



Solutions Package

May 10, 2018

Executive Overview - KBA

Key Benefit Administrators (KBA) was founded in 1979 as a full-service group benefits administration firm specializing in self-funded medical plans.

Since that time, KBA has grown to become one of the country's largest independently-owned third party administrators, supporting a wide variety of group benefit plans.

KBA is a member of the Key Family of Companies which has two major locations: Indianapolis, IN, and Ft. Mill, SC.

The Key Family is a commonly-held group of benefits-related organizations with over 600 employees, over 3,000 corporate customers, and more than 2.5 million members under management.

We are committed to upholding four key principles . . .





Solutions Package Headline

**First Ever Developed Healthcare Benefit Package
Which Directly Increases the Success and Growth
of Vensure and Vensure Division Partners While
Providing Totally Consolidated Service Under One
Roof!**

Vensure SMART Plan Benefit Design Principles

1. Provide competitive rates
2. Provide big company benefits regardless of client size
3. Do all things necessary to stabilize rates
4. Application of patented, proven population management techniques making this model unique
5. Must include individualized coaching and healthcare purchasing decision making assistance
6. Must reduce covered members' financial barriers to entry into the healthcare system
7. Must wisely utilize all applicable sections of the tax code

Vensure SMART Plan Benefit Design Principles, cont.

8. Find dollars for employees to customize their benefits
9. Flexibility and careful attention needs to be given to the Vensure enrollment system and payroll processing
10. **S**ynchronized professional communications
11. Continuously **M**anage the healthcare index of the covered population (Medical and Workers Compensation)
12. Must **A**ctivate employer and employee engagement relative to healthier lifestyle
13. Must have clear and provable **R**esults
14. Never lose sight of the **T**argeted purpose

The Status of Current Government Regulations for Group Medical

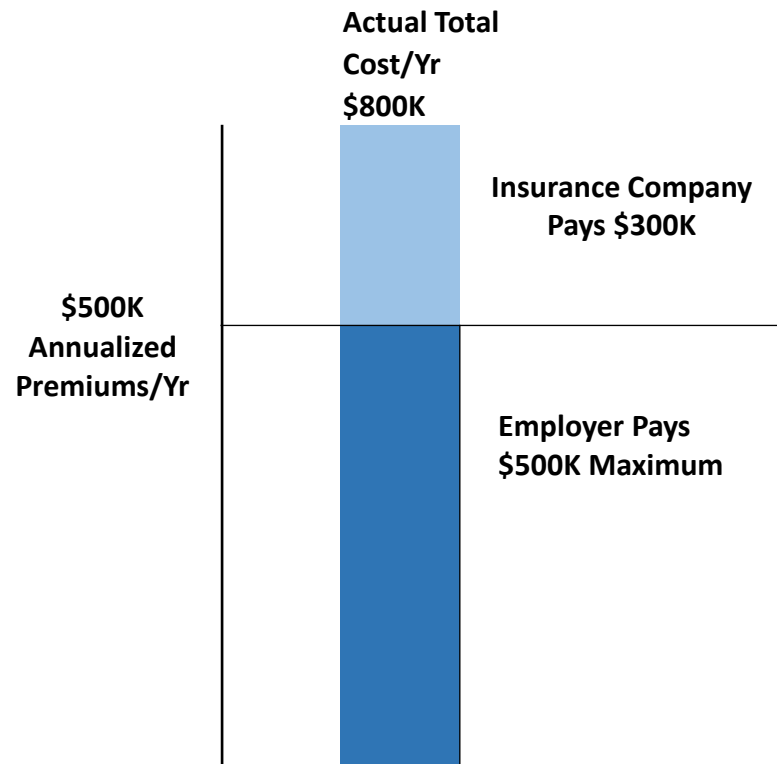
- Fully Insured – Guarantee Issue – No Underwriting – Community Rated
- Level Funded – Groups can be underwritten / with or without offer
- Exchanges – Pooled Guaranteed Issue – No Underwriting – Community Rated
- PEO / MEWA for Self Funding – this is actually an advantage

