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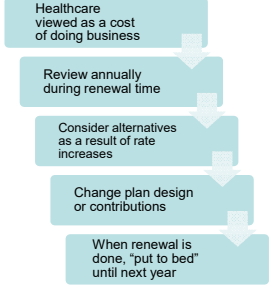
The Benefits Blueprint: Managing Your Benefit Program's Value



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Old Model



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New Way of Thinking



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Your benefits matter.

In a study conducted by Deloitte, of the participants who reported having employer-sponsored health coverage, 64% stated that *"the coverage they have is very important and is a major reason why they've stayed with their current employer."*

That said, on 49% stated that they are **"satisfied"** with the health plan offered (at least 8 on a scale of 10)


And **only 38%** reported that they **"get value for the money spent"** on premium."

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**You and your employees deserve certain outcomes.
Key Performance Indicators (KPI's)**


1. Employees appreciate the value of your employee benefits
2. Employees are engaged and educated in their role as healthcare consumers
3. Employees are supported before, during and after the claims process
4. Cost containment achieved through innovative plan design and alternative funding strategies
5. Compliance risk is minimized related to federal and state requirements enforced by DOL, HHS and IRS; Not limited to ACA
6. Practice's burden is reduced through efficient administrative procedures
7. Benefits decisions are guided by a forward looking multi-year plan

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Our Goal for Today

To help you measure your **effectiveness** at each **Key Performance Indicator (KPI)**, and to determine if you're maximizing the return on your employee benefit dollars.

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Cost-Control

Circumstances beyond our control are forcing us to shift a growing amount of benefit program costs to employees.

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10

DISAGREE ← → AGREE


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Cost-Control

Defined: Your ability to understand and utilize all of the cost-containment measures at your disposal.

- Tell us all the ways you have attempted to contain your costs.
- What strategies have you decided against?
- When do you start your renewal process? Would starting earlier have a positive impact?
- What types of data/measurements do you use to monitor progress?
- What actuarial tools do you have access to?
- What impact do you feel the age of your population has on cost?
- What preventative strategies have you used to improve the overall health of your employees?

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What's in your Cost-Control Toolbox?

<p>Plan Design</p> <ul style="list-style-type: none"> Account Based Plans (HSA, HRA) Value-Based Design <p>Health Care Delivery</p> <ul style="list-style-type: none"> ACOs / High-Performance Networks Telemedicine Personal Advocates / Benefits Concierge Transparency Tools <p>Eligibility and Cost Sharing</p> <ul style="list-style-type: none"> Dependents / Spousal Exclusion Smoking Surcharge Spousal Surcharge Defined-Contribution Model 	<p>Wellness</p> <ul style="list-style-type: none"> Holistic Approach Engagement and Incentives On-Site Clinics Outcome Based Health Plans Contests / Challenges <p>Financing</p> <ul style="list-style-type: none"> Self-Insurance Private Captive Level-Funded R(x) Coalition
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Why Self-Insurance?

A fully insured plan's fixed premium is like paying for cable....



...it doesn't matter how many hours you watch, you still pay the same bill each month!

A self-funded plan works more like your electric bill...



...there will inevitably be costs, but some are controllable, like how efficiently you use lights or A/C!

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	Fully-Insured	Self-Funded
Cash Flow	Level monthly expenses; Fixed budget (group size adjustments)	Irregular monthly expenses; Funding demand varies (a single claimant can impact cash flow)
Claims	Considered retrospectively as incurred; Company pays premium only which may or may not be financially beneficial when compared to the actual claims incurred; IBNR claims are carrier expense if terminating the plan	Expensed on a paid basis (when paid to provider); IBNR claims held by employer; May avoid assessments and premium taxes; Stop-loss may require "fronting" the expense; choice of TPA to administer
Rates	Less transparency; Community melding may benefit the employer; Pooling limit typically not negotiable; Subject to premium taxes, assessments, reserves and profit	Transparency of plan costs with tracking and reporting; Choice of stop loss; Lower fixed costs possible (less risk of "over paying")

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Benefit Administration

Our annual renewal process is reactive and causes anxiety, confusion and frustration

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10

Our systems, processes and technology are not integrated, automated or scalable

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10

DISAGREE ← → AGREE

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System, Process and Technology

Defined: Your ability to streamline efficiencies so you can focus on your core business goals.

