



# **MBCEA HEALTH BENEFIT PROGRAM**

## **Teleconference & Webinar**

**February 1<sup>st</sup>, 2008**

**10:00 AM Central Time**

**Call (605) 772-3322 Access Code: 371-262-026**

Program sponsored by the Metal Building  
Contractors & Erectors Association

# MBCEA Health Plan Mission

---



- Provide Comprehensive, High-Quality Healthcare Benefits
- Reduce Healthcare Costs for MBCEA Members
- Provide Access to Preferred Doctors and Hospitals
- Ensure Financial Security of Plan with A-Rated Insurer(s)
- Offer Flexible Plan Designs to Meet Unique MBCEA Member Needs
- Provide Responsive Service & Support to Participants
- Offer Member's Resources for Better Healthcare Buying Strategies

*All MBCEA member firms with 2 or more full-time employees may participate in the MBCEA Health Program*

# Comprehensive, Quality Benefits

---



- Many Flexible PPO Plan Designs Available (see brochure)
- Deductibles range from \$250 to \$5,650
- Office visit Co-pays starting at \$15
- Coinsurance % in/out-of-network 100/70, 90/70, 80/60, 70/50
- Five different prescription drug options starting with \$10 co-pays
- Plan covers office visits, preventive care, hospitalization, surgeries, diagnostic tests, organ transplants, mental health – and more.
- Optional benefits include Vision, Dental, Disability, Life/AD&D
- Lifetime maximum benefits up to \$5,000,000 per person
- Program available in all states except HI, NV, TX, and WA

# Reduce Healthcare Costs

---



## Many MBCEA Members will save 10% - 15%

The Plan is funded through the MBCEA Group Benefit Trust:

- Established as a NON-PROFIT health & welfare benefit trust overseen by MBCEA member trustees
- The Trust was established for the benefit of MBCEA members only (and employees/dependents)
- All surplus funds remain in the Trust and earn interest income to offset future rate increases
- The Trust is fully insured by certain underwriters at Lloyd's, London (guarantees that all benefits will be paid)
- The Trust is governed under Federal laws administered by the US Department of Labor – with annual audits.

# Reduce Healthcare Costs

---



## **Many MBCEA Members will save 10% - 15%**

- Reduced insurance company overhead and profit expenses
- Reduced distribution costs (broker commissions/sales incentives)
- Reduced premium taxes and state assessments
- Reduced cost of dealing with state-by-state regulations
  - Simplified plan designs – same in all states (administrative efficiency)
  - Reduced mandates costs
  - Reduced compliance costs
- Consumer Driven Health Plan Initiatives - behavior modification

**Firms that are paying too much will save the most!**

# Financial Security

---



- The MBCEA Trust is insured through an arrangement with underwriters at Lloyd's of London
- These underwriters are “A” rated insurers
- 90% of the largest U.S. corporations are insured through Lloyds
- Lloyds maintains U.S. Trust Funds in excess of

**\$9 Billion**

# Actual MBCEA Member Quote



<b>Recent MBCEA Group Quote – 14 Employee Firm</b>	<i>Current Plan Principal Healthcare</i>	<i>MBCEA Health Plan \$1,500 Deductible - Better Plan -</i>	<i>MBCEA Health Plan \$1,500 Deductible - Similar Plan -</i>
<b>Deductible</b>	\$1,500	\$1,500	\$1,500
<b>Office Visit Co-Pay</b>	\$35	\$25	\$35
<b>Coinsurance</b>	70%	80%	70%
<b>Monthly Premium</b>	\$12,073	\$10,458	\$9,865
<b>Annual Premium</b>	\$144,876	\$125,496	\$118,380
<b>Annual \$\$ Savings</b>		<b>\$19,380</b>	<b>\$26,496</b>
<b>Percentage Savings</b>		<b>-13.4%</b>	<b>-18.2%</b>

*Savings will vary based upon group demographics, location, plan type, and medical risk factors*

# Physician/Hospital Networks

---



- **Private Health Care Systems**

- The PHCS nationwide Network has nearly 450,000 providers and over 4,000 facilities, making it the largest proprietary PPO network in the country. What this means for you is:

- National Access with the Best Cost Savings
    - Flexibility and Value
    - Quality