Self - Insured

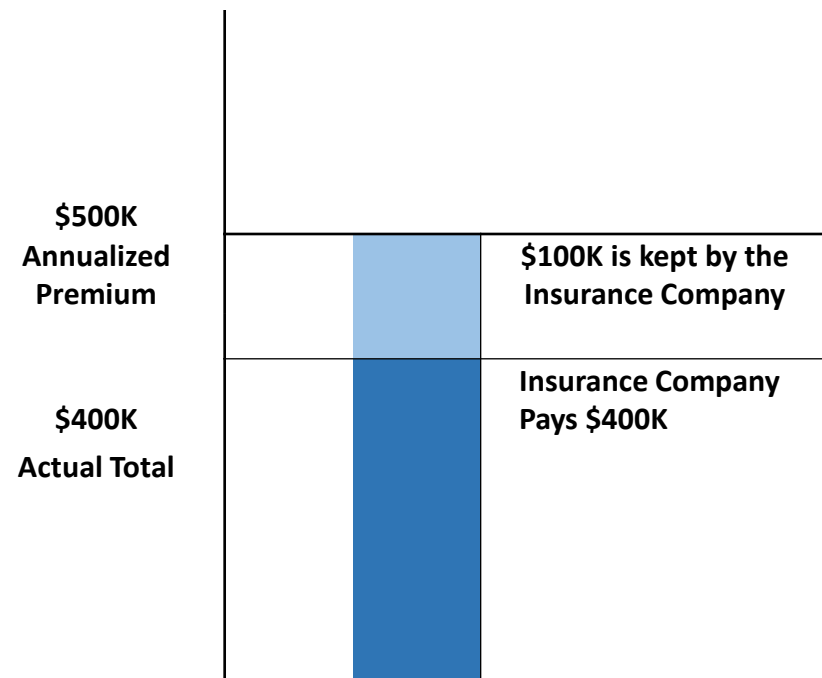


- Actual potential cost to the employer is unlimited since self-insured plans do not include stop loss insurance

