

Hidden Solution

The Hidden Solution

Presented by:

Employer
Advantage
Insurance

EMPLOYER ADVANTAGE
INSURANCE

your bridge to better benefits

Current Response To Premium Increases

Did you know?

The U.S. spends \$2.3 trillion per year on health care.

Health insurance premiums have increased faster than wages and inflation for most years between 1988 and 2007. Premiums have increased 117% for families and individuals and 119% for employers between 1999 and 2008.

- Premium increases are making healthcare too costly for employers
- To reduce the costs companies either:
 - Pass more premium expense to employees, immediately increasing employee cost
 - Decrease benefit level, deferring employee cost increases until claims occur
- Most companies choose to increase deductible and out of pocket maximums
- Premiums are lowered **but** employees can not afford a claim due to high out-of-pocket exposure

EAI's Gap Solution Premium Savings

Did you know?

79 million Americans are unable to pay their medical bills, and of those, more than 47 million were insured when the expenses were incurred.

Medical debt contributes to half of all filed bankruptcies, and affects approximately two million people a year.

- A custom designed and low cost comprehensive health plan:
 - Implement the **right** high deductible health plan resulting in significant premium savings
 - Protect employees from increased deductible responsibility with a **complete** medical gap plan
 - Cost of gap plan plus high deductible plan is **lower overall** premium than prior health plan

EAI's Gap Solution Premium Savings

Current plan: 80/20 \$1,000/\$2,000 Deductible \$2,000/\$4,000 OOP

New plan: 100% after \$2,500/\$7,500 Deductible

GAP plan: \$2,500 Inpatient Benefit - \$1,250 Outpatient Benefit

GAP PREMIUM COMPARISON				
Actual Group Example				
Employee	Tier	Current Plan Premium	New Premium	GAP Premium
Employee 1	family	776.4	555.29	86.53
Employee 2	spouse	496.9	276.38	51.74
Employee 3	spouse	496.9	322.22	51.74
Employee 4	employee	310.3	276.38	28.72
Employee 5	family	1176.3	820.36	157.66
Total Premium		\$ 3,256.80	\$ 2,250.63	\$ 376.39
		Total Premium: New + GAP		\$ 2,627.02
		Annual Savings: Current vs. New + GAP		\$ 7,557.36

19%
Reduction

EAI's Gap Solution Increased Benefits

Did you know?

An estimated 45.7 million Americans, or 15.3% of the population, lacked health insurance in 2007 — up from 38.4 million in 2000.

Eight in ten of the uninsured come from working families.

- Packaged with high deductible plan that includes office & Rx benefits
- 100% In-patient benefits:
 - In-patient Surgeries - In-patient hospital stay
 - Physician hospital charges - ER treatment for injuries
 - ER treatment for sickness (confined within 24hrs)
- Out-patient benefits:
 - Benefit is 50% of In-patient benefit - Outpatient surgeries
 - Diagnostic Testing - Treatment at an ER facility
- Additional physician office visit and wellness benefits available
- Savings allows for purchase of Critical Illness and Accident Insurance further protecting employees

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EAI's Gap Solution Increased Benefits

In-patient Claim Example

Hospital Stay and Surgery = \$16,000 Total Expense

	Without HCB	With \$5,000 HCB
Deductible	\$2,500	\$2,500
Coinsurance (20%)	\$2,700	2,700
Total Out of Pocket	\$5,200	\$5,200
Hospital Confinement Benefit	\$0	\$5,000
Net Out-of-Pocket	\$5,200	\$200

Out-patient Claim Example

Procedure: MRI = \$2,250 Total Expense

	Without OPB	With \$2,000 OPB
Deductible	\$2,500	\$2,500
Coinsurance (20%)	\$0	0
Total Out of Pocket	\$2,250	\$2,250
Out-Patient Benefit (OPD)	\$0	\$2,000
Net Out-of-Pocket	\$2,250	\$250