Do you feel that you currently leverage technology well for:

- Enrollment?
- Communication/Education?
- HRIS?
- Payroll?
- Compliance?
- Advocacy?


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System, Process and Technology

Growing interest in benefits technology

Employee Benefit News' second annual technology survey indicates that **38% of respondents plan to increase their spending on employee benefits technology over the next year**, with 44% having already increased their spending from 2014 to 2015. Much of that spending is directed toward new employee portals and front-end systems to better integrate and utilize various benefits functionalities (health, retirement, voluntary benefits, etc.).


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Technology

- Streamline enrollment and administrative process
- Manage all benefits in one place
- Paperless – paper forms and files are replaced by centralized HR platform and employee portal that's always up-to-date
- Accessible – will allow HR and employees to find the information they need without having to call for support

Benefits for HR	Benefits for Employees
<ul style="list-style-type: none"> • Improved communication • Instant access to data • Streamlined benefit shopping experience • Employee engagement • <i>Keep your current payroll vendor!</i> 	<ul style="list-style-type: none"> • Easy access to HR information • Intuitive benefit enrollment • Paperless on-boarding • Employee self-service

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Education & Engagement

The presentation, communication and education around our benefits does not motivate and engage our employees

1 2 3 4 5 6 7 8 9 10

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Education & Engagement

Defined: Your ability to educate employees on their role in keeping healthcare costs down.

- How do you currently educate and engage your employees?
- What type of things do you educate them on?
- What tools or programs are you offering?
- How do you educate during open enrollment?
- What about onboarding for new hires?

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What's in your Education Toolbox?

<p>Decision Support</p> <ul style="list-style-type: none"> • Alex™ - Virtual Benefits Counselor • Milliman Financial Tool <p>Communication</p> <ul style="list-style-type: none"> • Custom Benefits • "Know Your Benefits" Newsletter • Employee Survey • Total Compensation Statements • Recorded Benefit Webinars • Face-to-Face Open Enrollment Meetings • Videos 	<p>Advocacy</p> <ul style="list-style-type: none"> • Benefit Concierge • Account Executive / Client Advocate <p>Wellbeing / Accessing Care</p> <ul style="list-style-type: none"> • Telemedicine • Transparency Tools (Healthcare Cost Estimator) • GoodRx • "Live Well, Work Well" Newsletter <p>Benchmarking</p> <ul style="list-style-type: none"> • GCG Veterinary Survey
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What is a Benefits Concierge?

<p>Guidance When Feeling Sick</p> <ul style="list-style-type: none"> • 24/7 access to clinical support from a Zest RN • Online symptom checker and clinical library • Price transparency for direction to optional care centers • Evaluation for suitability of telemedicine visit and warm handoff when appropriate 	<p>Convenient Scheduling for Visits</p> <ul style="list-style-type: none"> • Concierge scheduling at convenient times and locations • Quick turn-around times – typically in under 20 minutes • Automatic appointment reminders and dynamic integration with calendars • Telemedicine access for all simple, acute conditions
<p>Assistance Understanding Health Benefits</p> <ul style="list-style-type: none"> • Concise explanation of covered benefits • Clear understanding of costs and the member's financial responsibility • Real time tracking of claims and accumulators 	<p>Help with Bills</p> <ul style="list-style-type: none"> • Assistance understanding & negotiating medical bills • Education from nurses on expectations, preparation and out-of-pocket cost exposure • Assistance finding low cost reduction alternatives

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Build a "Brand" for your benefit program.


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Why this matters...

"Millennials are set to be the largest generation in the workforce."


- The workforce of the future expects technology and automation
- In-person open enrollment meetings and paper enrollment forms just aren't going to cut it


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Value Perception

Our employees do not understand and fully appreciate the value of the benefits we provide




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Value Perception

Defined: Your ability to effectively keep the value perception of your benefits at a high level. A low opinion of your benefits is the equivalent of burning money!

- To what degree do you feel the value of your benefits impacts your employer brand?
- If the "dream team" candidate asked why they should come to work in your practice, what would you tell them about your benefits?
- What type of benchmarking have you done?