Fully Insured Plans

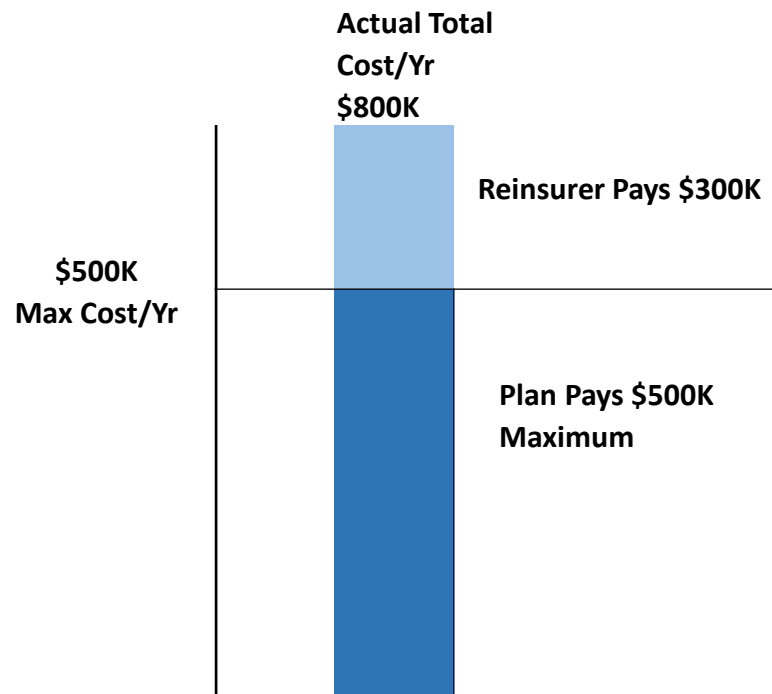


- Fully Insured Maximum Cost
- Surplus of \$0 – available to Employer

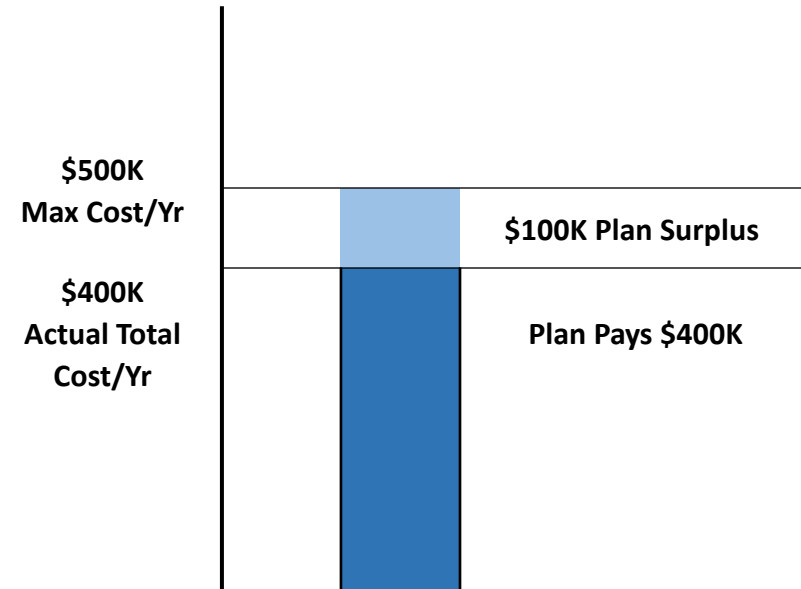


- Fully Insured Maximum Cost
- Surplus of \$0 - available to Employer

Vensure SMART Plan Level Funded



- Level Funded Maximum Cost
- Surplus -\$0 – but the Plan Sponsor owes no more than the guaranteed maximum cost



- Level Funded Maximum Cost
- Surplus of \$100K Paid to Plan Sponsor

Note: 12/18 Stop Loss Contracts and Plan provisions manage the ultimate claim liability

Vensure SMART Plan Pools

- Level Funded Pool (35,000)
- Fully Insured Pool (21,000)
- KeySolution Pool (14,000)
- Proactive Health Management Plan Shared Savings Pool (42,000)

Assumptions:

Enrollment Breakdown (assumes 70% enrollment of 100,000 total PEO employees)

Level Funded (50% assumption)	$(100,000 \times 70\% \times 50\%) = 35,000$
Fully Insured (30% assumption)	$(100,000 \times 70\% \times 30\%) = 21,000$
KeySolution (20% assumption)	$(100,000 \times 70\% \times 20\%) = 14,000$
PHMP (60% assumption)	$(100,000 \times 70\% \times 60\%) = 42,000$

Vensure SMART Plan Benefit Solutions Package Components

1. Major Medical

Individual Deductibles (PPO) In-network/ out of network	
\$ 500	\$ 1,500
\$ 750	\$ 2,250
\$ 1,000	\$ 3,000
\$ 1,500	\$ 4,500
\$ 2,000	\$ 6,000
\$ 2,500	\$ 7,500
\$ 3,000	\$ 9,000
\$ 3,500	\$ 10,500
\$ 4,000	\$ 12,000
\$ 4,500	\$ 13,500
\$ 5,000	\$ 15,000
\$ 5,500	\$ 16,500
\$ 6,000	\$ 18,000
\$ 6,500	\$ 19,500
\$ 7,000	\$ 21,000
\$ 7,350	\$ 22,050

Individual Deductibles (HSA) in-network/ out of network	
\$ 1,500	\$ 4,500
\$ 2,000	\$ 6,000
\$ 2,500	\$ 7,500
\$ 3,000	\$ 9,000
\$ 4,000	\$ 12,000
\$ 5,000	\$ 15,000
\$ 6,000	\$ 18,000
Coinsurance Options (in-network / out of network)	
90%	70%
80%	60%
70%	50%
60%	40%

Must have at least a 20% differential
between in and out of network

Individual in-network OOP
\$ 4,000
\$ 4,500
\$ 5,000
\$ 6,000
\$ 6,500
\$ 7,000
\$ 7,350

Prescription Drug Benefit Choices		
Deductible Option - \$150		
Retail Service Co-Pay		
Generic	Preferred Brand	NonPreferred Brand
\$10	\$30	\$50
\$20	\$40	\$60
\$25	\$45	\$90
Mail Service Co-Pay		
Generic	Preferred Brand	NonPreferred Brand
\$25	\$65	\$150
\$40	\$100	\$150
Family Deductible and Co-Insurance Limit		
Two times Subject to 2018		
ACA Maximums		
Lifetime Maximums		
Unlimited		
Physician Office Visit/ Specialist Visit		
\$25 / \$40		
\$35 / \$50		
Deductible/ Co Insurance		
Wellness		
Paid @ 100% - no co pay, no deductible, no annual limit		

Vensure SMART Plan Medical Benefits



KEY BENEFIT ADMINISTRATORS

**Key Healthy Partners
Level Funded Program**

Reducing Costs and Holding Them Steady While Employees Get Healthy



5M Program Highlights

- Shelters employers from the excise tax penalties
- Provides "substantial" inpatient and physician benefits therefore complying with the new regulations
- Features **no** participation requirements for the MVP
- Quoted price for the MVP is firm up front regardless of enrollment results
- Low cost to employees
- Benefit structures provide truly meaningful benefits to participants
- Provides a variety of price points to fit various family budgets
- Features new creative risk taking techniques
- The MVP is a "standard" plan therefore not challengeable by the IRS
- Incorporates personal benefit counseling for MVP participants
- All at a surprisingly affordable cost to employers

The Keysolution 5M Program is the intelligent way to effectively balance the excise tax exposure for employers and employees, benefits, and the cost of those benefits.



