

BETTER BENEFITS.
TOTAL TRANSPARENCY.

BENE **Rē** freshing



Top 3 Challenges

1. Recruitment and Retention

healthcare industry talent shortage, expanding applicant pools, addressing high turnover, integration following acquisitions, and dealing with labor market challenges

2. Employee Well-being and Engagement

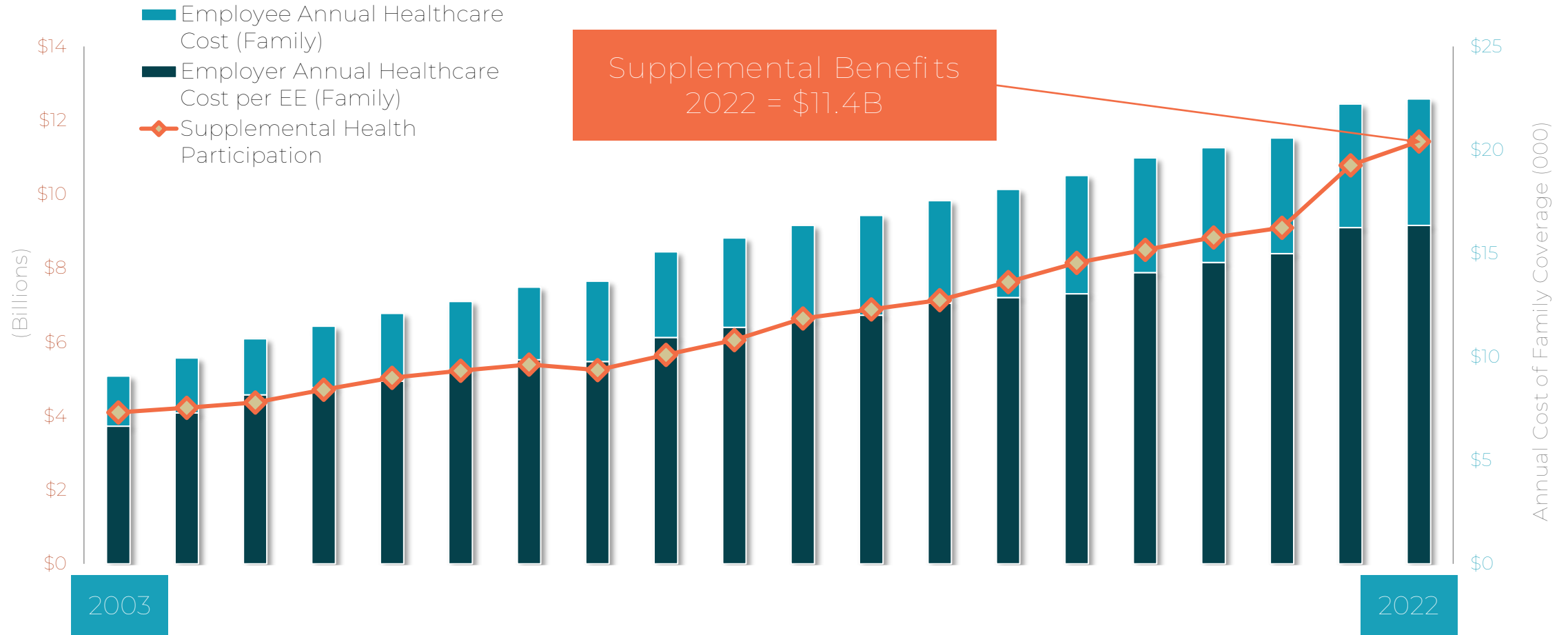
address workplace violence, adapt to shifting employee value propositions, foster a supportive culture, ensure the well-being of employees in high-stress environments like healthcare

3. Compensation and Financial Pressures

keeping up with market trends, managing benefit costs, financial impact of talent acquisition and retention, standardizing pay and benefits across organizations



Supplemental Growth Tracks To Healthcare Trend



Kaiser Family Foundation, LIMRA

Voluntary Benefit Coverages

Accident, Critical Illness and Hospital Indemnity policies offer far greater financial protection than Dental and Vision.



