

HEALTH INSURANCE SOLUTIONS IN A CHANGING MARKET

Maine State Chamber of Commerce Health Care Forum



WHO WE ARE





1954 YEAR FOUNDED



LOCATIONS



1,000+ **EMPLOYEES**

BENEFITS DIVISION FAST FACTS



15,000+

EMPLOYEE BENEFIT

CLIENTS

100+

EMPLOYEE BENEFIT PROFESSIONALS



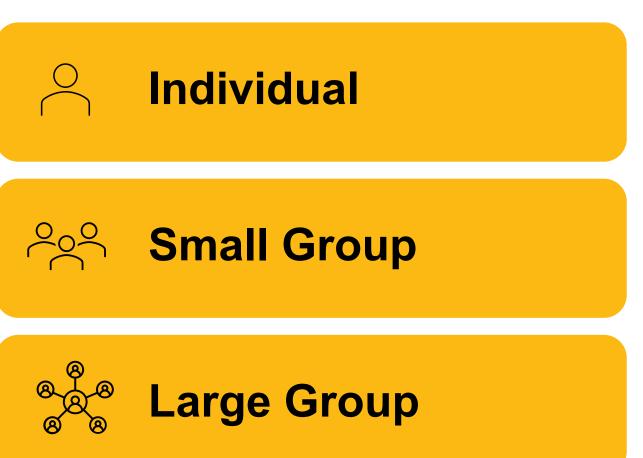
MAINE'S LARGEST EMPLOYEE BENEFITS PROVIDER

Current State of the Employee Benefits Market

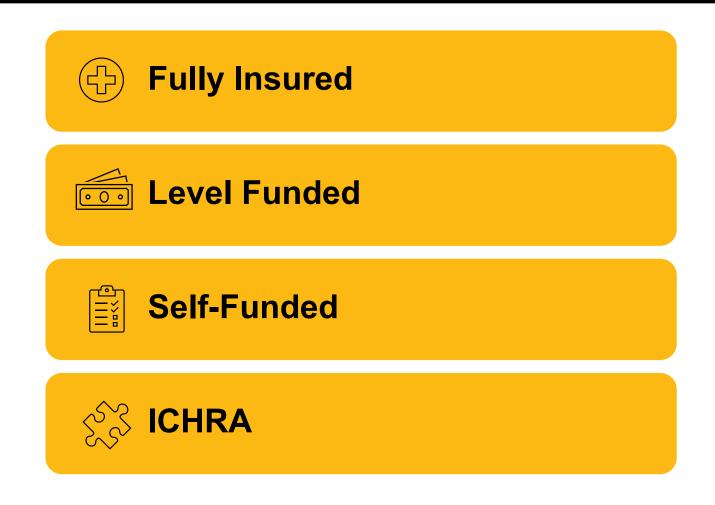


- Rising premiums
- Increased regulatory pressures
- Tight labor market
 - Employee retention of utmost importance
 - Competitive benefits package necessary
 - New, innovative benefits needed
- Evolving technology landscape
- Inflationary economy putting pressure on employment spending

Impacted Markets



Alternatives for Small Group Employers (2-50)



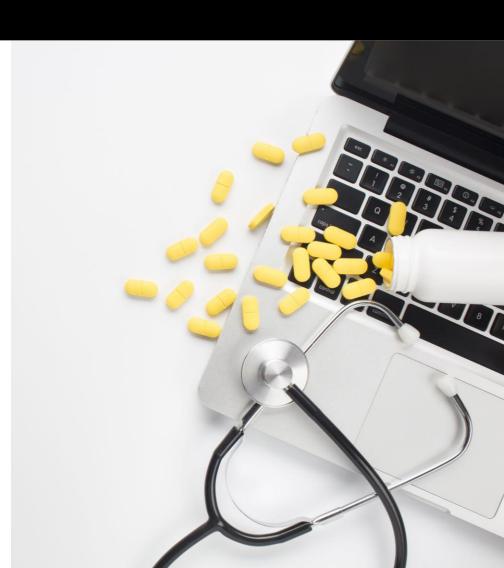
Small Group Fully Insured



- "Traditional" Insurance
- Community Rated
- Multiple Carrier Options
- Savings Through Plan Designs (carrier controlled)
 - Narrow networks
 - Tiered networks
- Stable Monthly Costs

Level Funded Options

- Self-funding "light"
 - O Premiums developed at maximum exposure
 - O Potential for savings when claims are low
 - Stable monthly costs
 - Claims data shared
- Variety of underwriting methods
 - Medical questionnaires
 - Prescription drug utilization
- Not regulated by State of Maine
 - O Benefits do not comply with State mandates
 - O Not subject to 3% premium tax
- Ability to move back to fully insured options



Self-Funded Options



Self-funding trending to smaller groups (25+)

- Less stability in rates
- O Potential for savings when claims are low
- Individual and Aggregate reinsurance
- Claims data shared
- O Greater flexibility for customization of plans

Variety of underwriting methods

Not regulated by State of Maine

- Denefits not required to comply with State mandates
- O Not subject to 3% premium tax

Individual Coverage Health Reimbursement Account Accounts (ICHRA)



- Available to all group sizes
- Allows employees greater choice
- Reduces employer control
- Must meet ACA affordability requirements
- Can offer to limited populations
- Allows for risk mitigation
- Enrollment can be challenging
- Re-entry to fully insured can be difficult for large groups
- Could negatively impact recruiting efforts
- Could impact company culture

Overall Threats to Individual & Small Group Market

- "Healthy" groups seek other options
- Risk mitigation techniques negatively impact overall claims experience
- Employer/employee confusion
- Individual and small group markets become less attractive to carriers reducing competition

