

A Unique Level-funded Solution

# BALANCED SOLUTIONS<sup>®</sup>

10 to 50 Employees

## ONE SIZE DOES NOT FIT ALL

**Small businesses can be faced with many challenges, but unpredictable healthcare costs shouldn't be one of them. Medical Mutual has unique options for businesses like yours beyond traditional fully insured or self-funded plans. This includes a level-funded solution for employers that want to explore self-funding, but with a contained risk and consistent monthly premium cost — and ways to save.**

# AN INNOVATIVE HEALTH PLAN SOLUTION

We know that small businesses have unique needs and traditional health plans aren't a one-size-fits-all solution. Our level-funded product, **Balanced Solutions<sup>®</sup>**, is an alternative health insurance option that can put unused health insurance premiums back in employers' pockets.

## HOW TO CREATE YOUR PLAN

First, you select a benefit plan that works for you and your employees. Next, you select your specific stop-loss and aggregate stop-loss coverage levels. The last component of your Balanced Solutions plan is the employer claims fund. This predetermined fund is based on your benefit and stop-loss coverage selections, and is assigned to your group by our underwriting team.

This is how Balanced Solutions stands out from traditional plans:

### Traditional Health Plans

- 1 Your business pays Medical Mutual a fixed health insurance premium.
- 2 We pay for the cost of claims, plus administrative costs, sales commissions and taxes.
- 3 If claims are higher than expected, we cover them.

#### The Catch

If claims are lower than expected, you don't benefit or get money back.

### Balanced Solutions Level-funded Plan

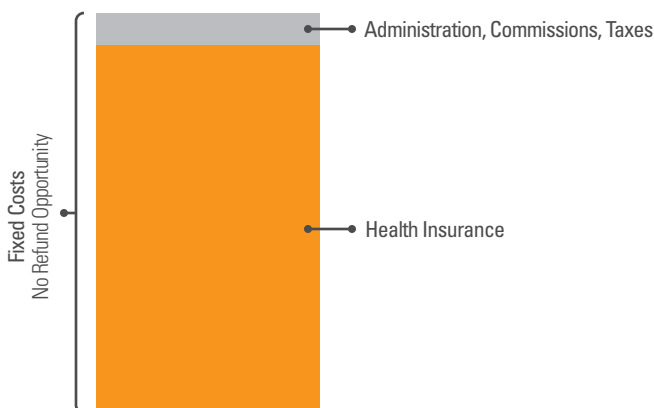
- 1 You pay a consistent monthly premium in addition to the same fixed costs as a traditional plan.
- 2 This type of plan also includes stop-loss coverage that limits your financial liability
- 3 If claims are higher than expected, we cover them.

#### The Best Part

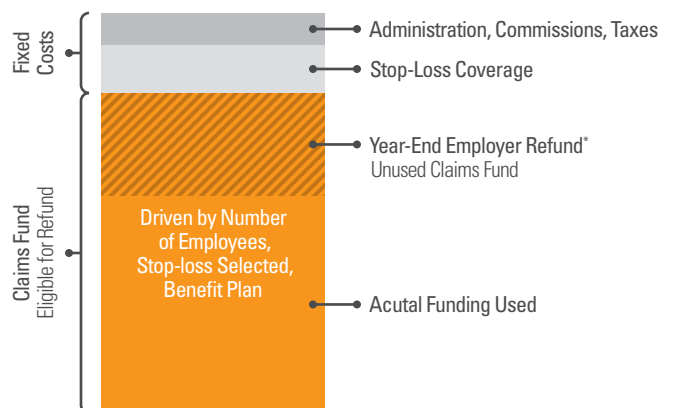
If claims are lower than expected, you have the opportunity for a refund.