Stop Loss Insurance provided by A+ Best Rated Companion Life | Managed by RGI, LLC
Administered by Key Benefit Administrators, Inc.

Vensure SMART Plan Supplemental Benefits

KEY GROUP DENTAL INSURANCE



**KEY GROUP
DENTAL INSURANCE**
BENEFITS FOR EMPLOYEES THAT BENEFIT EMPLOYERS

Underwritten by Companion Life Insurance Company
Administered by Key Benefit Administrators

KEY GROUP VISION INSURANCE



**KEY GROUP
VISION INSURANCE**
BENEFITS FOR EMPLOYEES THAT BENEFIT EMPLOYERS

Underwritten by Companion Life Insurance Company
Administered by Key Benefit Administrators

Vensure SMART Plan Supplemental Benefits



KEY GROUP LIFE INSURANCE

**KEY GROUP LIFE
INSURANCE PRODUCTS**
BENEFITS FOR EMPLOYEES THAT BENEFIT EMPLOYERS

Underwritten by Companion Life Insurance Company
Administered by Key Benefit Administrators




KEY GROUP SHORT TERM DISABILITY INSURANCE

**KEY GROUP SHORT TERM
DISABILITY INSURANCE**
BENEFITS FOR EMPLOYEES THAT BENEFIT EMPLOYERS

Underwritten by Companion Life Insurance Company
Administered by Key Benefit Administrators



