient | $274,431 | $274,431▲ | 1 | $30,492 | | $0▲ | | | | | | |
| J9306 | INJECTION PERTUZUMAB 1 MG | Emplo.. | Cancer with active management | Outpatient | $261,282 | $224,023▲ | 1 | $15,370 | $37,259 | $37,259▲ | 1 | $18,630 | | | | |
| Q5107 | INJECTION, BEVACIZUMAB-AWWB, B.. | Emplo.. | Cancer with active management | Outpatient | $152,028 | $152,028▲ | 1 | $19,003 | | $0▲ | | | | | | |
| J2350 | INJECTION, OCRELIZUMAB, 1 MG | Depe.. | Nervous system diseases | Outpatient | | $0▲ | | | | ($29,081) | | | $29,081 | | 1 | $14,541 |
| | | Emplo.. | Nervous system diseases | Outpatient | $88,494 | $71,052▲ | 1 | $29,498 | $17,442 | $17,442▲ | 1 | $17,442 | | | | |
| J0129 | INJ ABATACEPT 10 MG MEDICR ADM .. | Emplo.. | Major skin diseases | Outpatient | $9,669 | $9,669▲ | 1 | $3,223 | | $0▲ | | | | | | |
| J0585 | BOTULINUM TOXIN TYPE A PER UNIT | Depe.. | Nervous system diseases | Outpatient | | $0▲ | | | | ($1,506) | | | $1,506 | | 1 | $1,506 |
| | | | Other | Outpatient | $0 | $0▲ | 1 | $0 | | $0▲ | | | | | | |
| | | Emplo.. | Minor skin diseases | Outpatient | | $0▲ | | | | ($1,172) | | | $1,172 | | 1 | $391 |
| | | | Nervous system diseases | Outpatient | $1,217 | ($1,157) | 1 | $1,217 | $2,374 | ($1,218) | 1 | $1,187 | $3,592 | | 1 | $1,197 |
| | | | | | | ($2,800) | | | $2,800 | $2,800▲ | 1 | $1,400 | | | | |
| | | Spouse / Part.. | Nervous system diseases | Outpatient | $4,936 | $4,936▲ | 1 | $1,234 | | $0▲ | | | | | | |
| | | | Other | Outpatient | | $0▲ | | | $0 | $0▲ | 1 | $0 | | | | |
| J9217 | LEUPROLIDE ACETATE 7.5 MG | Spous.. | Cancer with active management | Outpatient | $1,018 | ($812) | 1 | $509 | $1,830 | $1,830▲ | 1 | $366 | | | | |
| J2997 | INJ ALTEPLASE RECOMBINANT 1 MG | Emplo.. | Hypertension | Outpatient | $732 | $732▲ | 1 | $732 | | $0▲ | | | | | | |
| J2182 | INJECTION, MEPOLIZUMAB, 1 MG | Emplo.. | Ear, nose & throat diseases | Outpatient | $0 | $0▲ | 1 | $0 | $0 | $0▲ | 1 | $0 | | | | |

# Risk Score – All Companies






Changes in **risk scores** are attributed to **demographics** and the **health/conditions of the members on the plan**. Risk scores predict current and future health care usage for individuals by creating risk scores that incorporate episodes-of-care methodology, medical and pharmacy claims information, and demographic variables

# LARGE CLAIMS REPORTING

January 1, 2022 through December 31, 2022
Paid Claims over $75,000 (per Member)

| # | Relationship | Age Band | Status | Diagnosis Category | Top ICD Description | Prior Year | Jan-22 | Feb-22 | Mar-22 | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Employee | 50-64 | Active | Blood | Encounter for antineoplastic chemotherapy | | | $80,100 | $122,531 | $136,213 | $159,795 | $181,133 | $194,498 | $214,328 | $230,370 | $237,075 | $264,344 | $271,165 |
| 2 | Employee | 50-64 | Active | Heart | ST elevation (STEMI) myocardial infarction of unsp site | | | $106,128 | $106,141 | $106,141 | $106,332 | $106,332 | $106,332 | $106,907 | $106,907 | $107,074 | $107,074 | $107,074 |
| 3 | Employee | 50-64 | Active | Blood | Encounter for antineoplastic immunotherapy | $370,855 | | $184,381 | $243,413 | $271,421 | $329,541 | $444,649 | $502,147 | $598,766 | $611,842 | $732,286 | $787,537 | $843,888 |
| 4 | Employee | 65+ | Active | Orthopedic | Unilateral primary osteoarthritis, right knee | | | | $91,677 | $94,428 | $94,757 | $95,058 | $95,058 | $96,299 | $97,492 | $97,492 | $97,696 | $97,696 |
| 5 | Employee | 65+ | Active | Blood | Encounter for antineoplastic immunotherapy | $597,834 | | | $111,147 | $170,743 | $172,662 | $231,581 | $290,180 | $291,787 | $357,121 | $417,171 | $478,829 | $481,866 |
| 6 | Spouse / Partner | 65+ | Active | Rheumatoid Arthritis | Primary osteoarthritis, left shoulder | $136,302 | | | $101,301 | $111,468 | $122,629 | $139,197 | $155,968 | $163,184 | $187,579 | $196,669 | $204,338 | $218,370 |
| 7 | Dependent | 0-17 | Active | Cancer | Leukemia, unspecified not having achieved remission | $2,125,959 | | | | $140,497 | $273,702 | $284,486 | $285,149 | $287,586 | $292,074 | $293,134 | $295,338 | $299,315 |
| 8 | Spouse / Partner | 36-49 | Active | Gastrointestinal | Epigastric pain | $79,172 | | | | $93,829 | $99,990 | $107,489 | $122,648 | $133,399 | $146,013 | $173,780 | $183,229 | $192,928 |
| 9 | Employee | 36-49 | Active | Neoplasm | Encounter for antineoplastic chemotherapy | $112,584 | | | | $82,105 | $101,889 | $109,476 | $116,666 | $124,423 | $127,070 | $127,023 | $133,537 | $133,587 |
| 10 | Employee | 18-35 | Terminated | Gastrointestinal | Anorectal abscess | | | | | $75,772 | $101,171 | $126,569 | $152,148 | $177,546 | $177,546 | $177,546 | $177,546 | $177,546 |
| 11 | Spouse / Partner | 36-49 | Terminated | Pulmonary | Moderate persistent asthma, uncomplicated | $156,197 | | | | | $88,042 | $99,528 | $110,202 | $133,272 | $142,452 | $158,382 | $164,794 | $170,950 |
| 12 | Spouse / Partner | 50-64 | Terminated | Skin | Type 2 diabetes mellitus with foot ulcer | $293,022 | | | | | | $93,369 | $102,200 | $107,857 | $107,857 | $109,150 | $109,803 | $109,803 |
| 13 | Employee | 36-49 | Active | Gastrointestinal | Dvtrcli of lg int w perforation and abscess w/o bleeding | | | | | | | $101,358 | $101,358 | $102,906 | $102,906 | $103,484 | $103,741 | $104,654 |
| 14 | Employee | 18-35 | Active | Neoplasm | Intraductal carcinoma in situ of left breast | | | | | | | | $92,156 | $96,683 | $99,263 | $99,700 | $100,306 | $101,282 |
| 15 | Spouse / Partner | 50-64 | Terminated | Orthopedic | Unilateral primary osteoarthritis, left hip | $78,798 | | | | | | | $86,910 | $87,072 | $87,072 | $87,072 | $87,072 | $87,072 |
| 16 | Employee | 65+ | Active | Orthopedic | Other intervertebral disc displacement, lumbar region | $95,199 | | | | | | | | $92,114 | $95,054 | $95,278 | $95,782 | $96,364 |
| 17 | Employee | 50-64 | Active | Misc | Com variab immunodef w predom abnlt of B-cell nums & functn | $135,086 | | | | | | | | $84,649 | $93,938 | $111,420 | $120,201 | $130,248 |
| 18 | Employee | 36-49 | Active | Metabolism | Idiopathic chronic gout, multiple sites, with tophus (tophi) | | | | | | | | | $102,591 | $154,008 | $205,470 | $257,292 | $283,061 |
| 19 | Spouse / Partner | 18-35 | Active | Central Nervous System | Encounter for therapeutic drug level monitoring | | | | | | | | | $92,390 | $92,663 | $93,162 | $95,044 | $144,322 |
| 20 | Spouse / Partner | 36-49 | Active | Central Nervous System | Migraine w/o aura, intractable, without status migrainosus | $135,629 | | | | | | | | | $77,307 | $88,877 | $99,275 | $110,652 |
| 21 | Spouse / Partner | 36-49 | Active | Trauma | Displ suprcndl fx w/o intrcndl extn low end r femr, 7thB | | | | | | | | | | $78,841 | $212,991 | $217,206 | $217,616 |
| 22 | Employee | 36-49 | Active | Gastrointestinal | Crohn's disease of small intestine with other complication | | | | | | | | | | | $110,971 | $111,507 | $111,630 |
| 23 | Employee | 36-49 | Active | Cancer | Chronic myeloid leuk, BCR/ABL-positive, not achieve remis | | | | | | | | | | | | $76,952 | $76,952 |
| 24 | Employee | 50-64 | Active | Gastrointestinal | Crohn's disease of large intestine with other complication | | | | | | | | | | | | $75,417 | $75,417 |
| 25 | Employee | 50-64 | Active | Heart | Athscl heart disease of native cor art w unstable ang pctrs | | | | | | | | | | | | $108,254 | $112,484 |
| 26 | Employee | 50-64 | Active | Heart | Other persistent atrial fibrillation | | | | | | | | | | | | $98,447 | $99,328 |
| 27 | Employee | 18-35 | Active | Neoplasm | Malignant neoplasm of ovrlp sites of left female breast | | | | | | | | | | | | $95,084 | $112,912 |
| 28 | Dependent | 0-17 | Terminated | Neonatology | Other low birth weight newborn, 1750-1999 grams | | | | | | | | | | | | $76,062 | $76,062 |
| 29 | Spouse / Partner | 50-64 | Active | Diabetes | Cutaneous abscess of groin | $94,916 | | | | | | | | | | | | $77,433 |
| 30 | Employee | 36-49 | Active | Gastrointestinal | Crohn's disease of large intestine without complications | | | | | | | | | | | | | $80,234 |
| **Total (Cumulative)** | | | | | | | **$0** | **$370,608** | **$776,211** | **$1,282,618** | **$1,650,511** | **$2,120,224** | **$2,513,620** | **$3,093,761** | **$3,465,375** | **$4,035,206** | **$4,821,706** | **$5,201,913** |
| # of New Claimants | | | | | | | 0 | 3 | 3 | 4 | 1 | 2 | 2 | 4 | 2 | 1 | 6 | 2 |
| Total New Dollars | | | | | | | $0 | $370,608 | $405,603 | $506,408 | $367,893 | $469,713 | $393,396 | $580,141 | $371,613 | $569,832 | $786,500 | $380,206 |
| Large Claims as % of Paid Claims (Cumulative) | | | | | | | 0% | 21% | 29% | 35% | 36% | 37% | 38% | 41% | 41% | 41% | 44% | 44% |
| Medical+Rx Claims Over MedicaL+Rx ISL (Cumulative) | | | | | | | $0 | $0 | $0 | $0 | $29,541 | $144,649 | $202,147 | $298,766 | $368,963 | $549,458 | $666,367 | $725,754 |

**NOTES:**
Claims accumulated on a per Member basis
Includes Medical and Rx claims covered under the Voya stop loss policy

| LEGEND | |
|---|---|
| Black | Less than $150,000 |
| Blue | Greater than $150,000 |
| Red | Stop loss limit of $300,000 has been exceeded |
| | Initial entry or jump of $20,000 or more |
| | Jump of less than $2,000 |

| | # of Members | Paid Claims | % of Total |
|---|---|---|---|
| $75,000 - $150,000 | 21 | $2,045,207 | 17% |
| $150,000 - $300,000 | 8 | $1,830,952 | 15% |
| $300,000+ | 2 | $1,325,754 | 11% |
| **Total Member over $75,000** | **31** | **$5,201,913** | **44%** |

# THE MB PROJECTION MODEL

PREPARED FOR: Sample Company

FOR THE PLAN YEAR BEGINNING: January 1, 2023

McGohan Brabender

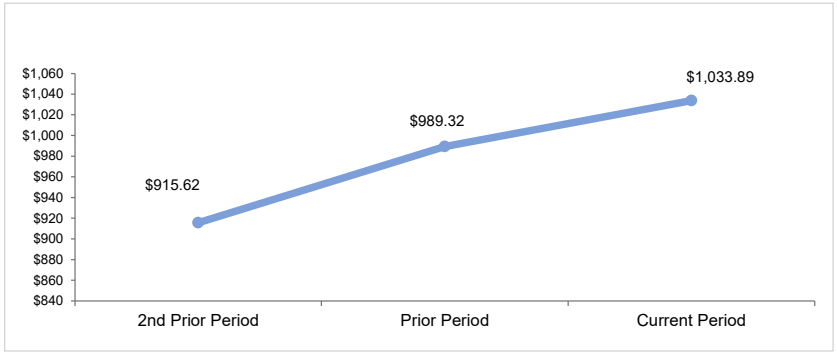
*This report contains an estimate of the rate change expected at your next renewal. This does not constitute a guarantee of the actual rate change. Carrier calculations will vary.*