## HOW BALANCED SOLUTIONS WORKS TO YOUR ADVANTAGE

### Traditional, Fully Insured Health Plans



### Balanced Solutions Level-funded Plan



\*4% runout applied

# HOW TO BUILD YOUR PLAN IT'S AS EASY AS 1, 2, 3!

- 1 CHOOSE YOUR BENEFIT PLAN FROM THE AVAILABLE PLAN OPTIONS**  
We offer both copay and HDHP plan designs.
- 2 CHOOSE YOUR STOP-LOSS COVERAGE LEVELS FOR SPECIFIC AND AGGREGATE\***
- 3 WORK WITH YOUR BROKER OR MEDICAL MUTUAL SALES REPRESENTATIVE**  
Submit your employee medical health questionnaires and other required documents to receive a finalized quote.
- ✓ ENROLL IN BALANCED SOLUTIONS**

## HOW TO QUALIFY FOR THIS COVERAGE

- ✓** Your group has **10 to 50** employees (with a minimum of 10 enrolled)
- ✓** You enroll **75%** of your net eligible employees
- ✓** You **require** covered employees to complete health questionnaires

### HOW TO QUALIFY FOR A REFUND

After making your 12 monthly payments (the most you will pay) you will have paid for expected claims, specific stop-loss and aggregate stop-loss premiums. After the 15th month, if your group's claims are less than the projected claims fund and your group renews, you will receive a refund. We include a four percent run-out feature that allows us to calculate your refund eligibility without having to delay your refund past the 15th month.

On average  
**65%**  
of enrolled groups  
have received a  
refund.\*

\*A group must renew to be eligible for a refund.

\*Review the next section for detailed information on stop-loss coverage protection

# STOP-LOSS COVERAGE PROTECTION

An important feature of Balanced Solutions is stop-loss coverage, which allows you to create a stop-loss package to meet your company's needs. Your Balanced Solutions package includes the following two types of stop-loss coverage, specific and aggregate.



## SPECIFIC STOP-LOSS COVERAGE

### What does it do?

Covers costs for an individual plan participant whose benefit period claims exceed the specific threshold during a contract period.

### What levels are offered?

\$15,000, \$25,000 and \$50,000.

Claims incurred over the contract period that exceed the specific stop-loss amount you select are the responsibility of Medical Mutual.



## AGGREGATE STOP-LOSS COVERAGE

### What does it do?

Provides protection if your group's expected claims fund has been exceeded.

### What liability levels are offered?

The threshold liability level is often shown as a percentage of expected claims and can be offered at a level of either 110% or 120%.



The **lower the specific stop loss** and the **lower the aggregate stop loss**, the **more that the Balanced Solutions plan will resemble a fully insured plan** by pushing more premium to fixed costs. This results in a **smaller employer claims fund** and ultimately a smaller dollar opportunity for refund.



The **higher the specific stop loss** and the **higher the aggregate stop loss**, the **more that the Balanced Solutions plan will resemble a self-funded plan** pushing more premium to the employer claims fund pool. This directly increases the refund/settlement opportunity.

\*These examples are hypothetical and are used for illustrative purposes only.

# BALANCED SOLUTIONS EMPLOYER Q&A

## IS REPORTING PROVIDED?

Yes. Reporting can be provided to track performance.

## IF I QUALIFY FOR A REFUND WHEN WILL I RECEIVE IT?

Refunds are provided 30 to 60 days after the 15th month.

## CAN I ALSO OFFER DENTAL, VISION AND OTHER SPECIALTY PRODUCTS TO MY EMPLOYEES WITH BALANCED SOLUTIONS?

Yes. These products are a separate contract and not subject to Balanced Solutions performance.

## WILL MY EMPLOYEES SEE ANY DIFFERENCE IN THEIR COVERAGE?

No. Employees will still receive a Medical Mutual ID card, Certificate of Coverage, Explanation of Benefits (EOBs), access to the SuperMed® network and Care and Disease Management.

For more information and FAQs, please visit [MedMutual.com/Balanced](https://www.MedMutual.com/Balanced). To enroll, please contact your Medical Mutual Sales representative or broker today.

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