



# Renew +health

Benefits Captive 101

August 3, 2022



# Agenda

1. What is an Employee Benefits Captive
2. What type of employer should consider Renew Health
3. Where does the Captive fit on the financing spectrum
4. Comparing Costs: Fully Insured vs. Renew Health Captive
5. Renew Health Captive Structure
6. Driving a Better Member Experience & Improving Wellbeing
7. Advantages and Considerations of the Renew Health Captive
8. Q&A

A solution that allows mid-size employers to unlock the benefits of self-funding, traditionally only available to large companies.

Insurance premiums and risk management program costs are shared across the Captive members reducing risk and volatility with self-funding.

Participants become an owner of a mini-insurance company (the Captive), so unused premium is returned to the employers at the end of the year.

Most importantly, Captives allow your benefit plans to:



Drive a better member experience,



Only pay for what you actually use,



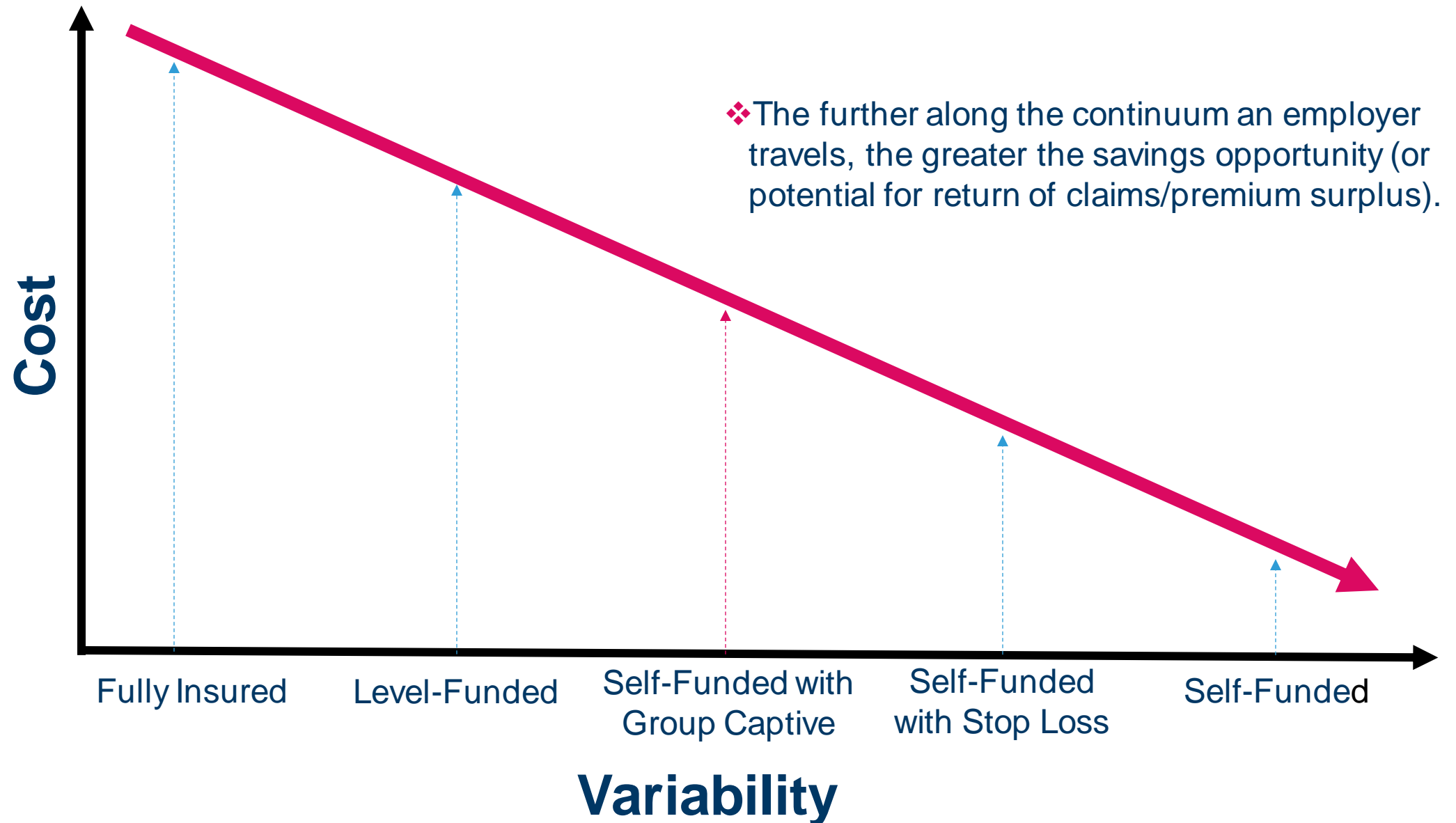
Fully understand what's driving your cost,



