

The Hidden Solution



The best solution for out-of-
control costs with SELF-INSURED
MEDICAL PLANS

I promise the subject I am about to explain will be of interest if you are operating a self-insured (or “partial self-insured”) medical plan...

- First, let's understand why **Self-insured Medical Plans** exist in the first place
- Self-insured Medical Plans were originally developed in the 1980s as a way to circumvent insurance company practices of raising your premiums and of their attempts to minimize your employees' benefits



Yet, what has happened to your self-insured medical plan in recent years?

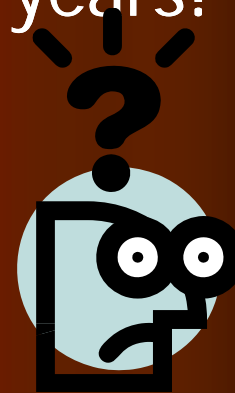
- Stop-loss insurers began to raise aggregate deductibles to *unrealistic levels* leaving employers bewildered by “worse case” scenarios
- Stop-loss insurers also raised the specific excess deductibles to unreasonable levels which created *worrisome cash-flow problems* for employers
- ...and they “laser” every person that may have any potential large claims so you are further exposed financially!

Some employers feel “left out on a limb” with their Self-insured plan



...And what about those rising fixed costs?

- Stop loss insurance premiums have been *rising astronomically* too!
- Your broker's only solution has been to raise the specific deductible each year!
- Many employers have gone from a \$50,000 to a \$100,000 deductible over the past 5 years!

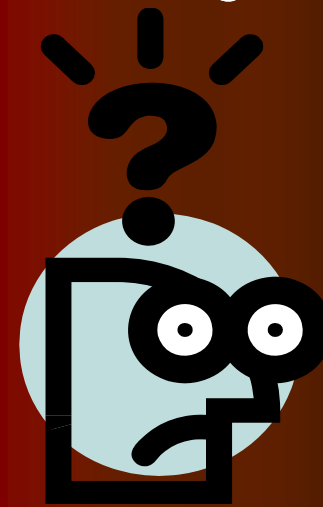


Unhappy Employer

With self-insurance, you usually have to pre-fund a large claim!

- As a self-insured operation, perhaps you have pre-funded a large claim before? These days, a \$500,000 claim is not uncommon.
- You may have to wait up to 3 months to get your money back on the specific excess policy! This is the moment when many employers find out the full meaning of self-insurance!

Late stage cancer \$450,000+
Kidney transplant \$200,000
Heart-lung transplant \$325,000
Quad bypass-complications \$150,000+
Diabetes-severe \$200,000+
Hepatitis-life support \$500,000+
Premature twins \$600,000+



Frustrated Employer

One could wait up to a year to get reimbursed for worse-case scenarios!

- If you have ever pierced your **aggregate deductible** (that's the worse-case scenario), you would know that the stop-loss insurance company conducts an audit
- Often the audit denies claims you thought were "clean"; what money they do pay you back is often delayed up to 1 year after you close the plan year out



Stop-loss insurer



Employer

Now, what if there was a way to:

- ...*Slash* the annual costs of your Self-insured (or “partially self-insured”) medical plan by \$250,000, \$300,000 or even \$500,000 or more? Would you buy it?
- ...and on top of that, what if we could show you the way to *de-leverage* your current **Specific stop-loss deductible** by a factor of 25, and substantially reduce your risk.
- Furthermore, what if I told you we could do these things without sacrificing your employee’s benefits! Would you do it?



...Our *Solution* will lower your risk substantially!

- With a self-insured plan, many mid-size employers are assuming specific excess deductibles of \$80,000, \$90,000 or more! Some now have deductibles well over \$100,000.
- With the EBS Hidden Solution, you can lower your deductible per covered individual to as low as \$4,000 or \$5,000!!!



Example: 2 companies,
each with 300 employees

Employer A is ASO with \$100,000 deductible

Employer B "Solution" with only \$4,000 ded.

■ **Deductibles**

Note: ASO is an acronym for "Self-insured Plan"

Enhanced Benefit Solutions can lower the employer's deductible on each individual (specific) from...

- \$100,000+ down to *only* \$4,000!
- At the same time, your overall costs will most likely be reduced.
- No more lasers! You will rest easier with budgets!
- Now, if your risk is de-leveraged by 25-to-1 and your costs go down in the process... does this begin to look like "a no-brainer?"

Your EBS consultant has all the details! Please call now.



Do you want to see if *the Hidden Solution* can save your company money?

- ...and substantially reduce your risk on each claim?
- To Learn about *The Hidden Solution*, contact:
- Enhanced Benefit Solutions, Inc. at phone 888-820-1051 ext. 222



EBS does not guarantee that our Hidden Solution program will fit every situation. This is not an offer or solicitation.

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