RISKPOINT INSURANCE ADVISORS

Unbundling with Care:

Why an unbundled health plan can offer maximum flexibility with lower costs.

by Mandi Roney and Matt Davis

"Bundled" Plan vs. "Unbundled" Plan

All health plans utilize the same underlying principles to build out the functions needed to protect you financially and provide your employees access to healthcare. The degree of flexibility, control, and engagement will vary greatly depending on the method you choose for your company. There are benefits and to bundling all services with one provider; however, the advantages of unbundling your plan to utilize the highest value partners for each service can deliver lower costs and more control for your company and your employees, driving greater engagement and retention.

Parts of a health plan

When a plan is either fully-insured or "bundled" with a third party administrator that selects and requires the plan to use their vendor partners, the pieces of your medical and pharmacy plan below are operating in the background with almost no coordination from you required.

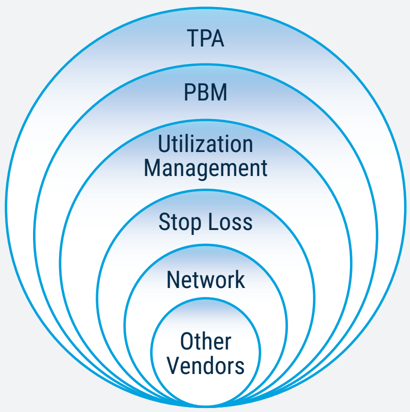
Fully-Insured Plans

Fully-insured offers the most simple and easy to understand option for employers. The insurance company provides all parts of the health plan for a set price and product. Fully-insured plans offer little in the way of flexibility or transparency but typically provide the greatest "brand" recognition, community-based marketing, and perceived security.

Bundled Self-Insured Plans

Bundled Self-Insured arrangements are generally offered by the same insurance carriers that offer fully-insured plans. This can be a good way to get additional transparency and control while utilizing a "turn-key" product. The carriers (Regence, Cigna, UHC, Aetna) that offer these products generally own their own provider network and provide all the necessary pieces to the health plan.

Read on to discover how to achieve more control, 20% savings, and the freedom to negotiate services that drive costs down while increasing the quality of care



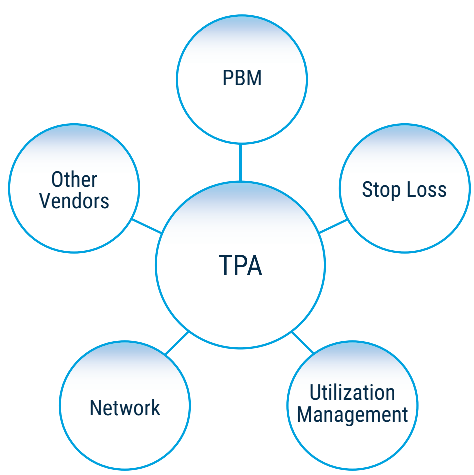
Bundled Self-Insured Plans

Bundled services with an administrator that generally owns the network (Regence, UHC, Cigna, etc.)

Fully-insured plans have the same vendors behind the scenes but with no transparency in the process and very little flexibility in plan design.

Unbundled Self-Insured Plans

Unbundled services with an administrator allows for any vendor partner to be used, offering maximum control and maximum customization to your employees and plan.



RISKPOINT INSURANCE ADVISORS

What Each of the Players Do		
Third Party Administrator (TPA):	**Pharmacy Benefit Manager (PBM):**	**Stop Loss:**
Pays claims to providers, manages other plan teams/vendors, customer service to member to direct them in getting care. Examples: Coastal Administrative Services, EBMS, HealthComp, WebTPA, and dozens of others.	Determines medical necessity for drug use, pays retail pharmacies and mail order to dispense medications, negotiates rebates for the plan. Examples: ExpressScripts, Southern Scripts, Magellan, Costco, and others.	Covers high claims and excess loss overall for the plan. Insured policy that limits employer spend in case of high claims losses. Examples: Sun Life, Symetra, HM, TM/HCC Life, American Fidelity, Voya, etc.
Utilization Manager:	**Network(s):**	**Other Vendors:**
Determines medical necessity for medical/surgical procedures. Can help guide employees to lower cost sites of care like surgical centers. Examples: Innovative Care Management, AIMM, HealthSmart, etc.	The combined contracts that govern what the plan is required to pay each provider in the network. Offers discounts off the provider billed charges. Many plans have at least one network but some plans have no network (RBP) and others use multiple (Centers of Excellence). Examples: Blue Card, UHC, Cigna, Providence Preferred, First Choice, etc.	Plans may have telehealth vendors or wellness vendors. Others have advocacy services or vendors that assist employees in lowering medical bills or keeping up with thier complex care. These may be visible as separate services or vendors that fall under a "value add" of another vendor.

RISKPOINT INSURANCE ADVISORS

The unbundled model allows you as the employer to make endless choices for the inner workings of your plan:

- Choose a pharmacy benefit manager that assists employees in qualifying for manufacturer's assistance – saving the plan thousands of dollars and getting needed medications right to an employee's home address.
- Select a utilization manager or advocacy vendor that actively reaches out to members to help them get appointments at local surgical centers – saving the employee on high out of pockets costs, saving the plan on high hospital bills, and investing in local providers with high quality outcomes for long-term health of your employees.
- Utilize multiple networks for employees in different areas of the country, customizing the plan to meet different employee needs and maximizing the value of networks in differing areas of the country and world.
- Carve certain high dollar costs from the plan like infusion therapy and/or dialysis and use a specialty vendor to negotiate those prices on an individual case basis.

How can I unbundle?

Unbundled plans offer maximum flexibility and the greatest control of your healthcare spend, but they can also be complicated with more vendors to evaluate, more contracts to review, and more invoices to pay. We will help you partner with high value vendors that are accountable to your plan with tailored services that drive your costs down and quality of care up. RiskPoint provides tailored guidance as you build a high performing health plan pivotal for your population and financial goals. **Let our team show you how to achieve more control, 20% savings, and freedom to negotiate services that drive costs down, and quality of care up.**

For more information contact:

Mandi Roney, Large Group Account Executive
mroney@riskpointins.com
Direct (971) 282 - 4492
Mobile (503) 412 - 9181

Matt Davis, Director of Employee Benefits
mdavis@riskpointins.com
Direct (971) 282 - 4306
Mobile (503) 307 - 9996

5285 Meadows Rd, Suite 242, Lake Oswego, OR 97035 | riskpointins.com