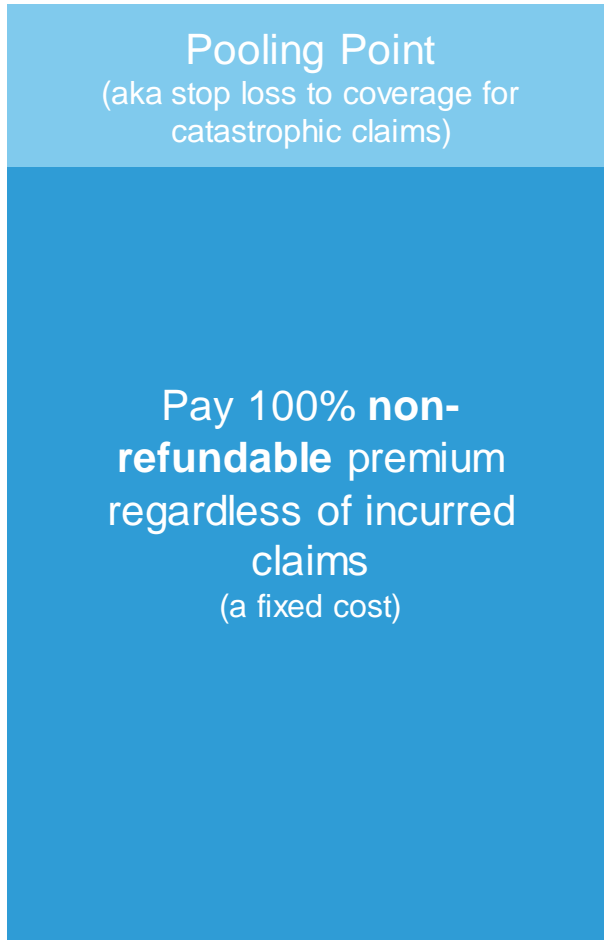
Develop a unique strategy to control it.

## Employer Profile

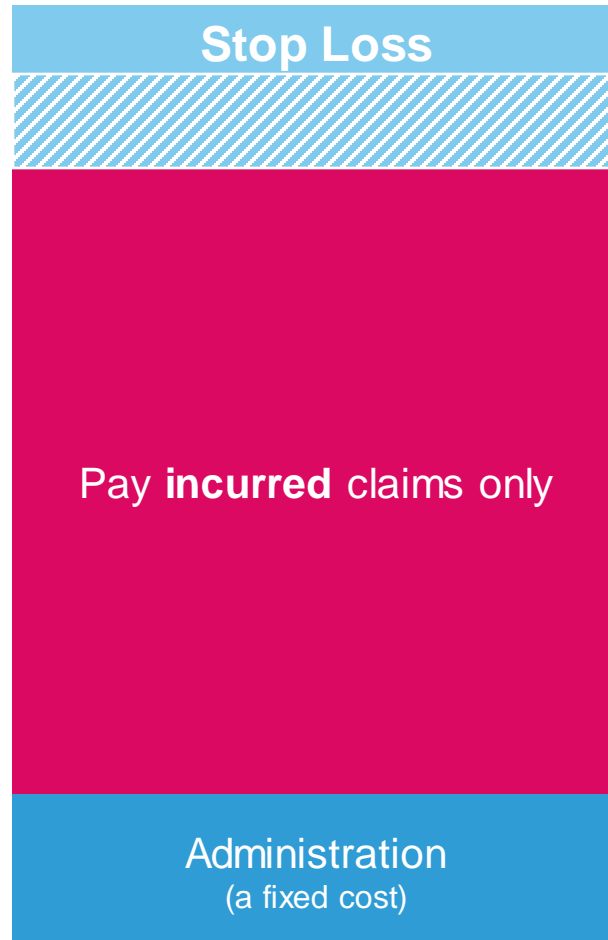
- Range 100+ (non-Kaiser) enrolled employees
- Favorable demographics, claims, and MLRs if fully insured
- Desire control of the coverage under the benefit plan, employee experience, and cost
  - Mental Health – e.g., Health Plan Integration w/mental health point solution after employer covered sessions
  - Gendered Affirmation – e.g., covering Voice Modification Therapy, Facial Feminization/Masculinization, etc.
  - Fertility/Infertility
  - Expanded Travel Coverage – e.g., write the plan to cover travel-related to non-life-threatening medical treatments, including abortion, that are not available within 100 miles of the employee's home.
- Existing (traditional) self-funded clients with less than 1,000 enrolled employees
- Value being a part of a community of like-minded employers to share best practices – e.g., a Renew Health Slack, annual member meetings, etc.