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Employee Benefit Plan Perception

	Above average healthcare benefits	Below average healthcare benefits
With Effective Communication	83.6%	76.2%
Without Effective Communication	25.7%	22.1%

*According to Towers Watson survey of employers

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Compliance & Benefit Administration

Providing benefits has become increasingly complicated and unmanageable. 1 2 3 4 5 6 7 8 9 10

Providing benefits is a growing liability we wish would just go away. 1 2 3 4 5 6 7 8 9 10

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Compliance & Admin.

Defined: Your ability to minimize/eliminate compliance administration and risk.

- How do you access legislative updates?
- How often do you perform compliance audits?
- How often do you engage your labor attorney?

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What's in your Compliance & Admin. Toolbox?

GCG Smart Compliance

- Compliance Report Card
- COBRA Outsourcing
- FMLA Outsourcing
- GCG Directed Annual Notices
- GCG ERISAedge
- Access to Compliance Directors
- Compliance Calendar
- My Vault™ Document Storage

HR Support

- ThinkHR™

Affordable Care Act

- ACA Impact Analysis
- Cadillac Tax Evaluation

Process

- Benefits Blueprint
- Client Service Calendar
- 120-Day Renewal Process

Technology

- Benefit Technology Resources (BTR) Team

Vendor Management

- Billing and Administrative Assistance
- Contract and Certificate Review

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Compliance Calendar

2016 GCG Annual Compliance Calendar

Month	Key Dates
JAN	<ul style="list-style-type: none"> • ACA Transitional Reinsurance Fee
FEB	<ul style="list-style-type: none"> • ERISA 408(a)
MAR	<ul style="list-style-type: none"> • ERISA 408(a) - Reporting of Full-Time Employees
APR	<ul style="list-style-type: none"> • ERISA 408(a) - Reporting of Full-Time Employees
MAY	<ul style="list-style-type: none"> • ERISA 408(a) - Reporting of Full-Time Employees
JUN	<ul style="list-style-type: none"> • ERISA 408(a) - Reporting of Full-Time Employees

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Have a plan.	
	Q1 Q2 Q3 Q4
2015	<p>✘</p> <p>✘</p> <ul style="list-style-type: none"> • Consultant Selection • Pre-Renewal Planning Meeting • Introduce Benefits Counselor • Benefit Benchmark Survey Review • Open Enrollment • DE Communications Prepared • Market Analysis and Renewal Meeting • Carrier & Plan Selections Finalized • Determine Cost Containment Strategies / ACA Impact Analysis <ul style="list-style-type: none"> • Employee HR web portal created • Online enrollment and admin. vendor selected / implementation • Transparency tool launch
2016	<ul style="list-style-type: none"> • Wellness Initiative Strategy Development • Total Compensation Statements Prepared • Participate in Benchmark Survey • Annual Notices prepared <ul style="list-style-type: none"> • Review & Measure Progress • Plan 2016 DE Strategy • Contribution Strategy Review • Pre-Renewal Planning Meeting <ul style="list-style-type: none"> • Open Enrollment • DE Communications Prepared • Market Analysis and Renewal Meeting • Carrier & Plan Selections Finalized <ul style="list-style-type: none"> • KPI evaluation • Update Strategic Plan
2017	<ul style="list-style-type: none"> • Review Risk Factors • Update Health & Welfare Compliance Checklist • Total Compensation Statements Prepared • Participate in Benchmark Survey • Annual Notices prepared <ul style="list-style-type: none"> • Review & Measure Progress • Plan 2017 DE Strategy • Contribution Strategy Review • Pre-Renewal Planning Meeting <ul style="list-style-type: none"> • Open Enrollment • DE Communications Prepared • Market Analysis and Renewal Meeting • Carrier & Plan Selections Finalized <ul style="list-style-type: none"> • KPI evaluation • Update Strategic Plan

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Ask yourself...

1. When thinking about your current benefit program, what are your greatest concerns?
2. What do you like most about your current benefit program?
3. What do you wish was different about your program?
4. Are there benefits you're not offering today that you wish you were?
5. If applicable, what's keeping you from offering the benefits listed in Question 4?

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Can your employees answer these questions?

1. What coverage is available and which is best for me?
2. How much will it cost me?
3. Why is it important for me to use my benefits in the most effective way?
4. Where can I access information?
5. Who can help me if I have questions?

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The Next Step

Develop strategies to help you achieve each desired outcome and improve your performance at each Key Performance Indicator (KPI).

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