**Sample Company**
*Utilization Summary*
*1/1/2023*
*Self-Funded*

## Medical and Prescription Drug

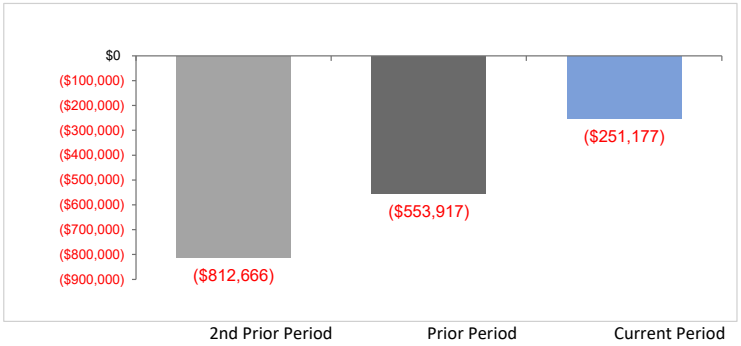
| | 2nd Prior Period<br>January, 2020 - December, 2020 | Prior Period<br>January, 2021 - December, 2021 | Current Period<br>January, 2022 - December, 2022 | Combined Periods<br>Note: Some May not be 12 month periods |
|---|---|---|---|---|
| **Average Lives** | 657 | 713 | 803 | 724 |
| **Lives (Sum)** | 7,881 | 8,550 | 9,638 | 26,069 |
| **Budget** | $8,028,672 | $9,012,575 | $10,215,820 | $27,257,067 |
| **Total Fixed Cost** | $1,727,279 | $1,771,646 | $2,084,121 | $5,583,045 |
| **Total Claim Cost** | $6,465,810 | $8,806,260 | $11,531,040 | $26,803,110 |
| **Less: Rx Rebates** | ($0) | ($0) | ($0) | ($0) |
| **Less: Claims over Specific** | ($977,083) | ($2,119,248) | ($3,650,518) | ($6,746,849) |
| **Net Total Cost** | $7,216,006 | $8,458,657 | $9,964,643 | $25,639,307 |
| **Percent of Budget** | 89.88% | 93.85% | 97.54% | 94.06% |
| **Difference: Expense vs. Budget** | **($812,666)** | **($553,917)** | **($251,177)** | **($1,617,761)** |
| **Total Net Claims PEPM** | **$696.45** | **$782.11** | **$817.65** | **$769.35** |
| **Total Cost PEPM** | **$915.62** | **$989.32** | **$1,033.89** | **$983.52** |

Total Cost PEPM




Difference: Expense vs. Budget

*(A positive number indicates amount over budget, negative is amount under budget)*



## Medical and Prescription Drug

*The Demographic Adjustment applied in the projection model is calculated below. The actual ratio of the relative value of your rates by tier is multiplied times your enrollment in the comparison periods to arrive at an estimated demographic change. The Relative Value is calculated by dividing each rate by the first single rate on the exhibit. The first Relative Value then will always be 100% since the first rate is divided by itself.*

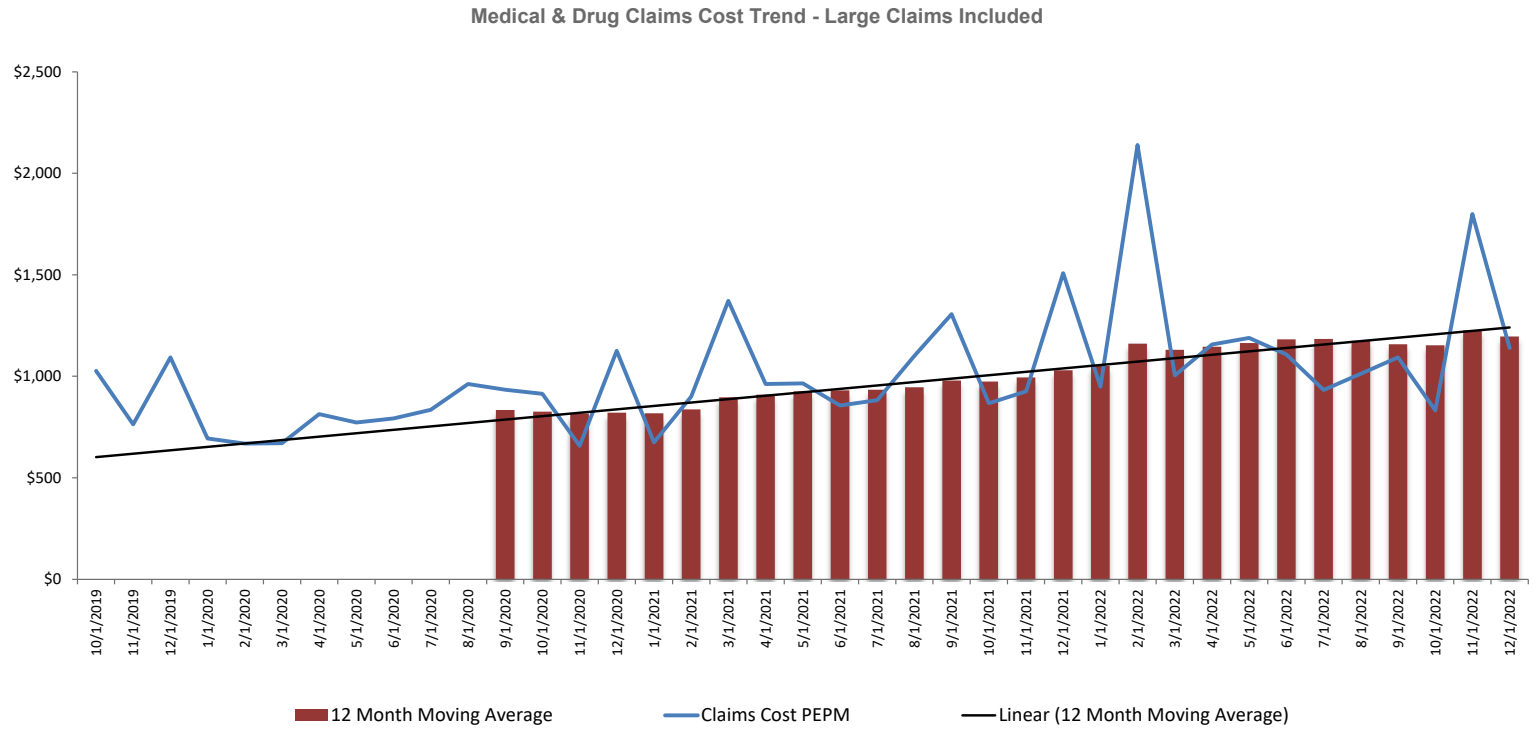
| Enrollment Tier | Relative Value | Average Enrollment 01/2020 thru 12/2020 | Average Enrollment 01/2021 thru 12/2021 | Average Enrollment 01/2022 thru 12/2022 | Current Enrollment 12/2022 | % Change in Enrollment Second Prior to 12/2022 | % Change in Enrollment Prior to 12/2022 | % Change in Enrollment Current to 12/2022 |
|---|---|---|---|---|---|---|---|---|
| **Medical Plan** | | 2nd Prior Period | Prior Period | Current Period | | | | |
| **PPO High** | | | | | | | | |
| **Employee** | 100.0% | 161.5 | 157.5 | 163.7 | 172 | 6.50% | 9.21% | 5.07% |
| **Employee /Spouse** | 215.1% | 27.6 | 20.4 | 22.2 | 24 | -13.04% | 17.65% | 8.11% |
| **Employee/ Child(ren)** | 184.4% | 59.1 | 62.2 | 76.1 | 74 | 25.21% | 18.97% | -2.76% |
| **Family** | 338.1% | 21.9 | 25.5 | 22.5 | 23 | 5.02% | -9.80% | 2.22% |
| **PPO Low** | | | | | | | | |
| **Employee** | 93.9% | 233.8 | 243.6 | 273.2 | 278 | 18.91% | 14.12% | 1.76% |
| **Employee /Spouse** | 202.1% | 22.1 | 18.5 | 20.6 | 19 | -14.03% | 2.70% | -7.77% |
| **Employee/ Child(ren)** | 173.2% | 97.3 | 85.7 | 90.2 | 99 | 1.75% | 15.52% | 9.76% |
| **Family** | 317.6% | 33.5 | 34.1 | 37.6 | 37 | 10.45% | 8.50% | -1.60% |
| **HDHP** | | | | | | | | |
| **Employee** | 88.7% | | 38.4 | 65.7 | 74 | | 92.71% | 12.63% |
| **Employee /Spouse** | 190.7% | | 6.9 | 5.7 | 4 | | -42.03% | -29.82% |
| **Employee/ Child(ren)** | 163.5% | | 15.3 | 20.4 | 25 | | 63.40% | 22.55% |
| **Family** | 299.7% | | 4.4 | 5.5 | 7 | | 59.09% | 27.27% |
| **Total Enrollment** | | 656.8 | 712.5 | 803.4 | 836 | 22.32% | 12.76% | 4.06% |
| **Change in Relative Value** | | -3.25% | -2.06% | -0.41% | | | | |

## Sample Company

***Medical and Drug Claims Trend***

***1/1/2023***

***Self-Funded***




The linear trend is used to help sort out the fluctuation in your data. This gives you a clear look at the current direction of your monthly claims cost moving toward future periods. Factors that may impact this trend in future claims cost would include changes in plan design as well as the implementation of an incentive contribution program. Among the many benefits of an incentive contribution program is the awareness that employees gain of their personal health status, often identifying previously unknown medical conditions. This increased awareness coupled with action on the part of the employee, will have a positive impact on future cost.

## Sample Company

*Revised Current Plan Year Estimated Cost*
*Self-Funded*
*1/1/2023*

**For Plan Year Beginning: January, 2022**

| Revised Estimate of Current Year Cost Using Plan Year to Date Data | Medical | Prescription Drug | Combined Medical and Drug | |
|---|---|---|---|---|
| | Paid Claims Plan Year to Date | Paid Claims Plan Year to Date | Paid Claims Plan Year to Date | |
| Claims - 01/2022 thru 12/2022 | $9,189,140 | $2,341,900 | $11,531,040 | |
| Less Specific Claims $100,000 | $3,650,518 | | $3,650,518 | |
| Adjusted Paid Claims Plan Year to Date | $5,538,622 | $2,341,900 | $7,880,522 | |
| Average Enrollment to Date | 803.2 | 803.2 | 803.2 | |
| Number of Months Into Plan Year | 12 | 12 | 12 | |
| Claims Cost Per Employee | $574.67 | $242.99 | $817.65 | |
| Projected Claims per Employee Remaining Plan Year | $0.00 | $0.00 | $0.00 | |
| Current Enrollment | 836 | 836 | 836 | |
| Combined Claims Estimate for Current Plan Year | $574.67 | $242.99 | $817.65 | $8,202,677 |
| Administration | | | $0.00 | $0 |
| Stop Loss Premium (Agg and Specific) | | | $216.24 | $2,169,320 |
| Reprojected Cost | | | $1,033.89 | $10,371,996 |
| Funding at Current Equivalent Rates | | | $1,055.69 | $10,590,717 |
| Variance from Equivalent Rates | | | -$21.80 | -$218,721 |
| Percentage of Variance | | | -2.07% | |

The purpose of this exhibit is to combine plan year to date experience with an estimate of the remaining months in the year to arrive at a reprojection of the current plan year. If the cost in the current plan year is developing at a rate that is different from what was projected, this can have an impact on the rate change for the upcoming renewal. The above calculations show that we are estimating your cost for this year to be around -2.07% less than the cost that the Funding at Current Equivalent Rates will generate. If this trend continues, the variation will help in holding down the called for change for the upcoming year.

