

Group Medical Captive Overview

Agenda

- The Healthcare Dilemma
- The Group Captive
- Supporting Your Members & HR Team
- Driving Access & Savings for Captive Members

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**"I need something to make me feel better.
Can you prescribe a Porsche?"**



**FROM THE X-RAY WE'VE DISCOVERED THAT BILLY
HAS TWO STOMACHS. THIS WOULD EXPLAIN HOW
HE COULD BE FULL FROM DINNER BUT STILL
HAVE ROOM FOR DESSERT.**

Self-Funding – Why Don't More Employers Self-Fund?

Challenge: How do you create the large employer advantage for small and midsize companies?



Self-Funding provides benefits typically enjoyed only by larger employers:

- Cost control
- Claims Driven Solutions
- Scale reduces volatility of large claims



Group Captives can provide stability by spreading risk across its members



Health risk management can reduce short and long-term cost trends



Opportunity to control costs, mitigate risk, and improve member experience

The Group Medical Captive

Group Captive: Mission

A comprehensive health plan, leveraging group purchasing power and shared risk, designed to drive significant savings to your bottom line and help you attract and retain top talent.

- ✓ Drive immediate savings with data driven cost-containment solutions
- ✓ Gain complete control over plan design, full transparency and unrestricted access to claims data and plan costs.
- ✓ Ease the burden on your HR team with designated support just for them.
- ✓ Reinvest the savings to grow your dealership and boost your bottom line
- ✓ Enhance employee recruitment, retention, care and overall experience by adopting a more affordable employee-centric approach with white-glove concierge service.
- ✓ Join other partners to reduce risk and share best practices, ultimately lowering rates and creating a healthier workforce.

What could **a better health plan** mean for your dealership?



Superior savings of 15-30% of current health insurance premium



Stronger margins and bottom line



A competitive advantage in the search for top talent, especially in-demand F&I professionals



Improved enrollment with added member guidance, virtual health and lower premiums



Ability to collaborate with like-minded members



Share the same cost-containment strategies and benefit from cost control



More predictable platform to underwrite risk and stabilize renewals



Flexibility to determine coverage, copays, and deductibles

What could a better health plan mean for your employees?



Lower out-of-pocket costs, deductibles and premiums



Potential for \$0-member out-of-pocket cost on hospital claims



Potential for \$0 copay brand and specialty medication



No in or out-of-network restrictions. Plus, access to unlimited virtual urgent care, primary care and mental health services at no cost

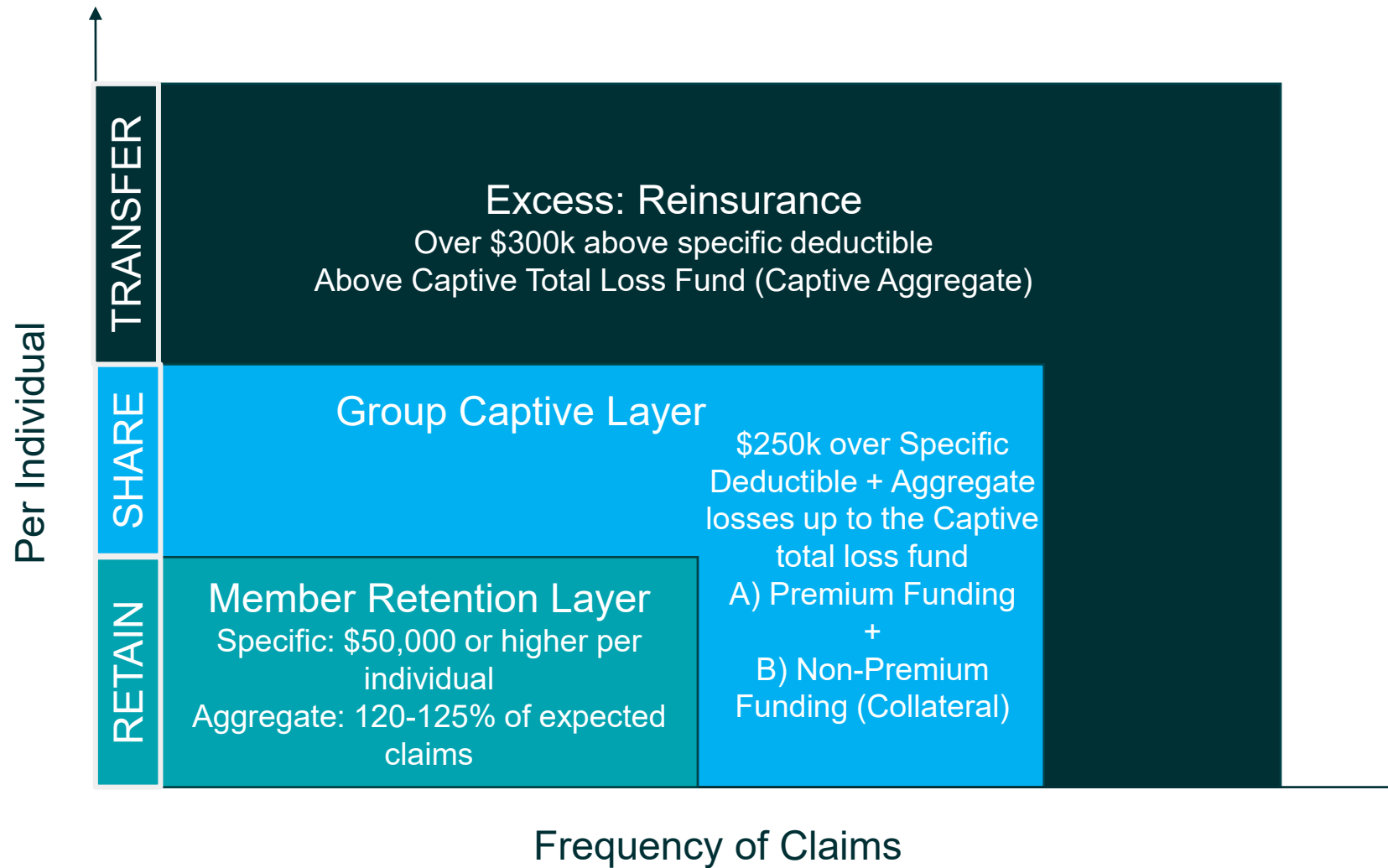
Effectively Utilizing a Captive Solution