## Fully Insured



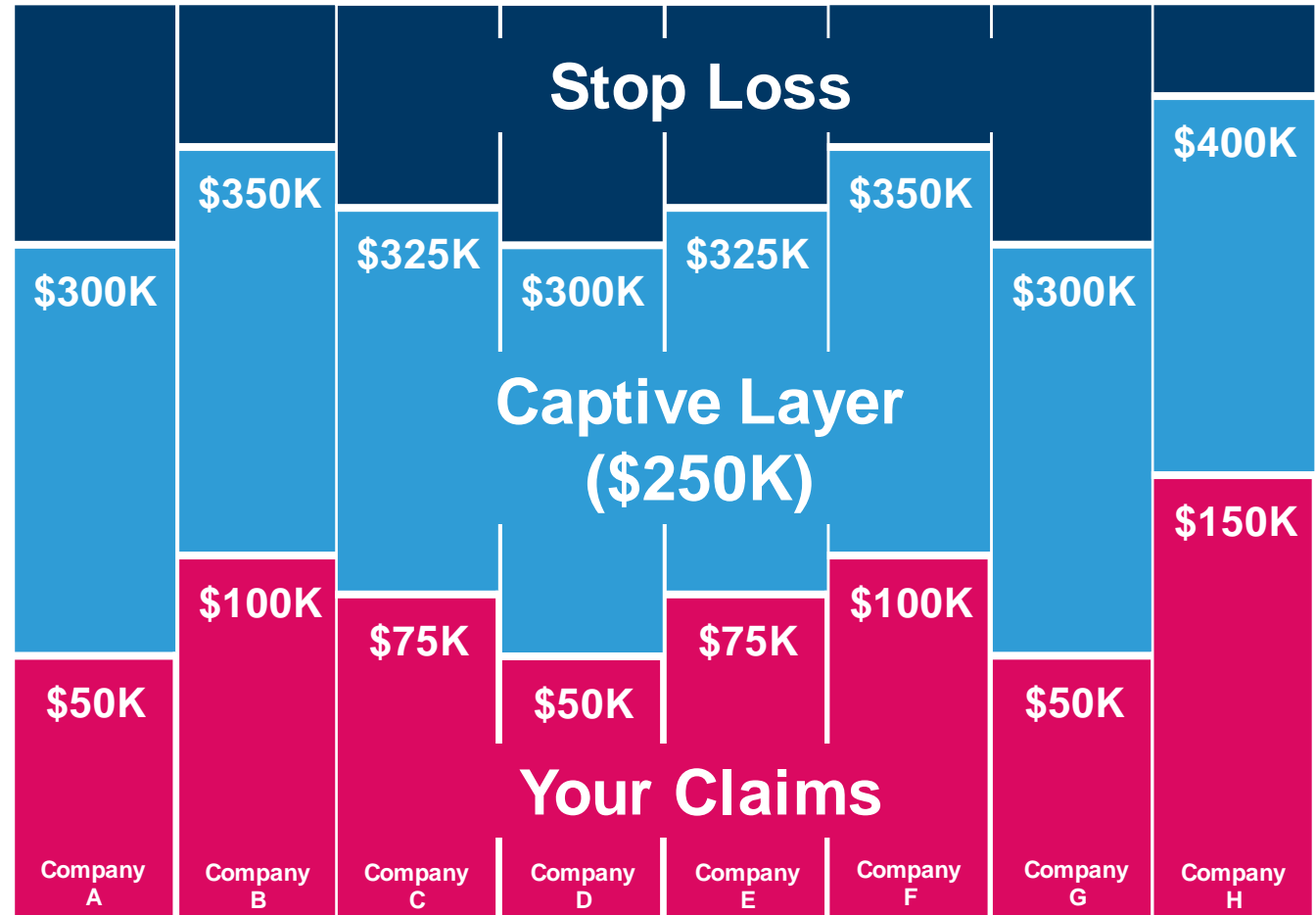
## Renew Health Captive



This block provides a detailed breakdown of the Renew Health Captive structure, with callout lines connecting to the corresponding sections in the diagram above.