# Sample Company

*Expected Anthem Projection*

*Self-Funded*

*January 1, 2023*

| Calculations shown are McGohan Brabender Estimates | Medical | | | Prescription Drug | | | Combined Medical and Drug | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jan-22 Through Dec-22 | Jan-21 Through Dec-21 | Jan-20 Through Dec-20 | Jan-22 Through Dec-22 | Jan-21 Through Dec-21 | Jan-20 Through Dec-20 | Jan-22 Through Dec-22 | Jan-21 Through Dec-21 | Jan-20 Through Dec-20 |
| Paid Expenses | $9,189,140 | $6,799,359 | $4,862,403 | $2,341,900 | $2,006,901 | $1,603,407 | $11,531,040 | $8,806,260 | $6,465,810 |
| Less Specific Claims $100,000 | $3,650,518 | $2,119,248 | $977,083 | | | | $3,650,518 | $2,119,248 | $977,083 |
| Adjusted/Annualized Claims | $5,538,622 | $4,680,111 | $3,885,320 | $2,341,900 | $2,006,901 | $1,603,407 | $7,880,522 | $6,687,012 | $5,488,727 |
| Demographic Adjustment | -0.41% | -2.06% | -3.25% | -0.41% | -2.06% | -3.25% | | | |
| Plan Changes (Including Health Reform) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| Modified Claims | $5,516,113 | $4,583,929 | $3,759,234 | $2,332,383 | $1,965,657 | $1,551,373 | $7,848,496 | $6,549,586 | $5,310,607 |
| Annual Trend | 12.00% | 12.00% | 12.00% | 12.00% | 12.00% | 12.00% | | | |
| Trend Applied (12/24/36) Months | 112.00% | 125.44% | 140.49% | 112.00% | 125.44% | 140.49% | 112.00% | 125.44% | 140.49% |
| Trended Claims | $6,178,047 | $5,750,081 | $5,281,453 | $2,612,268 | $2,465,720 | $2,179,568 | $8,790,315 | $8,215,800 | $7,461,021 |
| Average Enrollment (2 month lag) | 790 | 696 | 654 | 790 | 696 | 654 | 790 | 696 | 654 |
| Projected Claims (PEPM) | $651.69 | $688.47 | $672.97 | $275.56 | $295.23 | $277.72 | $927.25 | $983.69 | $950.69 |
| Experience Weighting | 60.00% | 30.00% | 10.00% | 60.00% | 30.00% | 10.00% | 60.00% | 30.00% | 10.00% |
| | PEPM | Annual Cost Based on Current Enrollment | | PEPM | Annual Cost Based on Current Enrollment | | PEPM | Annual Cost Based on Current Enrollment | |
| Weighted Projected Claims | $664.85 | $6,669,802 | | $281.67 | $2,825,746 | | $946.53 | $9,495,548 | |
| Administration | | | | | | | $0.00 | $0 | |
| Stop Loss Premium (Agg and Specific) | | | | | | | $248.68 | $2,494,718 | |
| Needed Funding | | | | | | | $1,195.20 | $11,990,266 | |
| Funding at Current Rates | | | | | | | $1,055.69 | $10,590,717 | |
| Change in Funding | | | | | | | | 13.2% | |
| Change in Funding including Estimated Rx Rebates | | | | | | | | 13.2% | |

# Sample Company

*McGohan Brabender Projection Medical and Drug **

*Self-Funded*

*January 1, 2023*

| Calculations shown are McGohan Brabender Estimates | Medical | | | Prescription Drug | | | Combined Medical and Drug | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jan-22 Through Dec-22 | Jan-21 Through Dec-21 | Jan-20 Through Dec-20 | Jan-22 Through Dec-22 | Jan-21 Through Dec-21 | Jan-20 Through Dec-20 | Jan-22 Through Dec-22 | Jan-21 Through Dec-21 | Jan-20 Through Dec-20 |
| Paid Expenses | $9,189,140 | $6,799,359 | $4,862,403 | $2,341,900 | $2,006,901 | $1,603,407 | $11,531,040 | $8,806,260 | $6,465,810 |
| Less Specific Claims $100,000 Full Amount | $5,150,518 | $3,419,248 | $1,677,083 | | | | $5,150,518 | $3,419,248 | $1,677,083 |
| Factor to Incur | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| Adjusted/Annualized Claims | $4,038,622 | $3,380,111 | $3,185,320 | $2,341,900 | $2,006,901 | $1,603,407 | $6,380,522 | $5,387,012 | $4,788,727 |
| Demographic Adjustment | -0.41% | -2.06% | -3.25% | -0.41% | -2.06% | -3.25% | | | |
| Plan Changes (Including Health Reform) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | | | |
| Modified Claims | $4,022,209 | $3,310,646 | $3,081,950 | $2,332,383 | $1,965,657 | $1,551,373 | $6,354,592 | $5,276,302 | $4,633,324 |
| Annual Trend | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | | | |
| Trend Applied (12/24/36) Months | 110.00% | 121.00% | 133.10% | 110.00% | 121.00% | 133.10% | 110.00% | 121.00% | 133.10% |
| Trended Claims | $4,424,430 | $4,005,881 | $4,102,076 | $2,565,621 | $2,378,445 | $2,064,878 | $6,990,051 | $6,384,326 | $6,166,954 |
| Add Back Large Claims Under Specific Stop Loss | $1,500,000 | $1,300,000 | $700,000 | | | | $1,500,000 | $1,300,000 | $700,000 |
| Modified Trended Claims | $5,924,430 | $5,305,881 | $4,802,076 | $2,565,621 | $2,378,445 | $2,064,878 | $8,490,051 | $7,684,326 | $6,866,954 |
| Average Enrollment (2 month lag) | 790 | 696 | 654 | 790 | 696 | 654 | 790 | 696 | 654 |
| Projected Claims (PEPM) | $624.94 | $635.28 | $611.89 | $270.64 | $284.78 | $263.11 | $895.57 | $920.06 | $874.99 |
| Experience Weighting | 60.00% | 30.00% | 10.00% | 60.00% | 30.00% | 10.00% | 60.00% | 30.00% | 10.00% |
| | PEPM | Annual Cost Based on Current Enrollment | | PEPM | Annual Cost Based on Current Enrollment | | PEPM | Annual Cost Based on Current Enrollment | |
| Weighted Projected Claims | $626.74 | $6,287,428 | | $274.12 | $2,750,018 | | $900.86 | $9,037,446 | |
| Administration | | | | | | | $0.00 | $0 | |
| Stop Loss Premium (Agg and Specific) | | | | | | | $248.68 | $2,494,718 | |
| Needed Funding | | | | | | | $1,149.54 | $11,532,164 | |
| Funding at Current Rates | | | | | | | $1,055.69 | $10,590,717 | |
| Change in Funding | | | | | | | | 8.9% | |
| Total Variance from Expected Carrier Projection | | | | | | | ($45.66) | ($458,102) | |

* There are two key variations in the formula applied above from the expected projection from Anthem. The first is in the handling of large claims. Carriers will usually only remove claims in excess of the specific stop loss before applying an annual trend. This means that the carrier will apply trend to the value of claims under the claims limit. A claim that should be limited to $100,000 for example, will end up being overstated by $9,553 based on the applied trend in the above calculations for the most recent period. What we have done is remove the entire claim before we apply trend and any other factor. We add back in on the amount under the limit after we have made any adjustments and applied trend.

The second area of variation is in the trend factor to be applied. Carriers have been reluctant to remove margins in trends that were added in shortly after the Affordable Care Act was passed. It is presumed that they did so as an edge against any unexpected consequences of the regulations coming about as a result of the law.

## Sample Company

*Funding Factor Exhibit*

*January 1, 2023*

# *Estimated Self-Insured Funding Factors*

| Cost Factors shown are on a Per Employee Per Month Basis. Carrier figures may be based on rating tiers. | Number of Employees | Current Funding Factors for 2022 | Annual Cost 2022 | Projected Funding Factors for 2023 | Estimated Annual Cost 2023 | Change in Cost for 2023 |
|---|---|---|---|---|---|---|
| Average Administrative Fee | 836 | $0.00 | $0 | $0.00 | $0 | 0.00% |
| Average Specific Stop Loss Current Limit $100,000 | | $216.24 | $2,169,320 | $248.68 | $2,494,718 | 15.00% |
| Expected Claims | | $888.47 | $8,913,131 | $900.86 | $9,037,446 | 1.39% |
| Total Expected Cost | | $1,104.71 | $11,082,451 | $1,149.54 | $11,532,164 | 4.06% |
| Calculated Equivalent Rate Cost | | $1,055.69 | $10,590,717 | $1,149.54 | $11,532,164 | 8.89% |
| | | | | | | |

**Note: The main purpose of this exhibit is to compare the Total Expected Cost for both the Current Year as well as the Projected Year. The rate changes we have calculated are based on Equivalent Rates. Many factors such as change in enrollment or shifts in plan participation can cause the Equivalent Rates to generate a budget that is either greater than or less than the expected cost that the Funding Factors would generate.**

## Sample Company

*McGohan Brabender Projection Medical and Drug Rates without Rx Rebates*

*January 1, 2023*

| | | | | | | | Contribution Alternatives | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Tier** | **Current Enrollment** | **Current Medical and Drug Rates** | **Projected Medical and Drug Rates** | **Employer H.R.A. or H.S.A.** | **Total Cost with H.R.A./H.S.A.** | **Change in Cost** | **Keeping Current Contribution** | **Contribution % with No Change** | **Contribution % Change of 8.9%** | **Contribution %** | **Contribution with 50% of Change** | **Contribution %** | **Contribution with 100% of Change** | **Contribution %** | **COBRA (includes 2%)** |
| **Medical Plan** | | | | | | | | | | | | | | | |
| **PPO High** | | | | | | | | | | | | | | | |
| **Employee** | 172 | $759.83 | $827.37 | | $827.37 | 8.9% | $151.97 | 18.4% | $165.48 | 20.0% | $185.74 | 22.4% | $219.51 | 26.5% | $843.92 |
| **Employee /Spouse** | 24 | $1,634.57 | $1,779.87 | | $1,779.87 | 8.9% | $326.91 | 18.4% | $355.97 | 20.0% | $399.56 | 22.4% | $472.21 | 26.5% | $1,815.47 |
| **Employee/ Child(ren)** | 74 | $1,401.05 | $1,525.59 | | $1,525.59 | 8.9% | $280.21 | 18.4% | $305.12 | 20.0% | $342.48 | 22.4% | $404.75 | 26.5% | $1,556.11 |
| **Family** | 23 | $2,568.65 | $2,796.99 | | $2,796.99 | 8.9% | $513.73 | 18.4% | $559.40 | 20.0% | $627.90 | 22.4% | $742.07 | 26.5% | $2,852.93 |
| | | | | | | | | | | | | | | | |
| **PPO Low** | | | | | | | | | | | | | | | |
| **Employee** | 278 | $713.86 | $777.32 | | $777.32 | 8.9% | $71.39 | 9.2% | $77.74 | 10.0% | $103.12 | 13.3% | $134.85 | 17.3% | $792.86 |
| **Employee /Spouse** | 19 | $1,535.65 | $1,672.16 | | $1,672.16 | 8.9% | $199.63 | 11.9% | $217.38 | 13.0% | $267.88 | 16.0% | $336.14 | 20.1% | $1,705.60 |
| **Employee/ Child(ren)** | 99 | $1,316.28 | $1,433.29 | | $1,433.29 | 8.9% | $131.63 | 9.2% | $143.33 | 10.0% | $190.13 | 13.3% | $248.64 | 17.3% | $1,461.95 |
| **Family** | 37 | $2,413.17 | $2,627.69 | | $2,627.69 | 8.9% | $361.98 | 13.8% | $394.16 | 15.0% | $469.24 | 17.9% | $576.50 | 21.9% | $2,680.24 |
| | | | | | | | | | | | | | | | |
| **HDHP** | | | | | | | | | | | | | | | |
| **Employee** | 74 | $673.73 | $733.62 | $62.50 | $796.12 | 8.8% | $67.37 | 9.2% | $73.36 | 9.9% | $97.32 | 13.3% | $127.26 | 17.3% | $748.29 |
| **Employee /Spouse** | 4 | $1,449.33 | $1,578.17 | $125.00 | $1,703.17 | 8.8% | $188.41 | 11.9% | $205.16 | 12.9% | $252.83 | 16.0% | $317.25 | 20.1% | $1,609.73 |
| **Employee/ Child(ren)** | 25 | $1,242.29 | $1,352.72 | $125.00 | $1,477.72 | 8.8% | $124.23 | 9.2% | $135.27 | 9.9% | $179.45 | 13.3% | $234.66 | 17.3% | $1,379.78 |
| **Family** | 7 | $2,277.52 | $2,479.98 | $125.00 | $2,604.98 | 8.8% | $341.62 | 13.8% | $371.99 | 14.9% | $442.85 | 17.9% | $544.08 | 21.9% | $2,529.58 |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| **Annual Cost** | 836 | $10,590,717 | $11,532,164 | $109,500 | $11,641,664 | 8.9% | $1,534,034 | | $1,670,399 | | $2,004,757 | | $2,475,480 | | |
| **H.R.A./H.S.A. Contribution** | | $109,500 | | | | | | | | | | | | | |
| **Total Annual Cost** | | $10,700,217 | | | | | | | | | | | | | |
| **Employee Contribution *** | 14.3% | $1,534,034 | | | | | 13.2% | With no Change in Contribution | 14.3% | With 8.9% Change in Contribution | 17.4% | With 30.7% Change in Contribution | 21.5% | With 61.4% Change in Contribution | |
| **Net Employer Cost** | | $9,166,183 | | | | | $10,107,630 | | $9,971,264 | | $9,636,907 | | $9,166,183 | | |
| **Change in Employer Cost** | | | | | | | $941,447 | | $805,081 | | $470,723 | | $0 | | |