Vensure SMART Plan Supplemental Benefits



KEY GROUP CRITICAL ILLNESS INSURANCE

**KEY GROUP
CRITICAL ILLNESS INSURANCE**
BENEFITS FOR EMPLOYEES THAT BENEFIT EMPLOYERS

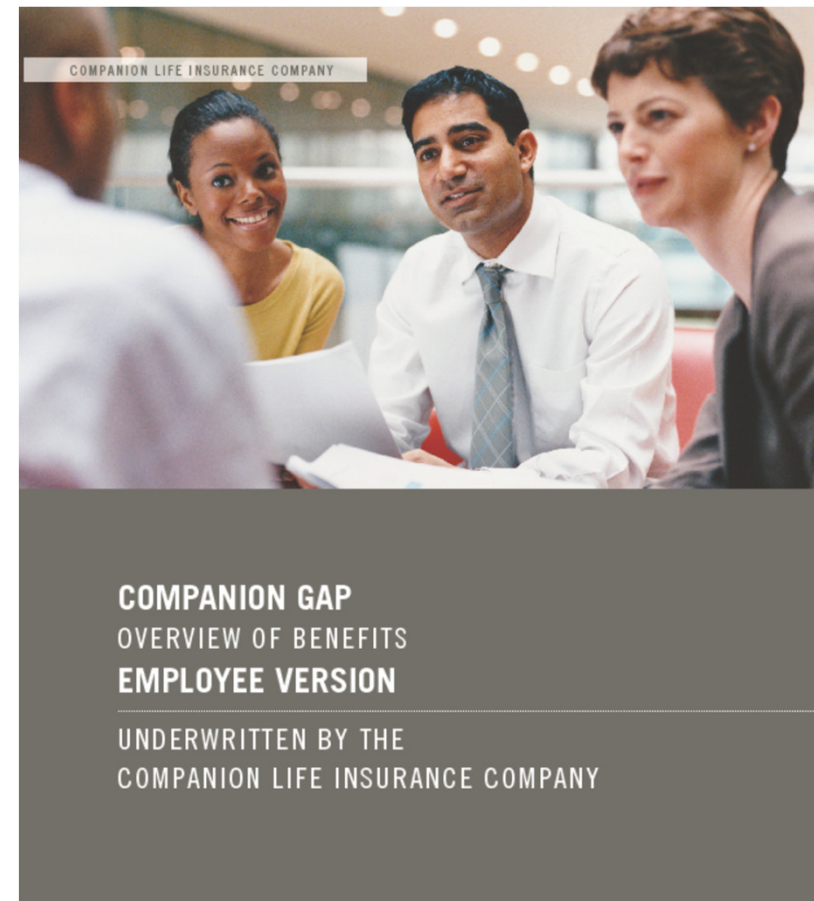
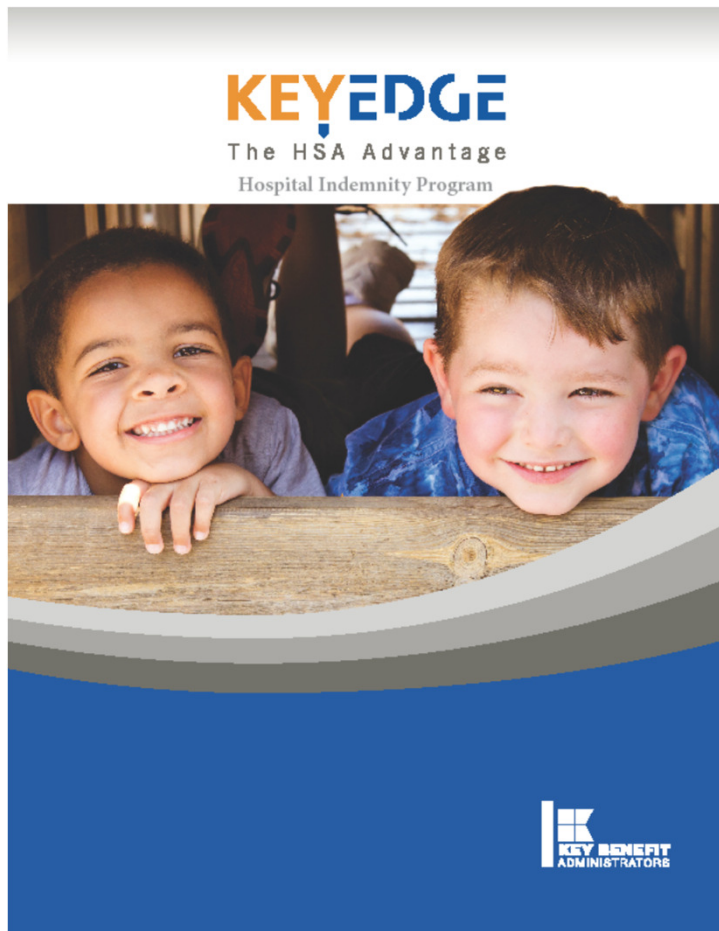
Underwritten by Companion Life Insurance Company
Administered by Key Benefit Administrators



KEY GROUP ACCIDENT

**KEY GROUP
ACCIDENT INSURANCE**
BENEFITS FOR EMPLOYEES THAT BENEFIT EMPLOYERS

Vensure SMART Plan Supplemental Benefits



Vensure SMART Plan Supplemental Benefits

KEY GROUP LONG TERM DISABILITY



Avoid the wait.

Your life is 24/7. Now your doctor is too.

Activate MDLIVE today.

Consult with a board-certified doctor by phone, secure video, or MDLIVE App—anytime, from anywhere

Average wait time is less than 10 minutes

Non-emergency conditions we treat:

- Acne
- Allergies
- Cold / Flu
- Constipation
- Cough
- Diarrhea
- Ear problems
- Fever
- Headache
- Insect bites
- Nausea / Vomiting
- Pink eye
- Rash
- Respiratory problems
- Sore throats
- Urinary problems / UTI
- Vaginitis
- And more

e-prescriptions can be sent to your local pharmacy (if needed).

Don't procrastinate.
ACTIVATE!

MDLIVE.com/
+1

Download the MDLIVE App

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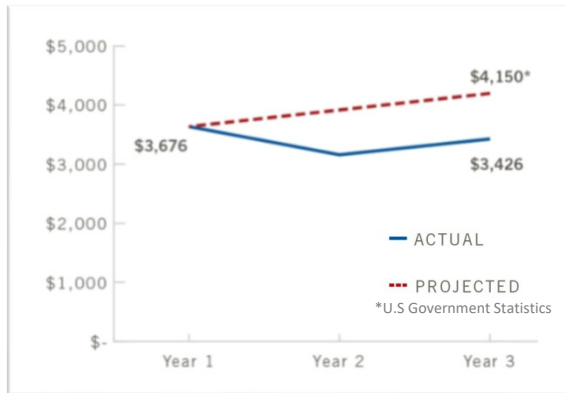
Vensure SMART Plan Benefit Solutions Package Components, cont.