Long Term Cost Containment Strategy

- ✓ Stabilized renewals while maintaining free cash flow
- ✓ Robust reporting highlighting the savings achieved through the plan
- ✓ **100% of underwriting profits are returned to renewing participants**



Group Captives: Risk Layer Example



*Sample scenario, will vary by member

Captive Member & HR Support

Support your employees on every step of their healthcare journey.

Our multi-disciplinary member support team can assist with simple requests, like needing a new ID card, to more complex ones, like managing a cancer diagnosis.



One Designated Care Team for Captive Members



360-Degree Member Support

Surrounding members with the support they need to navigate the clutter and chaos of healthcare.



Expert Guidance

Support for finding the right care – utilizing quality, access and cost data – and scheduling appointments.



Clinical Management

Clinician support to promote understanding of and adherence to complex treatment plans.



Billing Support

Personalized assistance with billing questions and more.

Concierge Navigation

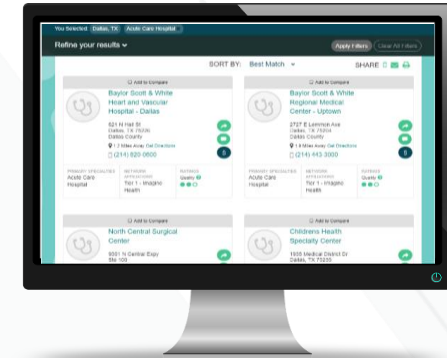
Guiding members to the right care using quality, access, and cost data.



Member calls the concierge team



The concierge team assesses the member's need



The concierge team communicates with current providers, researches provider options and schedules appointments as needed

The process avoids issues and is easy for members thanks to accurate steerage on the front end.

HR Support

Dedicated to supporting HR and ensuring a successful transition.



New Client Onboarding

Dedicated Client Relationship Manager and ONE TEAM approach to implementation

Pre-Open Enrollment

Ensuring HR understands the ins and outs of new plan and support resources available to them

Open Enrollment

Working in lock-step with client's HR team to ensure members are fully educated

Guidance on plan selection (if offering dual option)

Transition of Care

Identification of high-risk members, continuity of care and personalized engagement ensures smooth transition for patients in active treatment

Post OE

Ongoing communication and meetings with HR and broker to ensure alignment, review plan details, and discuss member feedback

Examples Of Delivering Access & Savings for Members

Medical Cost Reduction Example

CT Scan in Tennessee

	Average Billed	Average Cost	Medicare Pays	At a 50% Discount, the PPO Pays	We Pay
Tennessee Hospital A	\$4,360	\$180	\$176	\$1,180	\$211
Tennessee Hospital B	\$4,406	\$155	\$159	\$2,203	\$191
Tennessee Hospital C	\$5,028	\$65	\$136	\$2,514	\$163

Typically, PPO claims are paid on a “discount” off billed charges.

Our plans **use cost plus 12% and Medicare plus 20%** to determine a fair price.

Resulting in **significant savings** versus your standard PPO allowable.



Meet John. He needs a knee replacement.