Accident

- Provides lump-sum payment directly to the employee for injuries resulting from a covered accident
- Covers items such as: broken bones, concussions, stitches, ambulance, burns, and more
- Helps employees pay for out-of-pocket expenses like deductibles and copays



Critical Illness

- Provides lump-sum payment directly to the employee upon diagnosis of a covered illness
- Covers items such as: heart attack, stroke, cancer, loss of sight, Alzheimer's, and more
- Helps provide employees financial security and extra money to pay for items such as: mortgage, lawn care, childcare, and more



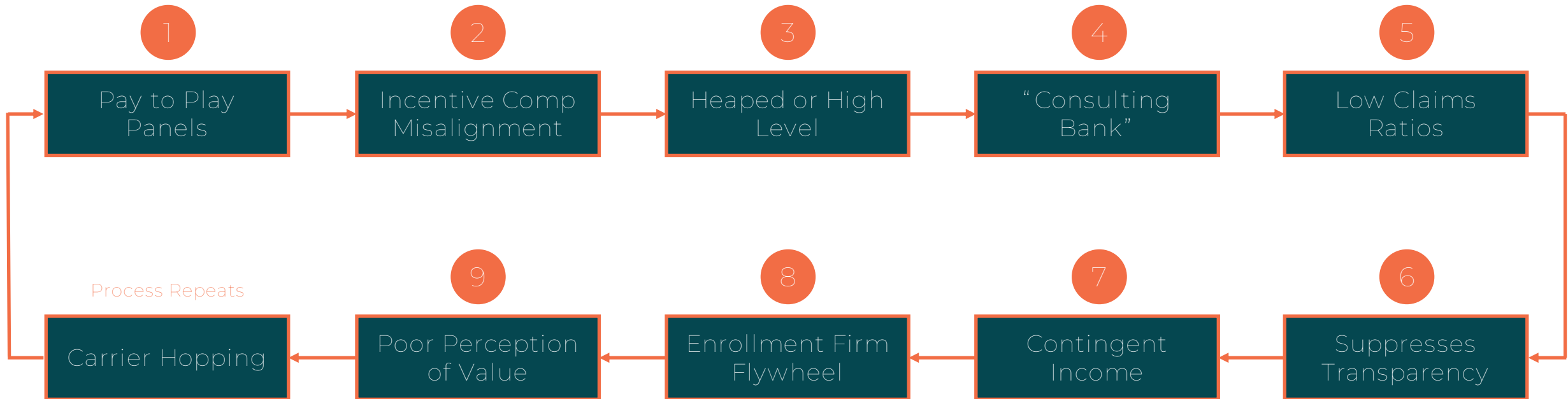
Hospital Indemnity

- Provides lump-sum payment directly to the employee upon admittance into the hospital for a covered stay
- Covers hospital stays for labor and delivery, surgery, accidents, and more
- Helps employees meet the unforeseen costs associated with a hospital stay

Voluntary Benefits are “Comp-licated”

For employers who are laser-focused on fiduciary stewardship of their employees’ premium dollars, it can be difficult to follow the money.

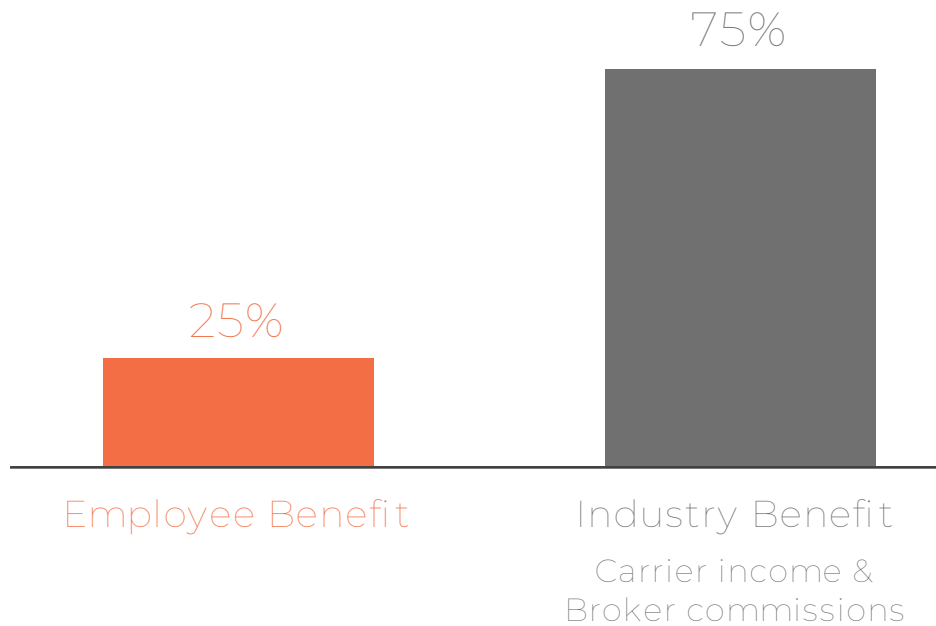
Here’s a primer:



Traditional Model vs. Captive Model

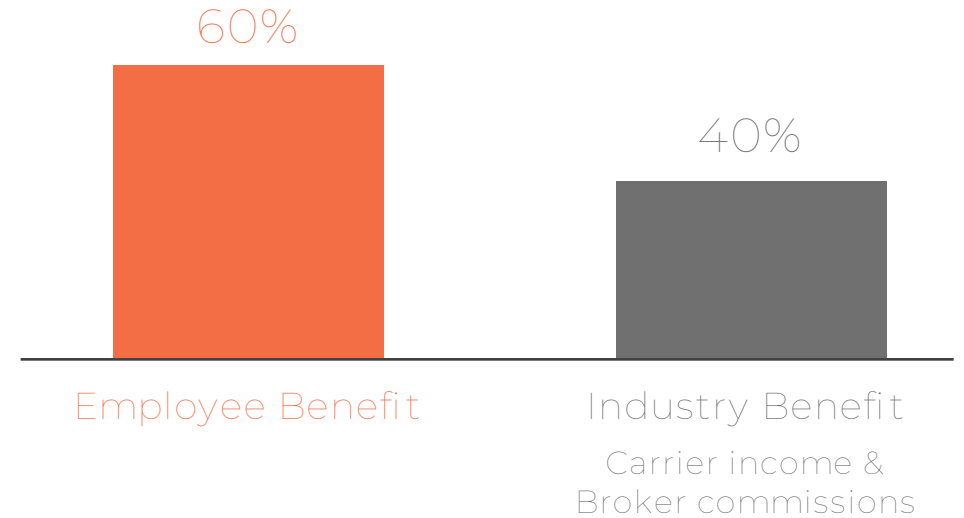
Traditional Model

Low claims ratios, high expenses
Little to no financial transparency



Captive Model

Higher claims ratios, lower expenses
Complete financial transparency



Group Captive Model – How it Works

Traditional ▲

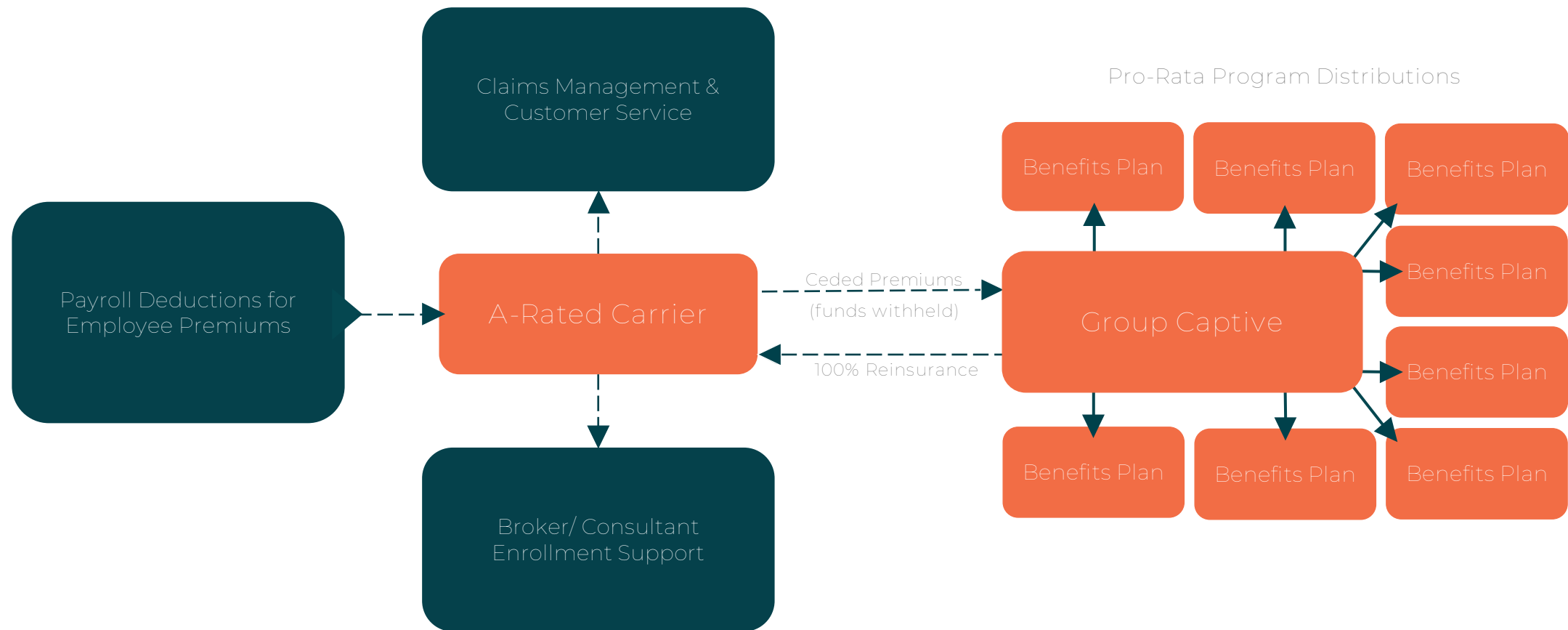
- 1.** Employee Enrolls in Program
Supplemental insurance enrollment is fast and easy. Employees pay fully insured premiums with no extra cost to the employer.
- 2.** Insurance Company Administrates the Program
An “A-rated” insurance carrier administers all aspects of the program and holds the funds to pay all claims throughout the policy year.