** Percent of Total Annual Cost including any H.S.A. or H.S.A. employer contribution.*

## Sample Company

*McGohan Brabender Projection Medical and Drug Rates with Rx Rebates*

*January 1, 2023*

| | | | | | | | Contribution Alternatives | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Tier** | **Current Enrollment** | **Current Medical and Drug Rates** | **Projected Medical and Drug Rates** | **Employer H.R.A. or H.S.A.** | **Total Cost with H.R.A./H.S.A.** | **Change in Cost** | **Keeping Current Contribution** | **Contribution % with No Change** | **Contribution % Change of 8.9%** | **Contribution %** | **Contribution with 50% of Change** | **Contribution %** | **Contribution with 100% of Change** | **Contribution %** | **COBRA (includes 2%)** |
| **Medical Plan** | | | | | | | | | | | | | | | |
| **PPO High** | | | | | | | | | | | | | | | |
| **Employee** | 172 | $759.83 | $827.37 | | $827.37 | 8.9% | $151.97 | 18.4% | $165.48 | 20.0% | $185.74 | 22.4% | $219.51 | 26.5% | $843.92 |
| **Employee /Spouse** | 24 | $1,634.57 | $1,779.87 | | $1,779.87 | 8.9% | $326.91 | 18.4% | $355.97 | 20.0% | $399.56 | 22.4% | $472.21 | 26.5% | $1,815.47 |
| **Employee/ Child(ren)** | 74 | $1,401.05 | $1,525.59 | | $1,525.59 | 8.9% | $280.21 | 18.4% | $305.12 | 20.0% | $342.48 | 22.4% | $404.75 | 26.5% | $1,556.11 |
| **Family** | 23 | $2,568.65 | $2,796.99 | | $2,796.99 | 8.9% | $513.73 | 18.4% | $559.40 | 20.0% | $627.90 | 22.4% | $742.07 | 26.5% | $2,852.93 |
| | | | | | | | | | | | | | | | |
| **PPO Low** | | | | | | | | | | | | | | | |
| **Employee** | 278 | $713.86 | $777.32 | | $777.32 | 8.9% | $71.39 | 9.2% | $77.74 | 10.0% | $103.12 | 13.3% | $134.85 | 17.3% | $792.86 |
| **Employee /Spouse** | 19 | $1,535.65 | $1,672.16 | | $1,672.16 | 8.9% | $199.63 | 11.9% | $217.38 | 13.0% | $267.88 | 16.0% | $336.14 | 20.1% | $1,705.60 |
| **Employee/ Child(ren)** | 99 | $1,316.28 | $1,433.29 | | $1,433.29 | 8.9% | $131.63 | 9.2% | $143.33 | 10.0% | $190.13 | 13.3% | $248.64 | 17.3% | $1,461.95 |
| **Family** | 37 | $2,413.17 | $2,627.69 | | $2,627.69 | 8.9% | $361.98 | 13.8% | $394.16 | 15.0% | $469.24 | 17.9% | $576.50 | 21.9% | $2,680.24 |
| | | | | | | | | | | | | | | | |
| **HDHP** | | | | | | | | | | | | | | | |
| **Employee** | 74 | $673.73 | $733.62 | $62.50 | $796.12 | 8.8% | $67.37 | 9.2% | $73.36 | 9.9% | $97.32 | 13.3% | $127.26 | 17.3% | $748.29 |
| **Employee /Spouse** | 4 | $1,449.33 | $1,578.17 | $125.00 | $1,703.17 | 8.8% | $188.41 | 11.9% | $205.16 | 12.9% | $252.83 | 16.0% | $317.25 | 20.1% | $1,609.73 |
| **Employee/ Child(ren)** | 25 | $1,242.29 | $1,352.72 | $125.00 | $1,477.72 | 8.8% | $124.23 | 9.2% | $135.27 | 9.9% | $179.45 | 13.3% | $234.66 | 17.3% | $1,379.78 |
| **Family** | 7 | $2,277.52 | $2,479.98 | $125.00 | $2,604.98 | 8.8% | $341.62 | 13.8% | $371.99 | 14.9% | $442.85 | 17.9% | $544.08 | 21.9% | $2,529.58 |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| **Annual Cost** | 836 | $10,590,717 | $11,532,164 | $109,500 | $11,641,664 | 8.9% | $1,534,034 | | $1,670,399 | | $2,004,757 | | $2,475,480 | | |
| **H.R.A./H.S.A. Contribution** | | $109,500 | | | | | | | | | | | | | |
| **Total Annual Cost** | | $10,700,217 | | | | | | | | | | | | | |
| **Employee Contribution *** | 14.3% | $1,534,034 | | | | | 13.2% | With no Change in Contribution | 14.3% | With 8.9% Change in Contribution | 17.4% | With 30.7% Change in Contribution | 21.5% | With 61.4% Change in Contribution | |
| **Net Employer Cost** | | $9,166,183 | | | | | $10,107,630 | | $9,971,264 | | $9,636,907 | | $9,166,183 | | |
| **Change in Employer Cost** | | | | | | | $941,447 | | $805,081 | | $470,723 | | $0 | | |

** Percent of Total Annual Cost including any H.S.A. or H.S.A. employer contribution.*

# THE MB IBNR

PREPARED FOR: Sample Company

For data thru: December, 2022
Using 36 Months of Data through December, 2022


*February-23*

# Estimating Incurred But Not Reported or Unpaid Losses

## Sample Company

## Using 36 Months of Data through December, 2022

There exists a delay between the delivery of services to patients and the ultimate payment of claims. In many instances, these transactions are today processed very quickly with the assistance of electronic claims processing. Other claims may be delayed for a variety of reasons. Whatever the factors that contribute to the delay between the date of service and the payment of the claim, as a self-funded client you have a liability that needs to be quantified and included as part of your financial reports.

The Incurred But Not Reported (IBNR) that is calculated represents your expected liability in the event that the plan is terminated. Generally, this number is needed as part of your annual audit. Some employers have special needs and may require the data more frequently than once a year. The figures provided in this report represent our best estimate of your liability as of December, 2022. These figures are only estimates. Actual results may vary significantly from our estimate.

Details of our calculation of your IBNR will follow in this report. Below is a summary of our findings for your review.

## Total Liability Development

| | Medical | Prescription Drug | Combined |
|---|---|---|---|
| **Liability Estimate at December, 2022** | | | |
| Estimated IBNR | $192,873 | $13,486 | $206,359 |
| Estimated Claims Issued but Not Cleared | $33,967 | $9,717 | $43,684 |
| Subtotal | $226,840 | $23,203 | $250,043 |
| Margin Applied | $0 | $0 | $0 |
| Total Liability | $226,840 | $23,203 | $250,043 |

## Estimated Future IBNR

| | Medical | Prescription Drug | Combined |
|---|---|---|---|
| Liability Estimate at: January, 2023 | $226,840 | $23,203 | $250,043 |
| Liability Estimate at: February, 2023 | $228,448 | $23,315 | $251,763 |
| Liability Estimate at: March, 2023 | $230,068 | $23,428 | $253,497 |
| Liability Estimate at: April, 2023 | $231,702 | $23,543 | $255,245 |

## Calculating Your Medical IBNR

Our methodology separates your Medical and Prescription Drug claims for reporting purposes. The reason for this is that the payment for Drugs is faster than Medical and therefore gives us a much lower percentage of expected cost runout. Incurred claims are based on date of service. Paid claims are claims reported based on the date that payment was made. It is this difference in timing that we are using to help in estimating your liability.

Based on our calculations and selected methodology, below is our estimate of your IBNR liability for your Medical Claims:

| Month | Incurred and Paid to Date | Percentage Complete | Total Estimated Incurred Claims | Estimated IBNR Current Valuation Date | |
|---|---|---|---|---|---|
| Jan-2021 - Dec-2021 | $2,248,644 | 99.90% | $2,250,982 | $2,339 | |
| Jan-22 | $44,176 | 99.73% | $44,296 | $120 | |
| Feb-22 | $153,260 | 99.74% | $153,666 | $406 | |
| Mar-22 | $60,369 | 99.75% | $60,522 | $153 | |
| Apr-22 | $173,628 | 99.70% | $174,156 | $528 | |
| May-22 | $58,106 | 99.65% | $58,312 | $206 | |
| Jun-22 | $178,531 | 99.48% | $179,471 | $940 | |
| Jul-22 | $101,447 | 99.06% | $102,413 | $965 | |
| Aug-22 | $234,264 | 98.59% | $237,616 | $3,352 | |
| Sep-22 | $162,096 | 95.11% | $170,422 | $8,326 | |
| Oct-22 | $93,100 | 93.04% | $100,059 | $6,960 | |
| Nov-22 | $147,921 | 76.72% | $192,799 | $44,879 | |
| Dec-22 | $32,987 | 21.05% | $156,687 | $123,700 | |
| **12 Month Total** | **$1,439,884** | **88.31%** | **$1,630,419** | **$190,535** | **11.69%** |

Your claims liability represents 11.69% of the most recent 12 months of incurred claims. If we look back at your prior year of claims runout we see that the claims runout for the period of January, 2021 through December, 2021 were $170,869. We use this prior period comparison to be sure we consider actual historical activity when establishing an IBNR.

# Calculating Your Prescription Drug IBNR

Prescription Drug claims are paid faster than Medical claims. The reason for this is that many drugs filled at a pharmacy are immediately reimbursed. Claims paid through a Pharmacy Benefit Manager (PBM) are similarly reimbursed very quickly.

In addition to the fast payment of claims vs. Medical, we are seeing increasing growth in the cost of Prescription Drugs and anticipate that this growth will only accellerate in the coming months and years with the continued introduction of new drugs that bring very large price tags.

Because of the rapid processing and the continued growth in cost, we feel it necessary to split the drugs out to get the best possible estimate of your liability.

Based on our calculations and selected methodology, below is our estimate of your IBNR liability for your Prescription Drug Claims:

| Month | Incurred and Paid to Date | Percentage Complete | Total Estimated Incurred Claims | Estimated IBNR Current Valuation Date | |
|---|---|---|---|---|---|
| Jan-2021 - Dec-2021 | $317,660 | 100.00% | $317,660 | $0 | |
| Jan-22 | $17,812 | 100.00% | $17,812 | $0 | |
| Feb-22 | $21,077 | 100.00% | $21,077 | $0 | |
| Mar-22 | $18,362 | 100.00% | $18,362 | $0 | |
| Apr-22 | $10,760 | 100.00% | $10,760 | $0 | |
| May-22 | $17,682 | 100.00% | $17,682 | $0 | |
| Jun-22 | $24,633 | 100.00% | $24,633 | $0 | |
| Jul-22 | $41,810 | 100.00% | $41,810 | $0 | |
| Aug-22 | $87,859 | 99.99% | $87,868 | $9 | |
| Sep-22 | $73,654 | 99.99% | $73,662 | $7 | |
| Oct-22 | $40,833 | 99.95% | $40,855 | $22 | |
| Nov-22 | $74,963 | 99.10% | $75,645 | $682 | |
| Dec-22 | $23,467 | 64.77% | $36,233 | $12,766 | |
| **12 Month Total** | **$452,914** | **97.11%** | **$466,400** | **$13,486** | **2.89%** |

Your claims liability represents 2.89% of the most recent 12 months of incurred claims. If we look back at your prior year of claims runout we see that the claims runout for the period of January, 2021 through December, 2021 was $2. As mentioned earlier we use this for comparison in arriving at your IBNR.

# Total Liability

In addition to the liability based on your claims payment pattern, there is an additional liablity for claims that have been paid, by your administrator, but have yet to be invoiced to you for payment. We label that as "Estimated Claims Issued but not cleared". We have calculated this based on the fact that Carriers typically invoice for claims once a week. You are not billed for those claims until they are paid yet they are your liability. We assume there are 5 working days in a week and 4 weeks in a month. This is slightly off from what really happens but we wanted to account for the lack of processing on the weekends.

| | | |
|---|---|---|
| **Estimated Medical IBNR** | **$192,873** | |
| **Estimated Prescription Drug IBNR** | **$13,486** | |
| **Estimated Claims Issued but not cleared - Medical Claims** | **$33,967** | |
| **Estimated Claims Issued but not cleared - Prescription Drug Claims** | **$9,717** | |
| **Estimated Total Incurred Claims January - 2022 through December - 2022** | **$2,096,818** | |
| **Total Liability** | **$250,043** | **11.92%** |

# Methodology

McGohan Brabender utilizes the Bornheutter - Ferguson method for calculating IBNR. This is the most widely used method for calculating your liability. The premise under this method is that there is a pattern in your claims development (ie delay between incurred and paid) that can be applied to current claims data to arrive at an estimate of outstanding liability.

The "engine" behind this begins with a mathematical technique called the "Chain Ladder Method". For each month of claims the program takes the claims and sets up a triangle of data by incurred month and by paid month. In other words, claims incurred in January, 2019, may be paid in January, February, March and even beyond. As you move closer to the current time there is naturally less data availalble and this is what causes the data to appear as a triangle.

