



THE BROKER NETWORK, INC.

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****This Presentation can be found online at www.bninc.net/powerpoint**



Headlines, Blurbs & Buzzwords

1. Pennsylvania State Exchange
2. Cadillac Tax - Repealed or Not?
3. QSEHRAs & ICHRAs





GOOD DATA & FACT-FINDING

1. Company Name & Address

Who are they?

2. Nature of Business

What do they do?

3. Contact Name & Position

With whom are we meeting?

4. List of Benefits Offered

Exhaustive as possible.

5. Employee Contributions

Specific / By pay.

6. Current Invoices / Recent Renewal

7. Census





- In a recent [Policygenius survey](#) of 2,000 American consumers living in the 10 largest cities, **96% failed to correctly define four essential health insurance terms: deductible, co-insurance, co-pay and out-of-pocket maximum.**

- Definitions handout available at:
www.bninc.net/definitions



Among the survey findings:

- Half of respondents could correctly identify the term "deductible."
- 22% could define "co-insurance."
- 52% felt they understood the term "co-pay."
- 42% could correctly identify "out-of-pocket maximum."
- Only 36% of millennials could identify ANY of these terms.



A DIFFERENT KIND OF HEALTH PLAN: Alternate Funding

Alternate funding is a self-funded health plan designed specifically for small businesses.

IT INCLUDES 3 PARTS:

1. Your Self-Funded Medical Plan, which pays covered medical expenses of your covered employees and their dependents.
2. A third-party administration agreement between you and the insurance company, for claims processing, billing, customer service and other administrative services.
3. A stop-loss insurance policy that protects the plan from large catastrophic claims by a covered individual, and provides overall protection in the event that all claim payments made under the medical plan exceed a certain dollar limit.



ADVANTAGES OF SELF-FUNDED HEALTH PLANS

1. You'll pay lower premium taxes throughout the year,
2. Your plan won't be subject to State mandates or to ACA mandates.
3. You'll receive a refund at the end of the year, if claims are less than projected.



01

HSA

A Health Savings Account (HSA) combines high deductible health insurance with a tax-favoured savings account. Money in the savings account can help pay the deductible. Once the deductible is met, the insurance starts paying. Money left in the savings account earns interest and is yours to keep.

02

HRA

A Health Reimbursement Arrangement (HRA) is an employer-funded, tax- advantaged employer health benefit plan that reimburses employees for out-of-pocket medical expenses and individual health insurance premiums.

03


FSA

A Health Care Flexible Spending Arrangement (FSA) is an employer sponsored benefit that enables employees to set aside pre-tax dollars out of their pay check to pay for eligible health care expenses.




BRIDGE THE GAP


Help Your Employees Manage Their High Deductible Health Plan



**BENEFITS PAID
DIRECTLY TO YOU**



**UP TO \$200 PER
OUTPATIENT VISIT**



**UP TO 5,000 PER
INPATIENT VISIT**



**\$25 REIMBURSEMENTS
FOR PHYSICIAN OFFICE
VISITS**

Hospital GAP Plan
AMERICAN FIDELITY



IMPUTED INCOME: GROUP TERM LIFE



Section 79 of the Internal Revenue Code (IRC) requires employers to calculate taxable income for employees that receive more than \$50,000 in term life coverage, which must be reported on the employee's W-2 form.

For example, an employee has \$78,000 of group term life insurance coverage paid for by the employer

The excess coverage is \$28,000.

The premium paid by the employer for the excess coverage, less any after-tax payment the employee contributes toward the coverage, is the value of the excess benefits that must be included in the taxable compensation for the employee each year.



IMPUTED INCOME: GROUP TERM LIFE



Excess Coverage \$50,000		
Age	Imputed Monthly Income	Imputed Annual Income
30	\$4.00	\$48.00
40	\$5.00	\$60.00
50	\$11.50	\$138.00
60	\$33.00	\$396.00



THE TAX CHOICE OPTION

Let's say you earn \$100,000 a year.

You have a Long-Term Disability Benefit that pays 60% of Earnings.

You would expect to receive 60% of your earnings:
\$60,000/year, or \$5,000/month for your LTD Benefit.





THE TAX CHOICE OPTION

An Employee that qualifies for \$5,000/month in Benefits would ONLY receive about \$3,500 if disabled.

If they elect TAX CHOICE, they receive \$5,000.

Premiums are approximately \$50/mo.

Imputed Tax (~30%) is approximately \$15/mo.





BENICOMP SELECT EXECUTIVE MEDICAL REIMBURSEMENT

WHAT IS EXECUTIVE MEDICAL REIMBURSEMENT?

BeniComp Select is a fully insured, supplemental, group medical expense reimbursement policy. It allows employers to reimburse their key employees for medical expenses not otherwise covered by their base health insurance plan.

WHY CHOOSE BENICOMP SELECT?

BeniComp has been in business since 1962, and is the largest executive medical reimbursement company in the country providing excellent services including:

TAX ADVANTAGES AND BENEFITS

- ❖ Non-taxable benefit to the employee
- ❖ Recruitment and retention of key employees
- ❖ Flexible benefit schedule
- ❖ Enhanced medical plans for as many or as few employees as you choose
- ❖ Reduced out-of-pocket expenses
- ❖ Spousal and dependent coverage
- ❖ No pre-existing condition limitations
- ❖ Convenient Online claims submission

PLAN MINIMUM	MINIMUM # OF PARTICIPANTS	PLAN MINIMUM	MINIMUM # OF PARTICIPANTS
\$200,000	1	\$25,000	4
\$100,000	1	\$20,000	5
\$75,000	3	\$15,000	5
\$50,000	3	\$10,000	10
\$35,000	4		



BENICOMP (Cont'd)

EMPLOYEE BENEFITS

- ❖ No waiting period
- ❖ Cost-Effective alternative to HSA, FSA, and HRA
- ❖ Non-taxable Benefit
- ❖ Fully insured - variable premium
- ❖ HIPAA compliant Online claims submission

EMPLOYEE BENEFITS

- ❖ 100% reimbursement for out-of-pocket medical claims
- ❖ Flexible eligible expenses
- ❖ Intuitive digital claim submission
- ❖ Family and spousal coverage

PREMIUM

- ❖ \$250 per covered employee

PREMIUM

- ❖ Paid claims + 11% administration premium
- ❖ Accidental death benefit equal to annual maximum up \$35,000 4 to \$100,000 at no additional cost.





TASC

- Third-Party Administrator
 - Go-to for Compliance
 - TASC’s “Universal Benefit Account” offers an integrated account to Employees.
 - HSAs, FSAs, HRAs, Wellness Tracking, Student Loan Payments, Tuition Reimbursements, Transit & Parking Accounts, Scholarship Funds, Philanthropy, COBRA, and more





QHDHPs

- QHDHPs - “Qualified High-Deductible Health Plans”
 - In response to a June Executive Order, the Treasury Department and IRS issued guidance expanding the ability of HSA-qualifying QHDHPs to cover low-cost preventive care *before the deductible is met*.
 - For individuals diagnosed with: Congestive heart failure, diabetes, osteoporosis, congestive heart failure, hypertension, asthma, heart disease, liver disease, depression, and more.
 - Covers benefits including: Beta-blockers, blood pressure monitors, Insulin, SSRIs, statins, and more.





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