2. Supplemental

- a. Dental
- b. Vision
- c. Short Term Disability
- d. Life
- e. Critical Illness
- f. Accident
- g. Hospital Indemnity
- h. GAP
- i. Long Term Disability
- j. Telemedicine

What Happens When You Manage Risk

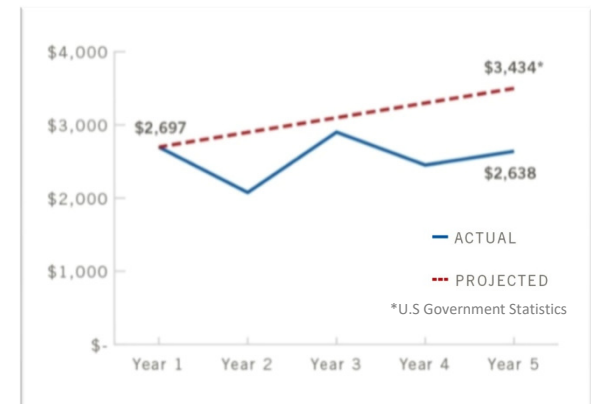
Company 1: Three Year Medical and Rx Trend Analysis PMPY Claims Only



Company 1 is a global engineering consulting firm headquartered in Indiana with 687 members. Since joining the program, Company 1 has been on a consistently favorable financial path and is currently **21% below trend**.

*Mercer and Towers Watson Survey data

Company 2: Five Year Medical and Rx Trend Analysis PMPY Claims Only

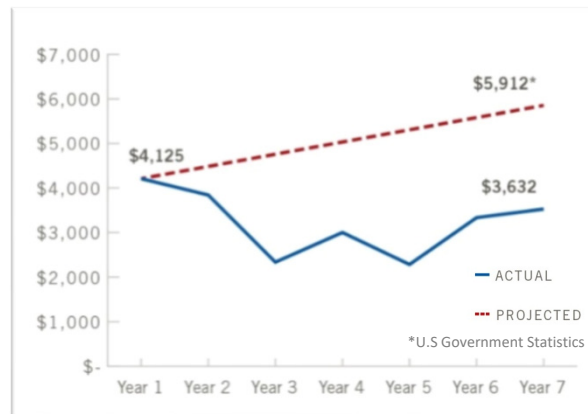


Company 2 specializes in transport refrigeration with 198 members. Since joining the program, Company 2 has been on a consistently favorable financial path and are currently **30% below trend**.

*Mercer and Towers Watson Survey data

Company 3: Seven Year Medical and Rx Trend Analysis PMPY Claims Only

Company 3 is a nonprofit organization located in North Carolina with 784 members. Since joining the program, Company 3 has been on a consistently favorable financial path and is currently **39% below trend**. Company 3 has not only used AHD's Population Health Management, but also the program's patent pending Controlled Healthcare Budget, and Flex program to help control their healthcare costs.



*Mercer and Towers Watson Survey data

Vensure SMART Plan Benefit Solutions Package Components, cont.

3. Chronic Disease Management (Blue Lines)
4. Proactive Health Management Plan (PHMP)
5. [Price Transparency Tools](#)
6. [Diabetic Management](#)
7. Telemedicine
[Standard](#)
[Behavioral Health](#)
8. GEO Fencing

Vensure SMART Plan Benefit Solutions Package Components, cont.

- 9. RX Pricing Tool
- 10. KeySolution (MEC etc.)
- 11. Executive Carve Outs
- 12. Flex 125 Administration
- 13. HSA Administration
- 14. Controlled Healthcare Budget (CHB)