The Chain Ladder Method takes the first two paid months, in a given incurred month, adds them together and divides by the first month. The next step is to add the first three months and divide by the sum of the first two months. This process is continued until all paid months have been included. The spreadsheet does this for each incurred month of paid data. Following is a short example using your Medical data to help you understand this step.

| The Chain Ladder |
|---|

| Paid Month | Incurred Month (The raw starting data) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 |
| May-22 | $11,155 | | | | | | | |
| Jun-22 | $43,776 | $43,630 | | | | | | |
| Jul-22 | $669 | $107,894 | $15,887 | | | | | |
| Aug-22 | $570 | $25,724 | $83,145 | $45,766 | | | | |
| Sep-22 | $369 | $118 | $2,011 | $76,500 | $41,208 | | | |
| Oct-22 | $1,391 | $340 | $268 | $3,081 | $45,114 | $17,891 | | |
| Nov-22 | $176 | $91 | $36 | $49,138 | $74,970 | $57,826 | $33,796 | |
| Dec-22 | $0 | $734 | $101 | $59,779 | $805 | $17,382 | $114,125 | $32,987 |

| # of Months From Incurral | Setting up the Chain Ladder (Reorganizing the Data for calculation) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 |
| 0 | $11,155 | $43,630 | $15,887 | $45,766 | $41,208 | $17,891 | $33,796 | $32,987 |
| 1 | $43,776 | $107,894 | $83,145 | $76,500 | $45,114 | $57,826 | $114,125 | |
| 2 | $669 | $25,724 | $2,011 | $3,081 | $74,970 | $17,382 | | |
| 3 | $570 | $118 | $268 | $49,138 | $805 | | | |
| 4 | $369 | $340 | $36 | $59,779 | | | | |
| 5 | $1,391 | $91 | $101 | | | | | |
| 6 | $176 | $734 | | | | | | |
| 7 | $0 | | | | | | | |

| | Chain Ladder Developmental Factors | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Paid Month | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Average |
| 0 | | | | | | | | | |
| 1 | 4.924 | 3.473 | 6.233 | 2.672 | 2.095 | 4.232 | 4.377 | | 4.001 |
| 2 | 1.012 | 1.170 | 1.020 | 1.025 | 1.868 | 1.230 | | | 1.221 |
| 3 | 1.010 | 1.001 | 1.003 | 1.392 | 1.005 | | | | 1.082 |
| 4 | 1.007 | 1.002 | 1.000 | 1.343 | | | | | 1.088 |
| 5 | 1.025 | 1.001 | 1.001 | | | | | | 1.009 |
| 6 | 1.003 | 1.004 | | | | | | | 1.004 |
| 7 | 1.000 | | | | | | | | 1.000 |

Keep in mind that the triangle that we are working with should be much larger than the sample I have shown above. You have 36 months of data used in your calculation so you are only seeing a small portion of the data that is used to calculate the IBNR. From this simple example, below is an illustration of how we complete this triangle using the Average factors from above. Data shown in red are those months that have been estimated. For each estimate I am using the average column as the basis for the estimate. The sample size used here is too small to be credible.

| | Chain Ladder Applied Developmental Factors | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Paid Month | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Average |
| 0 | | | | | | | | | |
| 1 | 4.924 | 3.473 | 6.233 | 2.672 | 2.095 | 4.232 | 4.377 | 4.001 | 4.001 |
| 2 | 1.012 | 1.170 | 1.020 | 1.025 | 1.868 | 1.230 | 1.221 | 1.221 | 1.221 |
| 3 | 1.010 | 1.001 | 1.003 | 1.392 | 1.005 | 1.082 | 1.082 | 1.082 | 1.082 |
| 4 | 1.007 | 1.002 | 1.000 | 1.343 | 1.088 | 1.088 | 1.088 | 1.088 | 1.088 |
| 5 | 1.025 | 1.001 | 1.001 | 1.009 | 1.009 | 1.009 | 1.009 | 1.009 | 1.009 |
| 6 | 1.003 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 | 1.004 |
| 7 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |

There are any number of factors that may impact the accuracy of the outcome. Because of this we utilize four averaging techniques in reviewing your data. The first is a straight average. This is the sum of the data points divided by the number of points. Sometimes there are outliers that may cause unexpected results. To compensate for this we may also use a modified average. When calculating a modifed average you remove the highest and lowest number then calculate your average based on the remaining numbers.

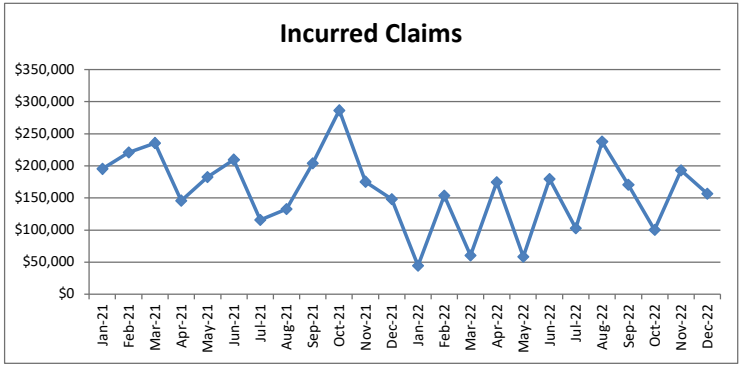
There are two other averaging methods that we use when we have multiple outliers in the data, or the results are not considered valid. These are the harmonic average and the modified harmonic average. While a bit more complicated, this method will produce better results with inconsistent data. The calculation of the harmonic average takes the number of observations and divides this by the reciprocal of the data points. A modifed harmonic average eliminates the high and the low and calculates the harmonic average without those two points.

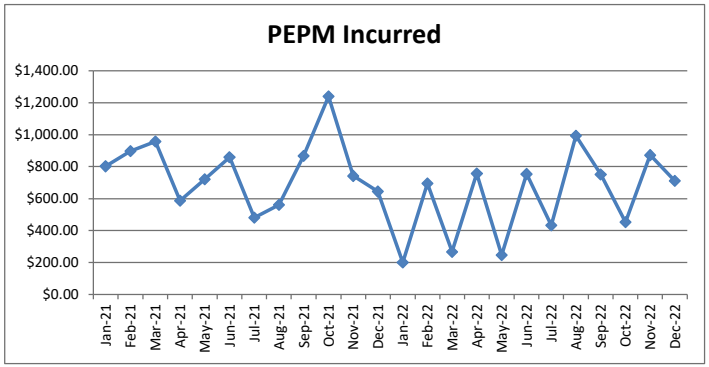
In your case we have used the Modified Average for your medical. For your drug we have used the Average method.

## Sample Company Medical

| Month | Incurred | Employees | PEPM Incurred | PEPM Incurred - Normalized to Reflect Current Plan Design | Relative Value to Current Plan Design | Estimated Completion Factor at Projection Date | Estimated IBNR at Current Valuation Date |
|---|---|---|---|---|---|---|---|
| Jan-21 | $195,185 | 243 | $803.23 | $803.23 | 1.000 | 100.00% | $0 |
| Feb-21 | $220,855 | 246 | $897.78 | $897.78 | 1.000 | 100.00% | $0 |
| Mar-21 | $235,526 | 246 | $957.42 | $957.42 | 1.000 | 100.00% | $129 |
| Apr-21 | $145,778 | 248 | $587.82 | $587.82 | 1.000 | 99.95% | $169 |
| May-21 | $182,550 | 253 | $721.54 | $721.54 | 1.000 | 99.88% | $207 |
| Jun-21 | $209,707 | 244 | $859.45 | $859.45 | 1.000 | 99.89% | $256 |
| Jul-21 | $115,386 | 240 | $480.77 | $480.77 | 1.000 | 99.88% | $141 |
| Aug-21 | $132,428 | 236 | $561.14 | $561.14 | 1.000 | 99.88% | $164 |
| Sep-21 | $203,822 | 235 | $867.33 | $867.33 | 1.000 | 99.88% | $255 |
| Oct-21 | $286,451 | 231 | $1,240.05 | $1,240.05 | 1.000 | 99.88% | $371 |
| Nov-21 | $175,133 | 236 | $742.09 | $742.09 | 1.000 | 99.87% | $227 |
| Dec-21 | $148,163 | 230 | $644.19 | $644.19 | 1.000 | 99.87% | $420 |
| Jan-22 | $44,296 | 222 | $199.53 | $199.53 | 1.000 | 99.72% | $120 |
| Feb-22 | $153,666 | 221 | $695.32 | $695.32 | 1.000 | 99.73% | $406 |
| Mar-22 | $60,522 | 227 | $266.62 | $266.62 | 1.000 | 99.74% | $153 |
| Apr-22 | $174,156 | 230 | $757.20 | $757.20 | 1.000 | 99.75% | $528 |
| May-22 | $58,312 | 237 | $246.04 | $246.04 | 1.000 | 99.70% | $206 |
| Jun-22 | $179,471 | 238 | $754.08 | $754.08 | 1.000 | 99.65% | $940 |
| Jul-22 | $102,413 | 239 | $432.12 | $432.12 | 1.000 | 99.48% | $965 |
| Aug-22 | $237,616 | 239 | $994.21 | $994.21 | 1.000 | 99.06% | $3,352 |
| Sep-22 | $170,422 | 227 | $750.76 | $750.76 | 1.000 | 98.59% | $8,326 |
| Oct-22 | $100,059 | 221 | $452.76 | $452.76 | 1.000 | 95.11% | $6,960 |
| Nov-22 | $192,799 | 221 | $872.40 | $872.40 | 1.000 | 93.04% | $44,879 |
| Dec-22 | $156,687 | 220 | $712.21 | $712.21 | 1.000 | 76.72% | $123,700 |
| **Total** | | | | | | | $192,873 |

| Projection Date | | Total Estimated IBNR at Projection Date |
|---|---|---|
| Jan-23 | 0 | $192,873 |
| Feb-23 | 1 | $194,481 |
| Mar-23 | 2 | $196,101 |
| Apr-23 | 3 | $197,735 |
| May-23 | 4 | $199,383 |