- Stop Loss**
  - Coverage for catastrophic claims at the member and aggregate level
- Captive Layer (savings opportunity)**
  - Roughly 70% of the stop loss premium is used to pool catastrophic claims across all captive members. All unused premium to pay claims will be returned to the members.
- Claims (savings opportunity)**
  - Only pay for what your members actually incurred
  - Your claim liability is capped
  - You will not share/pay claims at this level with other captive members
- Administration**
  - Network Access (BUCA)
  - Eligibility & Claim Adjudication

- **Your Claims**
- **Captive Layer (Shared)**
- **Stop Loss**
- **Capital Contribution**



## Benefit Plans Designs with Renew Health

- PPO, HDHP and EPO plan design (copays, deductibles, etc.) can remain the same
- HMO plans will need to be converted to an EPO

	Administration
<b>Claim Adjudication/ Eligibility</b>	A Third-Party Administrator (TPA)
<b>Network Partner</b>	Keep Your Same Network (BUCA)
<b>Pharmacy Benefit Manager (PBM)</b>	Keep Your Same PBM & Formulary The Captive has pre-negotiated contracts leveraging all covered lives under the Captive for better economies.
<b>What value does this model bring to an Employer?</b>	Limit Employee Disruption



# Driving a Better Member Experience & Improving Wellbeing



# Plan Flexibility to Improve Access and DEI Coverages

## Mental Health

- Health Plan Integration w/mental health point solution after employer covered sessions

## Gendered Affirmation

- Cover Voice Modification Therapy, Facial Feminization/Masculinization, etc.

## Fertility / Infertility

- IVF, ART, retrieval and storage of tissue for those who elect to delay childbearing, etc.

## Roe vs. Wade

- Write the plan to cover travel-related to non-life-threatening medical treatments, including abortion, that are not available within 100 miles of the employee's home.

# Data Analytics Overview

5% of members are responsible for  
over 50% of total medical spend

We have solutions to help our clients improve employee health and reduce healthcare spend by utilizing leading-edge data analytics. Our tools will:



**Discover** cost drivers



**Uncover** gaps in care



**Build** a data-driven strategy



**Measure** results

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# Nothing changes until we change behaviors.

## Insights

Welcome to Insights! We've analyzed your data and uncovered actionable opportunities for your population. Below, you will find curated content to improve health and care efficiency for your members, focusing on strategies and tools to mitigate risk, decrease cost, and track improvement over time.

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**Insight Stream**  
Discover data trends, savings opportunities, and ways to improve the health of your population.

- Risk Mitigation 20
- Care Efficiency 0
- Drug Savings 0
- Biometric Risk (2)
- Chronic Gaps in Care (4)
- Comorbid Members (3)
- High Risk Members (5)
- Preventive Care (6)

Total Savings Opportunity  $\uparrow$

# \$3,642,914

Unique Members Identified  $\uparrow$

# 9,095

Chronic Gaps in Care

SAVINGS OPPORTUNITY

## \$1,602,340

August 2018 Members Affected: 859

Cholesterol Gaps

Chronic Gaps in Care

SAVINGS OPPORTUNITY

## \$1,260,757

August 2018 Members Affected: 586

Diabetes Gaps

Chronic Gaps in Care

SAVINGS OPPORTUNITY

## \$402,420

August 2018 Members Affected: 213

Medication Management Gaps

### Preference Sensitive Conditions

Identified

25

### Arthritis: Risk of Knee or Hip Replacement Surgery

Overview | Strategy | History

Date	Members Identified
OCT 2018	25 <span style="color: green;">▼16%</span>
AUG 2018	30 <span style="color: green;">▼41%</span>
JUL 2018	51 <span style="color: green;">▼1%</span>
JUN 2018	52

**Risk Mitigation, Care Efficiency, Rx, and Procedures Savings**

**Actionable, curated opportunities** to improve health and care efficiency for your members, focusing on strategies and tools to **mitigate risk, decrease cost, and track improvement over time.**