Vensure SMART Plan Benefit Solutions Package

Controlled Healthcare Budget TM

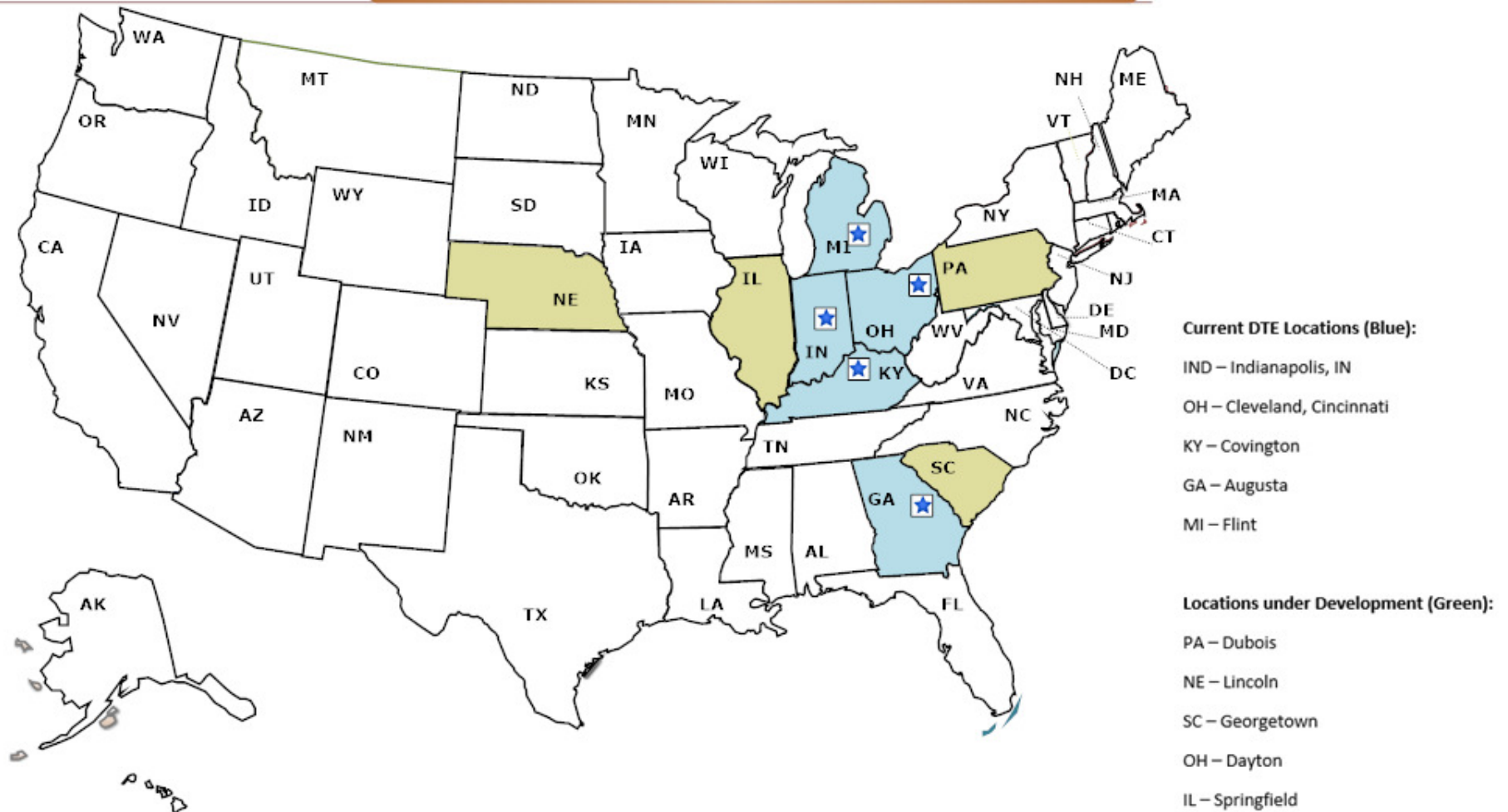
	Current Plan	Proposed Year 1 KBA	Proposed Year 2 KBA	Proposed Year 3 KBA
Deductible (Single)	\$2,500	\$2,500	\$3,000	\$3,500
Coinsurance %	90%	80%	80%	70%
Max Coinsurance Level	\$10,000	\$10,000	\$15,000	\$15,000
Max Employee Coinsurance O.O.P.	\$1,000	\$2,000	\$3,000	\$4,500
Total Single O.O.P. Maximum	\$3,500	\$4,500	\$6,000	\$8,000
Total Family O.O.P. Maximum	\$7,000	\$9,000	\$12,000	\$16,000
Inpatient Copay	\$0	\$0	\$0	\$0
<i>Companion Gap</i>				
Inpatient Benefit - Single	\$0	\$2,000	\$3,000	\$4,000
Outpatient Benefit - Single	\$0	\$1,000	\$1,500	\$2,000
Family Benefit	\$0	\$9,000	\$13,500	\$18,000
Net Employee Out Of Pocket Maximum*				
Single	\$3,500	\$1,500	\$1,500	\$2,000
Family	\$3,500	\$1,500	\$1,500	\$2,000
Annual Maximum Cost	\$800,000	\$713,294	\$713,362	\$713,429

* Reflects full utilization of Gap Insurance inpatient & outpatient benefit

Vensure SMART Plan Unique Marketing Areas

USA REGIONS

Current and Future Direct to Employer Locations



Quarterbacked Benefit Management

- KBA Capabilities
 1. Underwriting Skills
 2. Reinsurance Relationships
 3. Benefit Design Creativity
 4. Coordinated Billing & Eligibility Functions with Vensure
 5. Claims Paying Services
 6. Customer Service
 7. Bordereau Reporting

Quarterbacked Benefit Management, cont.