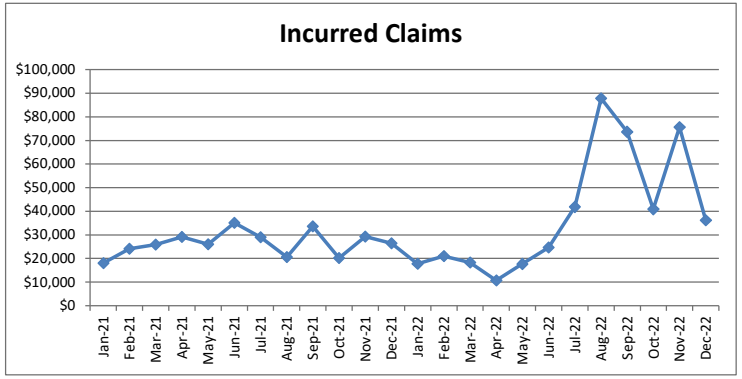


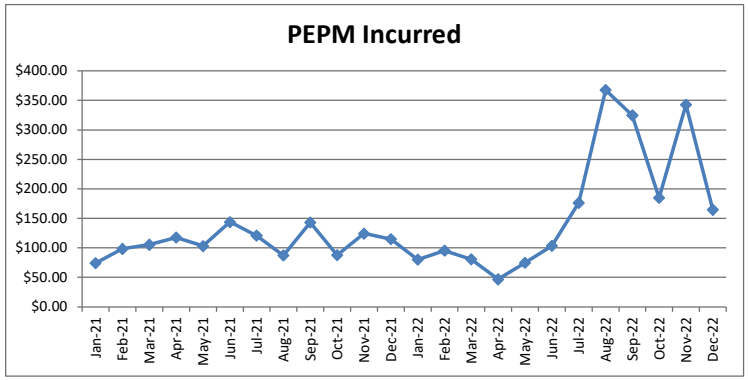



## Sample Company Prescription Drug

| Month | Incurred | Employees | PEPM Incurred | PEPM Incurred - Normalized to Reflect Current Plan Design | Relative Value to Current Plan Design | Estimated Completion Factor at Projection Date | Estimated IBNR at Current Valuation Date |
|---|---|---|---|---|---|---|---|
| Jan-21 | $17,984 | 243 | $74.01 | $74.01 | 1.000 | 100.00% | $0 |
| Feb-21 | $24,201 | 246 | $98.38 | $98.38 | 1.000 | 100.00% | $0 |
| Mar-21 | $25,898 | 246 | $105.28 | $105.28 | 1.000 | 100.00% | $0 |
| Apr-21 | $29,136 | 248 | $117.48 | $117.48 | 1.000 | 100.00% | $0 |
| May-21 | $26,120 | 253 | $103.24 | $103.24 | 1.000 | 100.00% | $0 |
| Jun-21 | $35,091 | 244 | $143.82 | $143.82 | 1.000 | 100.00% | $0 |
| Jul-21 | $28,998 | 240 | $120.82 | $120.82 | 1.000 | 100.00% | $0 |
| Aug-21 | $20,547 | 236 | $87.06 | $87.06 | 1.000 | 100.00% | $0 |
| Sep-21 | $33,639 | 235 | $143.14 | $143.14 | 1.000 | 100.00% | $0 |
| Oct-21 | $20,257 | 231 | $87.69 | $87.69 | 1.000 | 100.00% | $0 |
| Nov-21 | $29,324 | 236 | $124.25 | $124.25 | 1.000 | 100.00% | $0 |
| Dec-21 | $26,465 | 230 | $115.07 | $115.07 | 1.000 | 100.00% | $0 |
| Jan-22 | $17,812 | 222 | $80.23 | $80.23 | 1.000 | 100.00% | $0 |
| Feb-22 | $21,077 | 221 | $95.37 | $95.37 | 1.000 | 100.00% | $0 |
| Mar-22 | $18,362 | 227 | $80.89 | $80.89 | 1.000 | 100.00% | $0 |
| Apr-22 | $10,760 | 230 | $46.78 | $46.78 | 1.000 | 100.00% | $0 |
| May-22 | $17,682 | 237 | $74.61 | $74.61 | 1.000 | 100.00% | $0 |
| Jun-22 | $24,633 | 238 | $103.50 | $103.50 | 1.000 | 100.00% | $0 |
| Jul-22 | $41,810 | 239 | $176.42 | $176.42 | 1.000 | 100.00% | $0 |
| Aug-22 | $87,868 | 239 | $367.65 | $367.65 | 1.000 | 100.00% | $9 |
| Sep-22 | $73,662 | 227 | $324.50 | $324.50 | 1.000 | 99.99% | $7 |
| Oct-22 | $40,855 | 221 | $184.86 | $184.86 | 1.000 | 99.99% | $22 |
| Nov-22 | $75,645 | 221 | $342.29 | $342.29 | 1.000 | 99.95% | $682 |
| Dec-22 | $36,233 | 220 | $164.69 | $164.69 | 1.000 | 99.10% | $12,766 |
| **Total** | | | | | | | $13,486 |

| Projection Date | | Total Estimated IBNR at Projection Date |
|---|---|---|
| Jan-23 | 0 | $13,486 |
| Feb-23 | 1 | $13,598 |
| Mar-23 | 2 | $13,712 |
| Apr-23 | 3 | $13,826 |
| May-23 | 4 | $13,941 |



# THE MB STOP LOSS MODEL

PREPARED FOR: Sample Company

For plan year: 2023


*2/13/23*

# Sample Company

## Specific Stop Loss Model

2023

**Employees:** 277
**Members:** 658

| Specific Stop Loss | Incidence of Claims | Expected Claims per Year | Average Excess Per Claimant | Total Annual Cost | Pure Claim Cost PMPY | Pure Claim Cost PMPM | Pure Claim Cost PEPY | Claims Cost PEPM | Medical and Rx Premium PEPM | Annual Cost | Medical Only Premium PEPM | Annual Cost | Expected claims | Expected Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *$85,000* | 1.40% | 9.24 | $ 102,932 | $ 951,014 | $1,445.31 | $120.44 | $3,433.27 | $286.11 | $381.47 | $1,268,019 | $363.31 | $1,207,637 | 9.24 | $951,014 |
| *$100,000* | 1.10% | 7.21 | $ 115,171 | $ 830,725 | $1,262.50 | $105.21 | $2,999.01 | $249.92 | $333.22 | $1,107,634 | $317.36 | $1,054,889 | 7.21 | $830,725 |
| *$125,000* | 0.79% | 5.22 | $ 130,688 | $ 681,709 | $1,036.03 | $86.34 | $2,461.04 | $205.09 | $273.45 | $908,946 | $260.43 | $865,663 | 5.22 | $681,709 |
| *$150,000* | 0.59% | 3.91 | $ 145,558 | $ 569,798 | $865.96 | $72.16 | $2,057.03 | $171.42 | $228.56 | $759,731 | $217.68 | $723,554 | 3.91 | $569,798 |
| *$175,000* | 0.46% | 3.03 | $ 159,664 | $ 484,515 | $736.34 | $61.36 | $1,749.15 | $145.76 | $194.35 | $646,020 | $185.10 | $615,257 | 3.03 | $484,515 |
| *$200,000* | 0.37% | 2.41 | $ 173,050 | $ 417,829 | $635.00 | $52.92 | $1,508.41 | $125.70 | $167.60 | $557,106 | $159.62 | $530,577 | 2.41 | $417,829 |
| *$225,000* | 0.30% | 1.97 | $ 185,175 | $ 364,165 | $553.44 | $46.12 | $1,314.68 | $109.56 | $146.08 | $485,554 | $139.12 | $462,432 | 1.97 | $364,165 |
| *$250,000* | 0.24% | 1.61 | $ 198,960 | $ 320,422 | $486.96 | $40.58 | $1,156.76 | $96.40 | $128.53 | $427,229 | $122.41 | $406,885 | 1.61 | $320,422 |
| *$275,000* | 0.20% | 1.32 | $ 214,964 | $ 284,760 | $432.77 | $36.06 | $1,028.02 | $85.67 | $114.22 | $379,681 | $108.78 | $361,601 | 1.32 | $284,760 |
| *$300,000* | 0.17% | 1.15 | $ 221,935 | $ 254,881 | $387.36 | $32.28 | $920.15 | $76.68 | $102.24 | $339,841 | $97.37 | $323,659 | 1.15 | $254,881 |

**Ruin Model**

| Specific Stop Loss | Likelihood of Claims 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| *$85,000* | 100.0% | 99.9% | 99.5% | 98.2% | 95.3% | 89.8% | 81.4% | 70.3% | 57.5% | 44.4% |
| *$100,000* | 99.9% | 99.4% | 97.5% | 92.9% | 84.6% | 72.6% | 58.2% | 43.3% | 29.9% | 19.2% |
| *$125,000* | 99.5% | 96.6% | 89.2% | 76.4% | 59.7% | 42.2% | 27.0% | 15.7% | 8.3% | 4.0% |
| *$150,000* | 98.0% | 90.2% | 74.9% | 55.0% | 35.4% | 20.2% | 10.2% | 4.6% | 1.9% | 0.7% |
| *$175,000* | 95.2% | 80.6% | 58.5% | 36.1% | 19.1% | 8.7% | 3.5% | 1.3% | 0.4% | 0.1% |
| *$200,000* | 91.1% | 69.5% | 43.4% | 22.4% | 9.8% | 3.7% | 1.2% | 0.3% | 0.1% | 0.0% |
| *$225,000* | 86.0% | 58.5% | 31.4% | 13.7% | 5.0% | 1.5% | 0.4% | 0.1% | 0.0% | 0.0% |
| *$250,000* | 80.0% | 47.8% | 21.9% | 8.0% | 2.4% | 0.6% | 0.1% | 0.0% | 0.0% | 0.0% |
| *$275,000* | 73.4% | 38.2% | 14.9% | 4.6% | 1.1% | 0.2% | 0.0% | 0.0% | 0.0% | 0.0% |
| *$300,000* | 68.3% | 31.9% | 11.0% | 2.9% | 0.6% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% |

| Specific Stop Loss | Using 10 Occurrences | Ultimate Occurrences |
|---|---|---|
| *$85,000* | 8.3636 | 9.2393 |
| *$100,000* | 6.9732 | 7.2130 |
| *$125,000* | 5.1863 | 5.2163 |
| *$150,000* | 3.9111 | 3.9146 |
| *$175,000* | 3.0342 | 3.0346 |
| *$200,000* | 2.4144 | 2.4145 |
| *$225,000* | 1.9666 | 1.9666 |
| *$250,000* | 1.6105 | 1.6105 |
| *$275,000* | 1.3247 | 1.3247 |
| *$300,000* | 1.1484 | 1.1484 |

| Estimated Cost Differential * | Limit | # of Claims | Premium |
|---|---|---|---|
| **Current Specific:** | $85,000 | 9.2 | $1,268,019 |
| **Reimbursement** | | | $951,014 |
| **Retention** | | | $317,005 |
| **Claims Under Limit** | | | $785,338 |
| **Large Claims Cost** | | | **$2,053,357** |
| **Option 1:** | $100,000 | 7.2 | $1,107,634 |
| **Premium Change** | | | -$160,385 |
| **Reimbursement** | | | $830,725 |
| **Retention** | | | $276,908 |
| **Claims Under Limit *** | | | $721,299 |
| **Large Claims Cost** | | | **$1,828,933** |
| **Estimated Savings** | | | **-$224,424** |
| **Option 2:** | $125,000 | 5.2 | $908,946 |
| **Premium Change** | | | -$359,073 |
| **Reimbursement** | | | $681,709 |
| **Retention** | | | $227,236 |
| **Claims Under Limit *** | | | $652,039 |
| **Large Claims Cost** | | | **$1,560,985** |
| **Estimated Savings** | | | **-$492,373** |

**Based on the model, your optimal Specific Stop Loss level is approximately $200,000**

* Estimate is based on the current Specific Stop Loss of $85,000 and the optional limits of $100,000 and $125,000.

**Key Assumptions**

Cost Per Member per year $3,897
Assumes contract is on a Paid basis.
Retention is assumed to be 25%.

# Sample Company

## Specific Stop Loss Model

2023

**Employees:** **277**
**Members:** **658**

| Specific Stop Loss | Expected Claims per Year | Medical and Rx Premium PEPM | Annual Cost |
|---|---|---|---|
| *$85,000* | 9.24 | $381.47 | $1,268,019 |
| *$100,000* | 7.21 | $333.22 | $1,107,634 |
| *$125,000* | 5.22 | $273.45 | $908,946 |
| *$150,000* | 3.91 | $228.56 | $759,731 |
| *$175,000* | 3.03 | $194.35 | $646,020 |
| *$200,000* | 2.41 | $167.60 | $557,106 |
| *$225,000* | 1.97 | $146.08 | $485,554 |
| *$250,000* | 1.61 | $128.53 | $427,229 |
| *$275,000* | 1.32 | $114.22 | $379,681 |
| *$300,000* | 1.15 | $102.24 | $339,841 |

**Ruin Model**

| Specific Stop Loss | Using 10 Occurrences | Ultimate Occurrences |
|---|---|---|
| *$85,000* | 8.3636 | 9.2393 |
| *$100,000* | 6.9732 | 7.2130 |
| *$125,000* | 5.1863 | 5.2163 |
| *$150,000* | 3.9111 | 3.9146 |
| *$175,000* | 3.0342 | 3.0346 |
| *$200,000* | 2.4144 | 2.4145 |
| *$225,000* | 1.9666 | 1.9666 |
| *$250,000* | 1.6105 | 1.6105 |
| *$275,000* | 1.3247 | 1.3247 |
| *$300,000* | 1.1484 | 1.1484 |

Based on the model, your optimal Specific Stop Loss level is approximately $200,000

# Historical Deductible Analysis



| Claimants Over: | 2018 | 2019 | 2020 | 2021 | 2022 (11 months) | MB Benchmark |
|---|---|---|---|---|---|---|
| $200,000 | 6 | 7 | 5 | 8 | 6 | **7.9** |
| $250,000 | 5 | 4 | 3 | 6 | 5 | **5.4** |
| $300,000 | 3 | 4 | 3 | 5 | 2 | **3.7** |
| $325,000 | 2 | 4 | 3 | 5 | 2 | **3.3** |
| $350,000 | 2 | 4 | 3 | 5 | 2 | **2.9** |
| $400,000 | 2 | 1 | 1 | 3 | 2 | **2.3** |

| | | | | | |
|---|---|---|---|---|---|
| Avg. Enrollment | 954 | 944 | 925 | 922 | 921 |
| Avg. Members | 2,379 | 2,295 | 2,032 | 1,934 | 1,897 |
| Contract Size | 2.49 | 2.43 | 2.20 | 2.10 | 2.06 |

- MB Benchmark based on LNS membership and expected claims applied to the 2021 MB Large Claim Model

# What If? Analysis



| Specific (ISL) | 2018 | 2019 | 2020 | 2021 | 2022 (11 months) |
|---|---|---|---|---|---|
| $200,000 | **($2,000)** | $349,000 | ($516,000) | $1,886,000 | ($347,000) |
| $250,000 | ($65,000) | $250,000 | ($408,000) | $1,823,000 | ($287,000) |
| $300,000 | ($112,000) | **$176,000** | **($374,000)** | **$1,713,000** | **($229,000)** |
| $325,000 | ($132,000) | $108,000 | ($403,000) | $1,634,000 | ($223,000) |
| $350,000 | ($124,000) | $63,000 | ($398,000) | $1,589,000 | ($175,000) |
| $400,000 | ($145,000) | ($31,000) | ($409,000) | $1,506,000 | ($139,000) |