▼ BeneRe

- 3.** BeneRe Reinsures 100% of the Risks
Through a captive model, BeneRe reinsures 100% of employer-sponsored programs while still allowing premiums to be held by the insurance company.
- 4.** Year-end Dividends for Employee Health Programs
At the end of the year, unused premium funds are paid back to the employee in the form of a dividend that must be invested in employee health programs.



Group Captive Model



* The fronting carrier is obligated for every employee claim

Traditional Model vs Captive Model

Employees received an average 10% cost savings with greatly enhanced protection for Accident, Critical Illness and Hospital Indemnity.

Total Financial Impact:

\$390K

* Assumed participation = 25%

^ Industry Average Claim Ratio = 25%

Estimated In Force Premium*	\$	1,000,000
Projected Premium	\$	900,000
<i>EE Premium Savings</i>	\$	<i>(100,000)</i>
Estimated In Force Claims^	\$	250,000
Projected Claims	\$	360,000
<i>Net Claim Increase</i>	\$	<i>110,000</i>
Estimated In Force Dividend	\$	–
Projected Dividend	\$	180,000
<i>Net Dividend Increase</i>	\$	<i>180,000</i>
Projected Financial Impact	\$	390,000

BeneRe Advantages



Lower Employee
Premiums

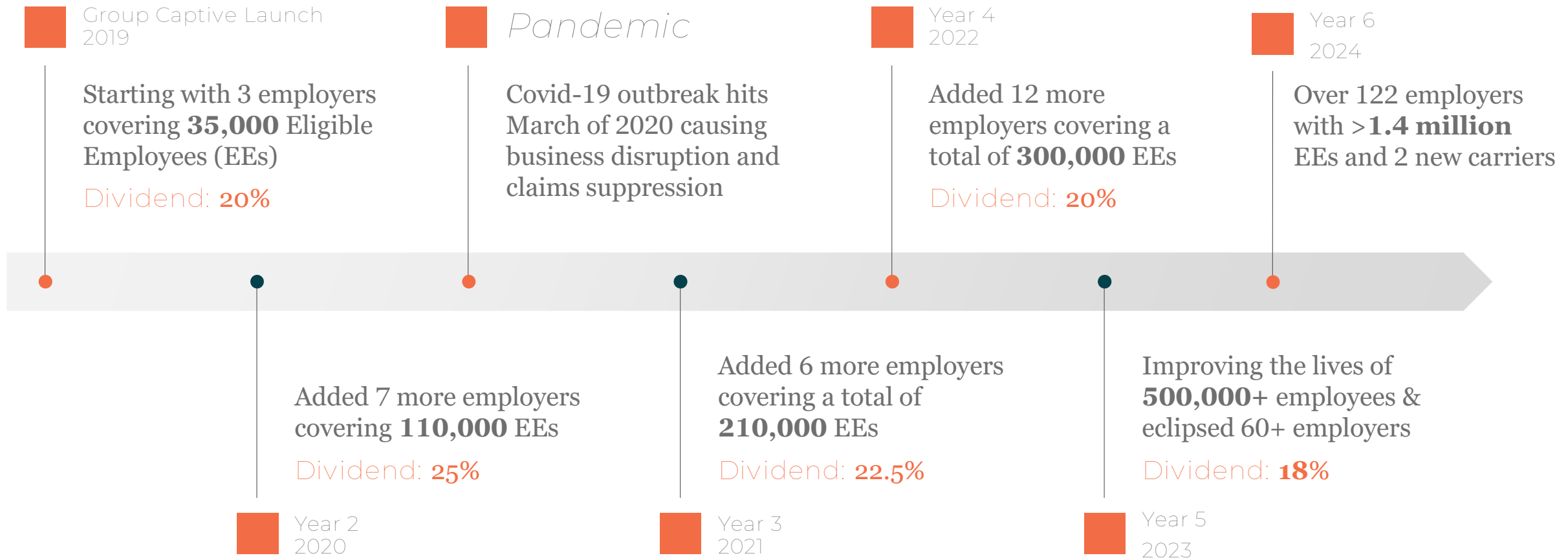


Enhanced Plan
Designs



Transparency
and Distributions

The Path of Positive Disruption



Putting Distributions to Work

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End of year distributions. Premiums not needed for claims are distributed to benefits plans as a year-end dividend and must be used to fund additional employee programs. This serves as a valuable hiring and retention strategy.