8. Sophisticated Data Mining
9. Chronic Disease Management Services
10. Proactive Health Management Plan Services
11. National & Local PPO's
12. Supplemental Product Administration
13. General Agency Capabilities
14. Client Service Under One Roof

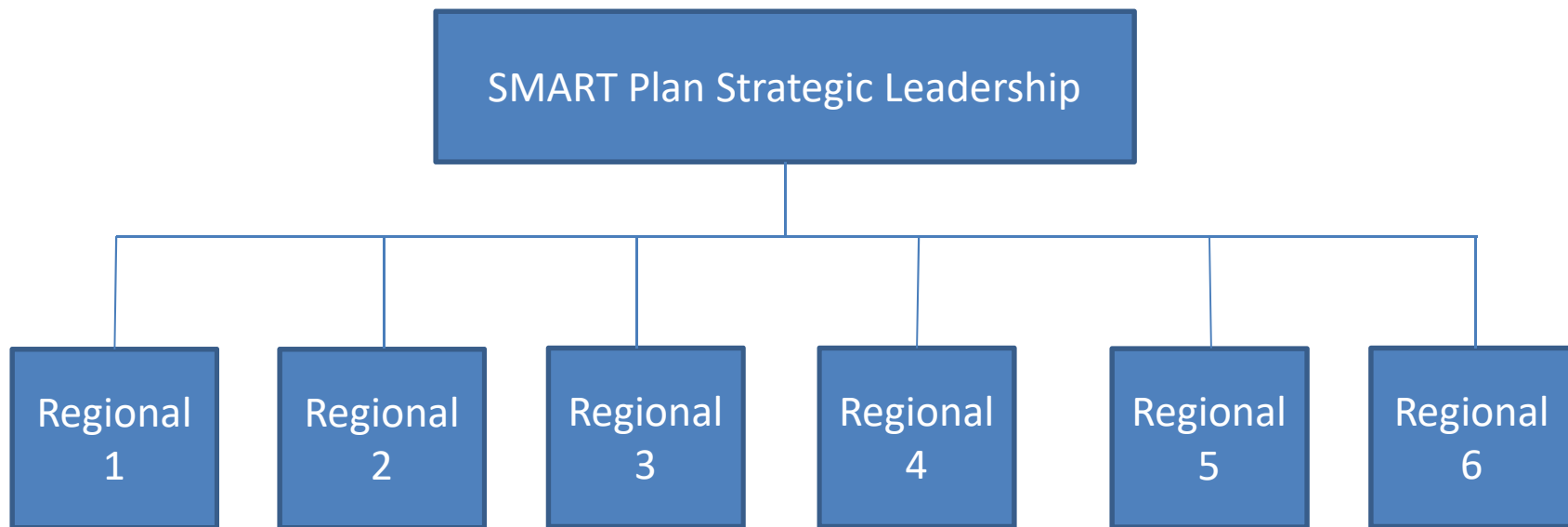
Vensure SMART Plan Design Principle Check List

1. Provide competitive rates	TBD but a must
2. Big company benefits for all	Yes
3. Stabilized rates	Yes
4. Patented, proven solutions	Yes
5. Coaching and consumer assisted	Yes
6. Reduction of financial barriers to care	Yes
7. Wise use of tax code	Yes
8. Dollars found to help customize coverage	Yes
9. Streamlined enrollment and payroll processing	Yes
10. Synchronized professional communications	Yes
11. Managing the health of the population	Yes

Vensure SMART Plan Design Principle Check List, cont.

- | | |
|--|-----|
| 12. Activates employee and employer engagement | Yes |
| 13. Results driven “Blue Lines” | Yes |
| 14. Targeted headlines / One Stop Service Shop | Yes |

Vensure SMART Plan Staff Experts



Note: Additional support staff as required

Vensure SMART Plan Benefit Solutions Package is the

S – Synchronized

M – Managed

A – Activates

R – Results

T – Targeted

Plan

Vensure SMART Plan Next Steps

C - Collaborate

S - Synchronize

X - Execute

Vensure SMART Plan



Thank You