- Estimated (Loss) / Gain = calculated specific reimbursements less estimated paid premium
- Paid premium based on actual enrollment applied to stop loss rates, either actual or options at renewal; additional premium rates based on rate ratios from 2021 MB Large Claim Model
- Best financial case indicated by green boxes
- Actual specific deductible indicated by bold purple font
- Illustration includes medical and Rx claims

# Breakeven Analysis (Voya Renewal Options)



| | 1/1/2023 Renewal | | |
|---|---|---|---|
| **Specific Deductible (ISL)** | **$300,000 (Current)** | **$325,000** | **$350,000** |
| **Contract** | 48/12 | 48/12 | 48/12 |
| **Monthly Rate (Firm)** | $123.54 | $115.80 | $102.17 |
| **Annual Premium (based on 911 Lives)** | $1,351,000 | $1,266,000 | $1,117,000 |
| **Premium savings to move to higher ISL** | | ($85,000) | ($234,000) |
| **Increased liability per claimant** | | $25,000 | $50,000 |
| **Breakeven number of claimants if exceeding higher ISL** | | 3.4 | 4.7 |

- Above rates calculated based on the Voya firm renewal rate options

## Sample Company

***Funding Comparison***
***5/1/2023***
***Fully Insured***

### Medical and Prescription Drug

| | A | B | C | D | E | F | G | H | I | J |
|---|---|---|---|---|---|---|---|---|---|---|
| **Time Period** | **Monthly Premium** | **Medical Claims** | **Drug Claims** | **Claims Over $150,000 Pooling** | **Total Net Claims** | **Average Enrolled** | **Estimated Fixed Rate PEPM** | **Total Fixed Cost** | **Total Cost Self-Funded** | **Estimated Self-Funded Cost (Savings)** |
| | | | | | **(B + C - D)** | | | **(F X G)** | **(E + H)** | **(I - A)** |
| **May, 2019 - April,2020** | $2,306,417 | $1,329,129 | $427,895 | $98,136 | $1,658,888 | 186 | $194.70 | $434,572 | $2,093,461 | ($212,956) |
| **May, 2020 - April,2021** | $2,624,557 | $909,805 | $377,895 | $0 | $1,287,700 | 203 | $236.33 | $575,702 | $1,863,402 | ($761,155) |
| **May, 2021 - April,2022** | $2,449,845 | $1,966,327 | $697,869 | $0 | $2,664,196 | 199 | $267.43 | $638,629 | $3,302,825 | $852,981 |
| **May, 2022** | $150,270 | $180,633 | $50,613 | | $231,246 | 204 | $304.29 | $62,075 | $293,321 | $143,050 |
| **June, 2022** | $197,192 | $264,006 | $31,946 | | $295,952 | 201 | $304.29 | $61,162 | $357,114 | $159,921 |
| **July, 2022** | $188,480 | $79,921 | $44,739 | | $124,661 | 191 | $304.29 | $58,119 | $182,780 | ($5,701) |
| **August, 2022** | $189,524 | $118,051 | $41,457 | | $159,508 | 190 | $304.29 | $57,815 | $217,323 | $27,799 |
| **September, 2022** | $186,863 | $78,206 | $33,333 | | $111,540 | 189 | $304.29 | $57,510 | $169,050 | ($17,813) |
| **October, 2022** | $184,307 | $100,817 | $52,134 | $283,730 | ($130,780) | 189 | $304.29 | $57,510 | ($73,269) | ($257,576) |
| **November, 2022** | | | | | | | | | | |
| **December, 2022** | | | | | | | | | | |
| **January, 2023** | | | | | | | | | | |
| **February, 2023** | | | | | | | | | | |
| **March, 2023** | | | | | | | | | | |
| **April, 2023** | | | | | | | | | | |
| **May, 2022 Plan Year to Date** | $1,096,637 | $821,635 | $254,221 | $283,730 | $792,126 | 194 | $304.29 | $354,191 | $1,146,317 | $49,680 |
| **4 Year Total** | **$8,477,455** | **$5,026,896** | **$1,757,881** | **$381,866** | **$6,402,911** | | | **$2,003,094** | **$8,406,005** | **($71,450)** |

Based on our calculations, your cost would have been less under a Self Funded plan.

**February, 2023**

**This exhibit compares the age of members in the group to that of the MB Data Analytics Database. Based on you member distribution we would anticipate your claims activity to be 19.65% higher than our average account.**

| Age Range | Benchmark Distribution | Benchmark Claims Cost PMPY | Members Enrolled | Enrollment Distribution | Estimated Claims Cost |
|---|---|---|---|---|---|
| 0 - 9 | 11.98% | $4,243 | 0 | 0.00% | $4,243 |
| 10 - 19 | 16.49% | $3,330 | 0 | 0.00% | $3,330 |
| 20 - 29 | 15.34% | $3,543 | 21 | 14.00% | $3,543 |
| 30 - 39 | 13.89% | $4,304 | 33 | 22.00% | $4,304 |
| 40 - 49 | 16.38% | $5,850 | 39 | 26.00% | $5,850 |
| 50 - 59 | 16.70% | $8,278 | 33 | 22.00% | $8,278 |
| 60 - 64 | 6.45% | $13,023 | 19 | 12.67% | $13,023 |
| 65+ | 2.78% | $17,004 | 5 | 3.33% | $17,004 |
| Total | 100.00% | $5,851 | 150 | 100.00% | $7,001 |
| Expected Claims Variance From Benchmark | | | | | 19.65% |

## Net Cost Detail

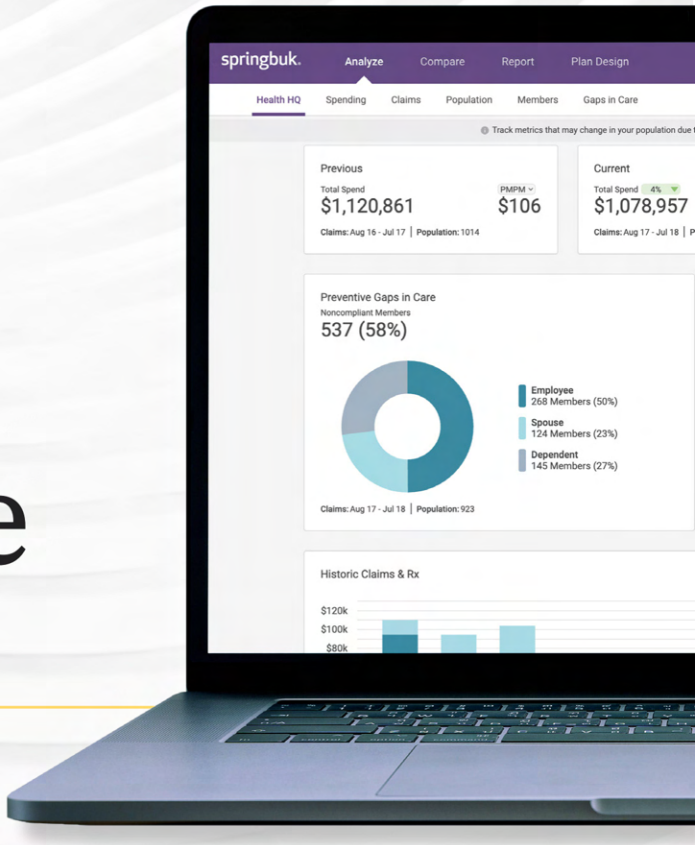
| Life/Vendor | Benefit | Volume/Tier | Lives | Gross Rate | Annual Funding | Monthly EE Portion | Annual EE Portion | EE % | FCC Net Cost | Net Per Capita | Net % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| MEDICAL/RX - PPO | Ded: $2,500/$5,000 | EE Only | 51 | $607.43 | $371,747 | $232.57 | $142,333 | 38.3% | $229,414 | $4,498 | 61.7% |
| UMR/Zurich | Coinsurance: 80/20% | EE/Spouse | 7 | $1,460.65 | $122,695 | $486.50 | $40,866 | 33.3% | $81,828 | $11,690 | 66.7% |
| | OOP: $4,000/$8,000 | EE/Child | 3 | $1,460.65 | $52,583 | $438.53 | $15,787 | 30.0% | $36,796 | $12,265 | 70.0% |
| | OV: Ded. & Co-Ins. | Family | 36 | $1,460.65 | $631,001 | $633.66 | $273,743 | 43.4% | $357,258 | $9,924 | 56.6% |
| | Rx: $15/$30/$45 | **SUB-TOTAL** | **97** | | **$1,178,026** | | **$472,729** | | **$705,297** | **$7,271** | |
| MEDICAL/RX - HDHP | Ded: $5,000/$10,000 | EE Only | 12 | $506.30 | $72,907 | $200.29 | $28,841 | 39.6% | $44,066 | $3,672 | 60.4% |
| UMR/Zurich | Coinsurance: 80/20% | EE/Spouse | 5 | $1,217.47 | $73,048 | $418.95 | $25,137 | 34.4% | $47,911 | $9,582 | 65.6% |
| | OOP: $6,900/$13,800 | EE/Child | 1 | $1,217.47 | $14,610 | $377.65 | $4,532 | 31.0% | $10,078 | $10,078 | 69.0% |
| | OV: Ded. & Co-Ins. | Family | 6 | $1,217.47 | $87,658 | $545.74 | $39,293 | 44.8% | $48,365 | $8,061 | 55.2% |
| | Rx: Ded. & Co-Ins. | **SUB-TOTAL** | **24** | | **$248,223** | | **$97,803** | | **$150,420** | **$6,267** | |
| HSA CONTRIBUTIONS | Annual Funding: $400 / $750 /$1,000 | EE Only | 12 | $400.00 | $4,800 | $0.00 | $0 | 0.0% | $4,800 | $400 | 100.0% |
| Ferguson | | EE + 1 | 6 | $750.00 | $4,500 | $0.00 | $0 | 0.0% | $4,500 | $750 | 100.0% |
| | | Family | 6 | $1,000.00 | $6,000 | $0.00 | $0 | 0.0% | $6,000 | $1,000 | 100.0% |
| | | **SUB-TOTAL** | **24** | | **$15,300** | | **$0** | | **$15,300** | **$638** | |
| **TOTAL HEALTH** | | | **121** | **$992.80** | **$1,441,549** | **$393** | **$570,532** | **39.6%** | **$871,017** | **$7,198** | **60.4%** |
| DENTAL | Ded: $50/$150 (waived preventive) | EE Only | 55 | $22.61 | $14,923 | $10.27 | $6,778 | 45.4% | $8,144 | $148 | 54.6% |
| Superior Dental Care | Coinsurance: 100/80/50% | EE + 1 | 26 | $51.68 | $16,124 | $23.44 | $7,314 | 45.4% | $8,810 | $339 | 54.6% |
| | Annual Max: $1,000 | Family | 41 | $87.96 | $43,276 | $39.91 | $19,636 | 45.4% | $23,641 | $577 | 54.6% |
| | | **SUB-TOTAL** | **122** | | **$74,323** | | **$33,728** | | **$40,595** | **$333** | |
| **TOTAL DENTAL** | | | **122** | **$50.77** | **$74,323** | **$23** | **$33,728** | **45.4%** | **$40,595** | **$333** | **54.6%** |
| VISION | Exam: $10 (12 months) | EE Only | 50 | $6.52 | $3,912 | $2.95 | $1,768 | 45.2% | $2,144 | $43 | 54.8% |
| EyeMed | Lenses: $25 (12 months) | EE + 1 | 27 | $12.38 | $4,011 | $5.63 | $1,825 | 45.5% | $2,186 | $81 | 54.5% |
| | Frames: $130 allowance (12 months) | Family | 39 | $18.18 | $8,508 | $8.23 | $3,853 | 45.3% | $4,655 | $119 | 54.7% |
| | | **SUB-TOTAL** | **116** | | **$16,431** | | **$7,446** | | **$8,985** | **$77** | |
| **TOTAL VISION** | | | **116** | **$11.80** | **$16,431** | **$5** | **$7,446** | **45.3%** | **$8,985** | **$77** | **54.7%** |
| BASIC LIFE/AD&D<br>Hartford | 1.5x Annual Earnings | $19,779,000 | 186 | $0.135 | $32,042 | $0.00 | $0.00 | 0.0% | $32,042 | $172 | 100% |
| SUPP LIFE/AD&D<br>Hartford | Benefits Vary | $5,144,000 | 65 | Varies | $25,681 | $2,140.11 | $25,681 | 100.0% | $0 | $0 | 0.0% |
| **Life & AD&D** | | | **n/a** | **n/a** | **$57,723** | **n/a** | **$25,681** | **44.5%** | **$32,042** | **N/A** | **55.5%** |
| STD<br>Hartford | 70% to $500/week | $69,107<br>(Weekly Benefit) | 139 | $0.740 | $61,367 | $0.00 | $0 | 0.0% | $61,367 | $441 | 100% |
| LTD<br>Hartford | 60% to $5k or $7.5k/month | $962,287<br>(Covered Payroll) | 172 | Varies | $57,735 | $0.00 | $0 | 0.0% | $57,735 | $336 | 100% |
| **TOTAL DISABILITY** | | | **n/a** | **n/a** | **$119,102** | **n/a** | **$0** | **0.0%** | **$119,102** | **N/A** | **100%** |
| **TOTAL PROGRAM** | | | **n/a** | **n/a** | **$1,709,129** | **n/a** | **$637,388** | **37.3%** | **$1,071,741** | **N/A** | **62.7%** |