**Personalized Benefits Wallet**



**Provider Recommendations**



**Procedure & Facility Recommendations**



**Medical Bill Review**



**Free Telemedicine**



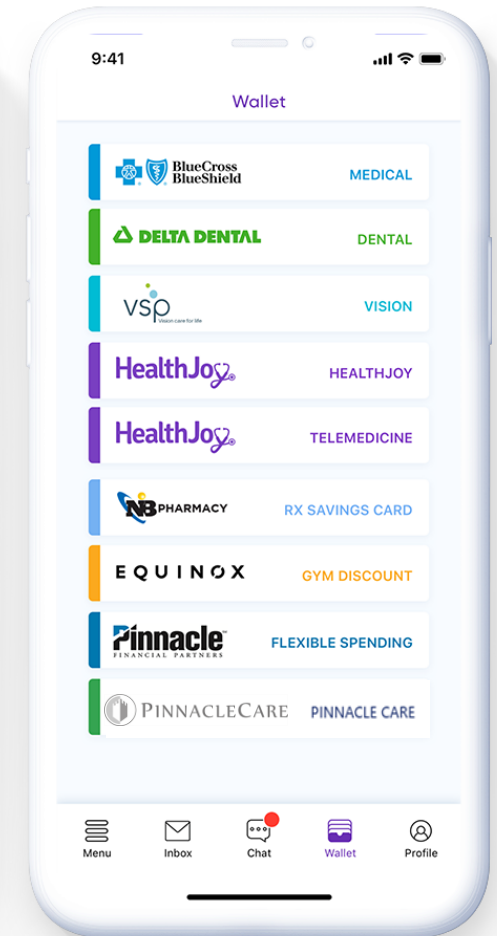
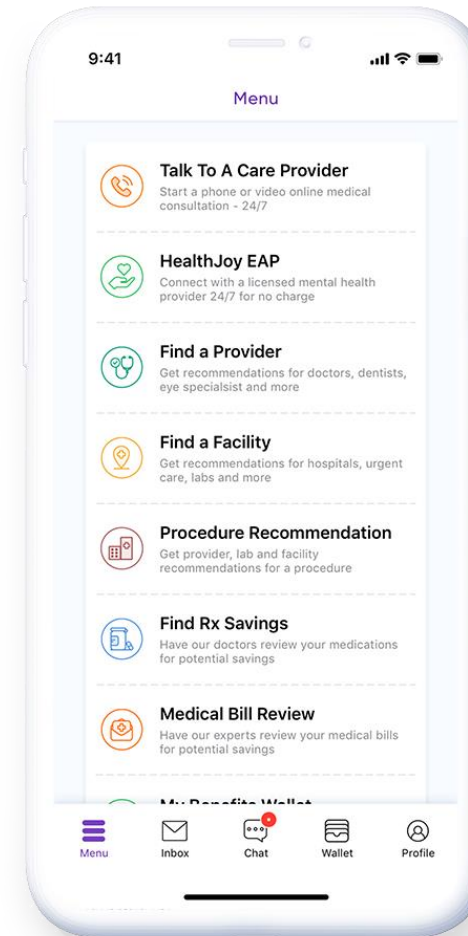
**Appointment Booking**



**Rewards**



**Rx Savings Review**



**4.9 App Store Rating (2.3K reviews)**

**4.7 Google Play Rating (1.2K reviews)**

# Health Navigator

- Provides access to top specialists and helps you understand your treatment options for a new diagnosis or existing diagnosis, including surgery avoidance.
- Health Navigator's **second opinions** include researching a diagnosis and appropriate treatment options, forwarding medical records to their vetted Centers of Excellence, and scheduling appointments with top specialists.
- **74%** of member engagements with Health Navigator related to a serious health condition resulted in a change in diagnosis or treatment<sup>1</sup>



## Health Advocacy

High-touch highly personalized engagement model delivered by experienced care advisors.



## Medical Intelligence

In-depth medical knowledge on a wide range of health conditions combined with deep expertise in nuances of the healthcare system.