- 1.** Enhance employee total compensation through improved plan designs and premium reduction.
- 2.** Reinvest in enrollment and engagement tools, including valuable point solutions.
- 3.** Enhance or introduce a more effective financial wellness program.



Dividends must be used to fund ERISA plans. For information regarding distribution usage, please reach out to your legal counsel.

Case Study



MEMBER PROFILE

50,000+ total employees

Headquartered in Ohio, ProMedica focuses on delivering care throughout a person's lifetime by integrating a diverse line of services. It operates over **400 care sites including acute, ambulatory, provider, post acute and senior care services across 28 states**, operates a health insurance company and is a national leader in social determinates of health.

MAJOR PLAN UPGRADES

- Accident, Critical Illness + Hospital Indemnity
- \$1.9M Dividends
- 20% Employee Cost Savings

All distributions earned by participating employers must be reinvested in employee benefits programs which are included in the company's Summary Plan Description (SPD). This affords the human resources staff wide latitude in determining how to deploy the additional resources.

CASE STUDY

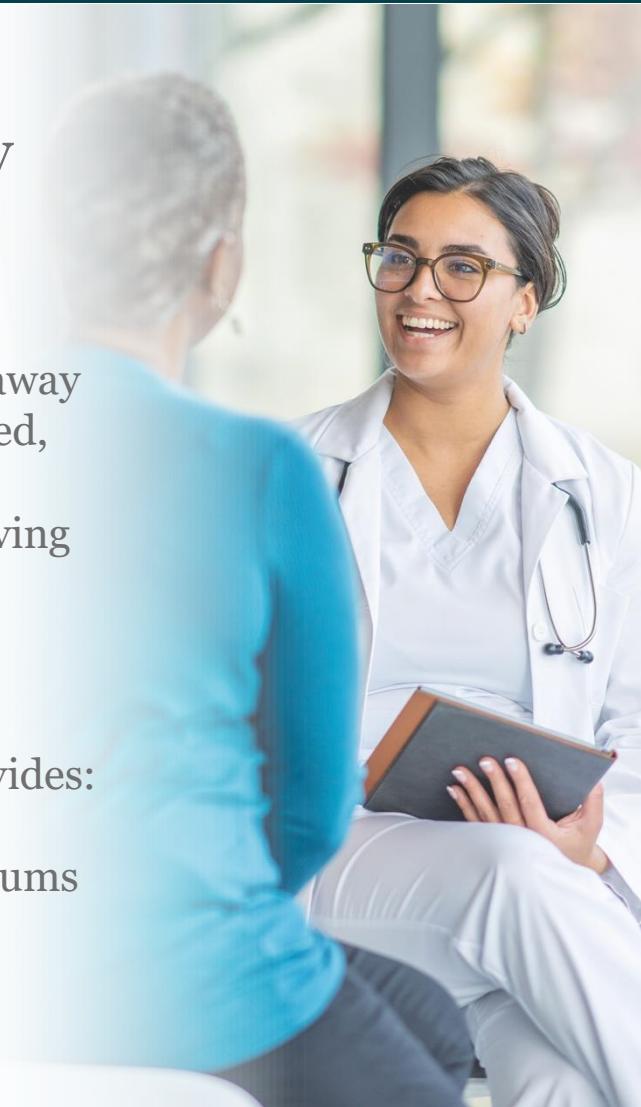
An Employer Flexes Its Fiduciary Muscles To Help Employees

CHALLENGE:

A clinical care organization needed to transition away from on-site benefit counselors to a more advanced, scalable, and meaningful benefits administration system. The organization was also focused on driving employee engagement and retention from its significant benefits investment.

SOLUTION:

- BeneRe supplemental benefits group captive provides:
- Better benefits with total transparency
 - A-rated policies with reduced employee premiums
 - Enhanced coverage health care workers
 - Seven-figure captive distributions to further reinvest in employee benefits programs



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Questions?



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Schedule Meeting