# APPENDIX 8

# SPRINGBUCK DATA ANALYTICS

# Health Intelligence

A POWERFUL COMBINATION
OF PRODUCT AND PEOPLE




## THE PROBLEM

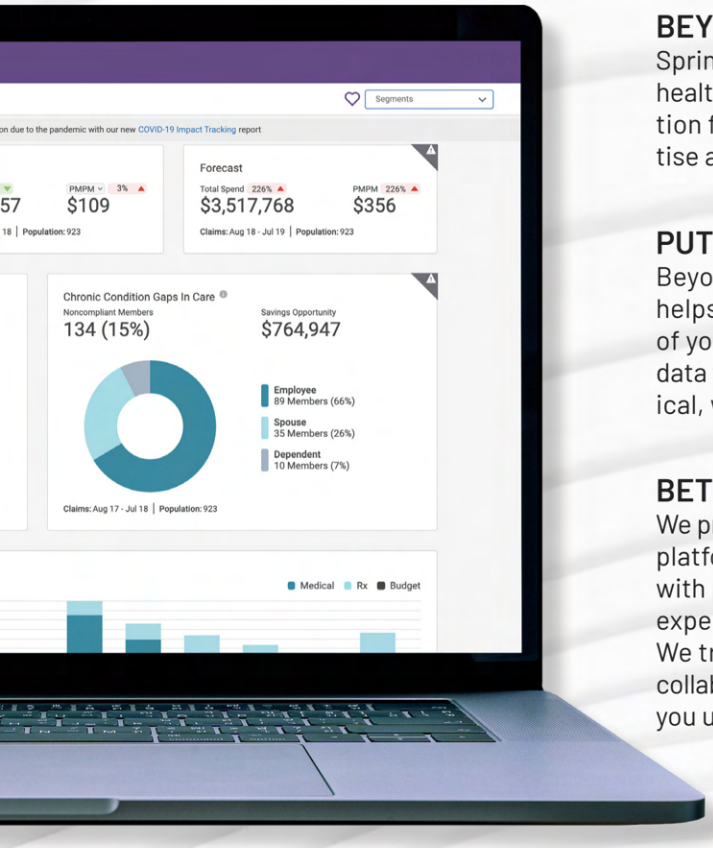
Employers struggle to manage the investment they make in their most valuable resource — their people. For many organizations, this is their largest expense. You don't need more data, you need direction. Traditional data warehousing and analytics solutions don't provide the direction needed to make impactful and meaningful decisions.

## THE SOLUTION

Health intelligence is built on top of a powerful data warehouse and analytics platform to provide the direction you need.

A more intelligent solution.

springbuk.




## BEYOND HEALTH ANALYTICS

Springbuk is pioneering new methodologies that empower better health investment decisions. Our rich insight generation, automation features, and predictive modeling are powered by clinical expertise and the latest in machine learning and AI capabilities.

## PUTTING DATA TO WORK FOR PEOPLE

Beyond traditional data warehousing and analytics, Springbuk helps you unlock the potential of your data and maximize the value of your employee health investments. Securely store and aggregate data from a variety of sources, including medical, prescription, clinical, wellness vendors, biometrics, and beyond.

## BETTER INSIGHTS, BETTER SUPPORT

We pride ourselves on how simple it is to use our health intelligence platform and quickly deliver value. We stand behind our product with people and processes that help ensure your success. Receive expert guidance with setup, data services, and implementation. We train your team with onboarding programs and provide ongoing collaboration with our Analytic and Strategic Consulting team to help you use Springbuk to its fullest potential.

See health intelligence in action.
Request a demo at springbuk.com/request

### Health Intelligence Empowers You to Move...

| FROM | TO |
|---|---|
| Limiting costs | Maximizing your investment in your people |
| Hypothesizing | Receiving direction, not just data |
| Guessing | Knowing and measuring your impact |
| Reactive | Proactive |
| Varied | Consistent and impactful employee experiences |
| Delivering reporting | Delivering strategies |
| Optimizing benefits | Optimizing workforce health investments |
| Selecting a technology vendor | Selecting a consultative technology partner |

springbuk®

# APPENDIX 9

# LICENSES

# State of Ohio
# Department of Insurance

## *MCGOHAN/BRABENDER AGENCY INC*

Is licensed to engage in the business of insurance in the
State of Ohio in the capacity stated below.

License Type : Resident Major Lines
Line(s) of Authority : Accident & Health, Life, Variable

Date of License: April 21, 1987
Expiration Date: September 30, 2024
License Number: 1101
National Producer Number: 2441090

**Mike Dewine, Governor**

*Judith L. French, Director*

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**Ohio Insurance License**
Issued By:
**The Ohio Department of Insurance**

**MCGOHAN/BRABENDER AGENCY INC**
(National Producer No: 2441090)

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*Judith L. French, Director*

MCGOHAN/BRABENDER AGENCY INC
3931 S DIXIE DRIVE
DAYTON, OH 45439

# APPENDIX 10

# CLIENT PERKS

# The MyWave Portal Toolbox

When it comes to meeting all of your compliance and HR needs, we understand the administrative burden businesses like yours face. To stay ahead of legislative deadlines and access timely information on the latest industry trends, organizations of all sizes face an uphill battle without the proper tools. That's where the MyWave® Portal Toolbox can help. This resource helps you fulfill your unique HR and compliance duties. With the applications found in the Toolbox, you can generate total compensation statements in minutes, leverage sample job descriptions and much more. Better still, these low-maintenance solutions are available 24/7, connecting you to services that can streamline your business and make your life that much easier—all with just a click of a button.

### ACA Reporting

Using the Toolbox, you can generate Forms 1094/1095 simply by importing your completed workbooks. You can even print your forms and file with the IRS or distribute to your employees—streamlining ACA compliance in three simple steps.

### COBRA Notices Generator

Satisfying your COBRA notice obligations does not have to be challenging. In three easy steps, create all six required COBRA notices.

### Compliance Notice Builder

Produce custom benefits notices your company, saving hours of time and effort. When laws or corporate circumstances change, simply update the information and generate a new notice instantly. With Compliance Notice Builder, you'll have the notices you need in minutes, plus distribution guidelines.

### Custom Job Description Builder

Job descriptions are such an important tool for your employees, but developing them can be stressful. The Custom Job Description Builder helps you make the most complete job descriptions so your employees can achieve their true potential, which ultimately contributes to the success of your business.

### Employee Cost Calculator

Get a complete picture of the true cost when hiring new employees. From compensation and benefits to recruiting, training, office equipment and other costs, this easy-to-use calculator accounts for those typical expenses you may not necessarily think about when hiring a new employee.

### Federal Poster Advisor

Whether your company is small or large, the U.S. Department of Labor (DOL) requires you to display a number of different posters in the workplace. Identify the required posters by using the Poster Advisor to generate a list of federal laws administered by the DOL, along with links to download printable posters.

McGohan Brabender

# The MyWave Portal Toolbox

### FMLA Advisor
Understand your rights and responsibilities under the federal Family and Medical Leave Act (FMLA). The FMLA Advisor can assist in understanding notice requirements, valid reasons to leave, which employers are required to provide FMLA leave, which employees are eligible to take FMLA leave and more.

### Health Plan Compliance Calendar
Just by answering a few questions about your health care plan, you can generate your own customized compliance calendar. Featuring a rolling list of federal compliance dates, monthly reminders and supplementary resources, you will have everything you need to remain informed, meet upcoming deadlines and generate the applicable notices.

### HR Self-assessment
Analyze your human resource competencies to ensure you are creating an environment for employees to thrive. Employers can assess their HR management practices, employee relations, recruiting process, training and development process, and more. Once a module is completed, explanations will be provided to highlight where improvements can be made.

### Employee Handbook Builder
Create and communicate your organization's HR policies and procedures quickly and conveniently. Generate custom employee handbooks, branded to any organization, by simply answering a few quick questions. State and federal content is available along with the ability to upload any custom content.

### Interview Question Builder
Choose from over 400 pre-developed behavioral interview questions in 49 categories to create a ready-to-use interview guide in just a few minutes. This will ensure that you are asking the right interview questions, as these are key to evaluating whether a candidate has the knowledge, skills and qualities necessary to become a successful employee.

### Multi-state Law Comparison Tool
This tool is a convenient way for you to view and download labor laws in different states. If you have locations in multiple states, you may be concerned about which state labor laws apply to your business. This easy-to-use resource will generate side-by-side charts to compare and contrast state laws.

### Performance Review Builder
Performance reviews are such an important tool for motivating employees and increasing their contributions to your business, but the process can be stressful. This tool generates performance appraisals based on an employee's occupation, which can be customized with ratings and comments to describe performance issues. The customizable action plan will then help the employee improve their performance, so they can achieve their true potential while at the same time contribute to the success of your business.

### Sample Job Descriptions
A well-written job description is one of the main ways to connect qualified applicants to positions at your organization. Using sample job descriptions, you can effectively and accurately highlight an employment opportunity to potential candidates.

**Want more information? Contact us today!**

McGohan Brabender
800-293-2347
www.mcgohanbrabender.com

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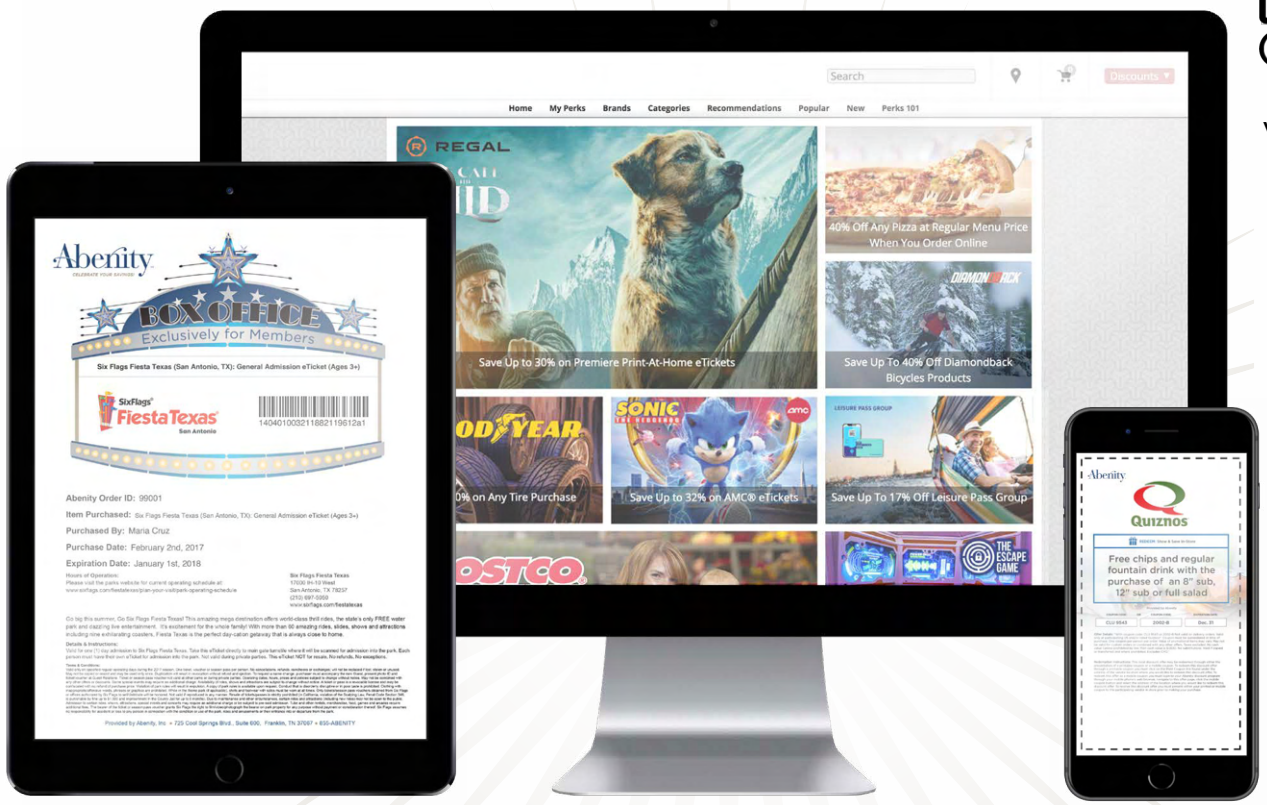


## We've Cut Out the Middleman So Members Save More!

Enjoy private discounts and corporate rates on everything from pizza and the zoo, to movie tickets, oil changes, car rentals, and hotels. With thousands of discounts, $4,500+ in per member savings, and over a million redemption locations, you'll always have a reason to *Celebrate Your Savings!*

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- MOVIE SHOWTIMES
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