Employers Advantage Overview

This program is an excellent solution for small employers trying to reduce the cost of group health coverage while maintaining an attractive option for their employees.

With traditional fully insured programs, premiums are set for the plan year and are remitted to the insurance company on a monthly basis. If claims do not exceed the premium, the insurer retains this money.

Employers Advantage features level funding and aggregate-only stop loss coverage. Level funding consists of a predetermined portion of the claims along with excess loss insurance premium and administrative costs on a monthly basis.

When eligible claims exceed the employer’s claims funding, funds are released by the excess loss carrier to the employer’s claim fund to reimburse claims. At the end of the run-out period, funds in excess of the claims that were paid from the employer’s claims fund are returned to the employer. This concept allows the employer the opportunity to control cost with limited exposure.

Program Outline

- Group size: Minimum of 2 enrolled employees to maintain coverage under the plan
- Competitive rate structure
- Predictability of level monthly costs
- Wide selection of plan designs including HSAs
- Cofinity PPO Medical Network
- PHCS/MultiPlan and First Health travel/student out-of-state network
- OptumRX PBM of Illinois
- Includes many free generic drugs through the medtipster/free program
- Telemedicine through Answer Health on Demand
- Medically underwritten to ensure this product is appropriate for the group
- No pre-existing condition limitations
- Aggregate stop loss insurance provides protection to the employer from claims that exceed the employer’s claim liability
- 12/21 Aggregate stop loss includes 9 months of run-out coverage
- Unused Employer claim funds are returned to the employer at the end of the run-out period
- ERISA plan that is exempt from some of the new federal Affordable Care Act regulations

Questions?

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Employers Advantage Self-Funded Group Medical Program

Presented by the Michigan Nursery & Landscape Association
At-a-Glance

- An Affordable Care Act compliant, turn-key approach to self/level funding
- Groups with a minimum of 2 enrolled employees are eligible, and it’s generally a good fit for employers up to 75 enrolled
- Competitive pricing, often a savings of 10% to 40% over many other plans
- Monthly level funding, cost based on each month's enrollment regardless of claim activity
- Return of 100% of unused Employer Funding
- Plan design flexibility; many deductible, coinsurance, and copay options available including H.S.A. and H.R.A. compatible plans, telemedicine and a free generic drug program

Pricing/Underwriting

Proposal pricing is based on the group's census, location, and plan design selected; this proposal includes employer claims cost, aggregate stop loss premium and administrative costs. Final pricing is based on medical applications completed by those enrolling in the plan and the employer's disclosure statement. Additional questionnaires may be required to finalize underwriting.

Implementation

All quoting, underwriting, eligibility management, claims processing, premium billing, COBRA administration, document and I.D card production as well as individual customer service is performed in the Southfield, Michigan office of CAM Administrative Services, Inc. (CAMADS).

Employer enters into an Administrative Service Agreement with CAMADS to administer their program. Additional agreements and documents are required for participation in this program. A “Claims Fund” will be established for the employer which will be used to pay eligible claims incurred by those enrolled in the plan. Enrolled employees will be issued ID cards and other required coverage documents, all of which will be sent to the employer.

Provider Partners++

- Cofinity Primary PPO Network, one of the largest PPO networks in Michigan
- First Health and PHCS National PPO Network
- Pharmacy Benefit Manager, provides access to many national, regional and local pharmacies
- Excess loss carrier rated A+ (excellent) by A.M. Best Company
- Comprehensive Plan Document
- Reasonable renewals, generally non-reoccurring claims have a positive impact on renewal action

Operation

CAMADS will enroll employees in accordance with the employer's eligibility requirements. Based on each month's enrollment CAMADS will invoice the employer for the total monthly cost which will be appropriately allocated to the employer's claims fund, aggregate stop loss premium, and administrative fees. Additionally, CAMADS will facilitate PPO network access, pharmacy network access, and utilization management services to the employer. CAMADS will also facilitate transactions between the employer and the stop loss carrier pertaining to monthly accommodations and claim reimbursements. CAMADS will process and pay eligible claims from the employer's claims fund in accordance with the plan design selected by the employer.

CAMADS provides all reporting to the stop loss carrier in order to facilitate any monthly accommodations and/or aggregate claims. The employer will receive reporting on all claims paid during the plan year and the 9-month run-out period. This reporting provides the information necessary to fully track the claims fund and to understand where the claims fund dollars are spent. With this information, the plan can be designed to contain costs and address specific needs of the employees.

Please consult the plan document, excess loss schedule, policy and riders, administrative services agreement, and joinder agreements for full details.

Administered by:
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A Turn-Key Employer
Sponsored Program Providing
Small and Midsize Employers
an Opportunity to Reduce the
cost of Group Medical while
Offering a Comprehensive
Plan to Employees

Are You Paying TOO Much for Health Insurance? Contact Us Today about Employers Advantage!