Annual Salary: \$45,000 | Hourly Wages: \$22/hr. | Individual Deductible: \$5,000

Traditional Health Plan

- John goes to an in-network provider and undergoes surgery for his knee replacement.
- Because he hasn't met his deductible, John will owe up to **\$5,000** and the plan will be responsible for rest of the claims
- The knee replacement is unaffordable for John. On top of John's other living expenses, **it will take months for him to afford his surgery.**

JM&A Group Captive

- John calls the Care Team and goes to a provider and undergoes surgery for his knee replacement.
- After one call with the Care Team to find a high-quality provider, John will owe **\$0** for the entire knee replacement.
- He saved \$5,000 and doesn't need to worry about how to afford his care.

RX Cost Reduction Example

International

	Average US PBM Cost	International Cost Via RX VALET	International Savings %	Member Costs
Eliquis	\$525	\$60	88.6%	\$0
Trulicity	\$945	\$386	59.2%	\$0
Otezla	\$4,397	\$125	97.2%	\$0
Average US PBM Cost equals AWP-18% for Brand Medications		RX VALET International discounts range from 25-95% of US PBM Cost		

RX Cost Reduction Example

PAP

	Average US PBM Cost	PAP Cost Via RX VALET	PAP Savings %	Member Cost
Ozempic	\$872	\$40	95.5%	\$0
Stelara	\$24,820	\$40	99.8%	\$0
Humulin	\$1,148	\$40	96.5%	\$0

Average US PBM Cost equals
AWP-18% for Brand Medications

Prescription Assistance Programs (PAPs) are income-based.
RX VALET prequalifies and files all paperwork to assist in the approval process.

Virtual Care (Telemedicine)

Quality virtual care from board-certified providers, licensed counselors, psychiatrists and care coordinators.

Get care for a range of conditions from board-certified providers, licensed counselors, psychiatrists and care coordinators.

Convenient access to:

- **\$0** Primary Care
- **\$0** Counseling
- **\$0** Psychiatry
- **\$0** Urgent Care*

*Plan is subject to fee-for-service. Plan design is structured to provide no cost care. Members of a qualified HDHP are subject to deductible before \$0 benefits apply.



Your members have access to:

24/7 Urgent Care

**Behavioral + Primary Care Visits
Scheduled to Occur within 72 hours**

**<9 minutes
average urgent care wait time**

92% Member Satisfaction

81 NPS Score

Medicare Guidance for Members

Complete Solution to Help Employees Navigate the Complexities of Medicare



Education

Educational resources for employees approaching age 65 (also caregivers)



Individual Planning

Understanding when and how to enroll in Medicare



HR Support

Resource for everything Medicare

Captive Success Stories

Captive Case Study

How a mid-sized dealership saved BIG by switching from fully-insured to self-funded health benefits

Case Overview:

- Employees: 110 Enrolled (single state)
- Previous Model: Fully insured PPO with national carrier
- Annual Healthcare Spend (before): \$1,349,169
- Challenge: Rapidly rising costs, no transparency, low engagement, no alternative options available

Captive Case Study

The Problem:

- Premiums increases of 15% YoY
- Limited visibility into claims or pricing methodology
- Unsustainable prescription drug costs (67% of Rx spend driven by specialty)
- Lack of preventive screening utilization
- Low employee satisfaction with benefits & costs

Captive Case Study

The Results:

Metric	Before	After	% Change
Monthly Costs (Premium vs. Total Plan)	\$93,093	\$69,576	↓ 25.3%
Average Medical Claims	\$113,296	\$30,961	↓ 72.7%
Average Discount to Medical Charges	60%	81%	↓ 25.6%
Average Pharmacy Claims	\$9,577	\$1,383	↓ 85.6%
Claim Denial Rate	24%	2.5%	↓ 89.6%

Automotive Group Success Stories



\$1.3 Million Saved in Year 1 vs PPO

\$26 Million Saved Since Adoption

Reinvesting the Savings:

- Lower deductibles
- Lower Copays



\$5 Million Saved in Year 1 vs PPO

\$2,778 Saved per employee per year

Free single coverage for employees

Dealership Benefits:

As Florida's fastest-growing dealership, this transformation significantly impacted their growth and acquisition strategies



"Without the free insurance, I wouldn't have gone to the doctor, and I'd probably be dead by 40" – Morgan Auto Employee



25% Savings vs. PPO

\$31 Million Saved Since Adoption

12 years of success with RBP

Reinvesting the Savings:

- Positively impacted dealership growth and acquisitions
- Stabilization of savings and employee benefits

Group Medical Captive

EXPLORE A CAPTIVE TODAY TO REALIZE IMMEDIATE BENEFITS:



- ✓ The ability to collaborate with like-minded members.
- ✓ More predictable platform to underwrite risk and more stable renewals.
- ✓ Flexibility in determining coverage, copays, and deductibles.
- ✓ The ability to better address large health claim events.
- ✓ Historical and transparent claims data, allowing for better planning around renewal time.

Thank you!

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