## A better member experience and improved outcomes

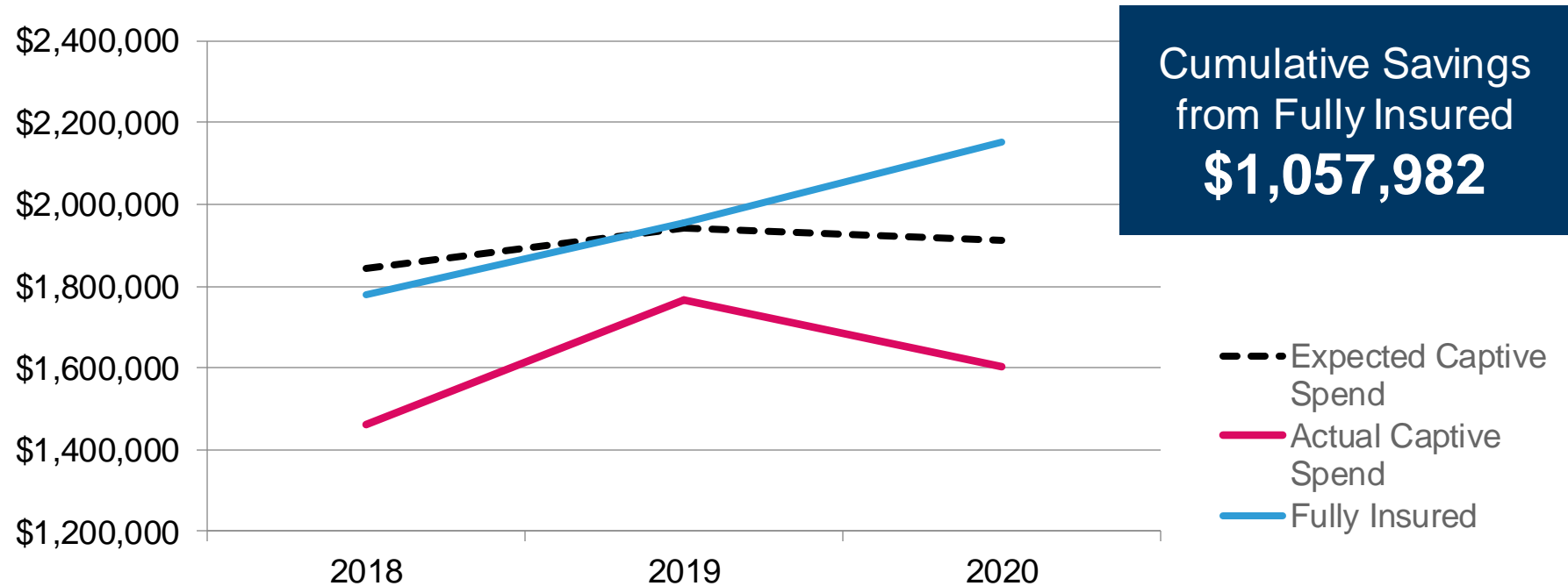
- Successful navigation of the complex healthcare system.
- Peace of mind regarding healthcare decisions.
- Improved health outcomes, often leading to reduced costs.

<sup>1</sup>An engagement may include medical record collection, review and transfer of medical records, medical research report; physician referral report; decision support including providing recommendations on next steps; appointment facilitation, remote written expert second opinions, and virtual consultations via a remote video/telephonic consult.

## Employer with 155 enrolled employees

Plan Year	2018	2019	2020	Total
Fully Insured (10% Renewal Trend)	\$1,778,860	\$1,956,746	\$2,152,421	\$5,888,027
Expected Captive Spend	\$1,843,504	\$1,942,375	\$1,914,001	\$5,699,880
Actual Captive Spend	\$1,463,299	\$1,765,533	\$1,601,213	\$4,830,045
<b>Savings from Fully Insured</b>	<b>\$315,561</b>	<b>\$191,213</b>	<b>\$551,208</b>	<b>\$1,057,982</b>

## Fully Insured vs. Captive



## Advantages

### Cash flow advantages

- Pay as you go approach
- Return on investment for reserves
- Utilizing the float on claim payments
- Interest on funds otherwise held by the insurer

### Cost savings

- Elimination of fully insured premium profit
- Claims are claims: why pay more than what your claims are?

### Transparency

- Easier monitoring of claims costs
- Claims data provided/data warehouse

### Plan design flexibility

- Not bound by state mandates
- Align coverage to DEI initiatives

### Stop Loss

- Renewal stability

## Considerations

### Acknowledged claim experience

- Higher claim experience could cause higher costs

### Budgeting the program

- Monthly volatility

### Increased employer involvement

- Maintaining banking arrangements
- Additional HIPAA responsibilities

### Terminating

- Returning to fully insured requires you to pay run-out claims plus paying fully insured premium



# Q&A



# Thank You!



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