- **20 Other Regional and National Networks available including First Health & Multiplan**
- **Each MBCEA Member chooses their network**



# Responsive Service

---



## Medical Benefits Administrators of MD, Inc.

- Licensed Third Party Administrator in all states
- State of the art automated systems
- Enrollment, Billing, Claims Processing
- Excellent Customer Service
- Integrated HRA administration
- Specialize in Trust Administration

***MBA is Responsive to MBCEA Member Needs!***

# Co-Pay Plan Design Details

---



- Office Visit Copay Options: \$15, \$20, \$25, \$30, \$35, or \$40
- Deductible Options: \$250, \$500, \$750, \$1,000, \$1,500, \$2,000, \$3,000, \$4,000, \$5,000
- Co-insurance Options: 100%, 90%, 80%, or 70%
- Out of Pocket Maximum Options: \$1,000, \$1,500, \$2,000, \$3,000, \$4,000, \$5,000
- Five Different Prescription Drug Benefit Options 3-tiered copay basis

# HSA-Compatible Plan Designs

---



- Three IRS qualified High Deductible Health Plans (HDHP)
- Individual/Family Deductibles Options:
  - \$1,100/\$2,500
  - \$1,700/\$3,350
  - \$2,850/\$5,650
- Preventive Care covered with \$35 Co-Pay (Deductible Waived)
- Plan pays 100% of other expenses after deductible
- Out-of-Pocket Maximum is equal to the Individual/Family deductibles
- Out-of-Network Benefits payable at 70% after deductible

# Optional Benefits

---



## **Funded by Employer or Employee**

- Dental Coverage --- Preventative, basic, major, orthodontic
  - Dentemax PPO network — [www.dentemax.com](http://www.dentemax.com)
- Vision Coverage --- Exam, glasses, contacts
  - Exam covered under medical plan
  - Additional benefits available for glasses & contacts

## **Funded By Employer – Provided by Reliance Standard Life**

- Group Life/AD&D Insurance --- Flat Amount or Multiple of Salary
- Short and Long Term Disability Insurance --- Many Options

# Better Buying Strategies

---



## Consumer Driven Health Plans

Health Savings Accounts	Health Reimbursement Arrangements
Can be established in conjunction with a qualified “High Deductible Health Plan”	Use with any plan, but the methodology comes from using high deductibles and cost sharing to reduce premium
Individual saves for future health care costs	Employer saves for future health care costs
<b>Buy Less Coverage!</b>	

Consumer Driven Health Plans are designed to slow the inflationary trends of health insurance premiums and possibly even effect the rate of medical inflation.

# What is an HSA?

---



- ↪ The Medicare Prescription Drug Improvement and Modernization Act of 2003, established Health Savings Accounts (HSAs) effective January 1, 2004.
- ↪ HSAs are established in conjunction with a qualified High Deductible Health Plan (HDHP).
- ↪ HSAs are tax-favored accounts used to pay for qualified medical expenses on a tax free basis.
- ↪ HSAs work much like an IRA, except the money is used to pay for health care costs.

**2008 Contribution Limit - \$2900 Single --- \$5800 Family**

# HSA Tax Benefits

---



HSAs allow for the tax-favored accumulation of funds to pay for qualified medical expenses.

- Deposit tax-deductible, pre-tax dollars
- Earn interest tax-deferred
- Withdraw tax-free<sup>\*</sup>

*\* when used for qualified medical expenses*

# What is an HRA?

---



## Health Reimbursement Arrangements

- An HRA is a plan whereby the employer purchases a higher deductible health plan than his current, and uses a portion of the premium savings to add an underlying benefit and incentive for employees.
- Typically, the premium savings, combined with “consumer driven” health care buying by employees, yields a savings easily attractive enough to provide state of the art technology.

# Differences between HRA & HSA

---



- **Health Reimbursement Arrangement**
  - Employer control over benefits and monies spent
  - Not usually vested to the employee, employer accrues savings
  - Employer has some administrative responsibility
  - COBRA rights apply
- **Health Savings Account**
  - Employer establishes HDHP, but has no control over HSA Accounts
  - Employer has no administrative burden for HSAs
  - No COBRA rights apply
  - Employer may contribute to the account, but all Monies funded belong to employees
  - Employees accrue savings and earn interest if funds are not used

# Quotes & Enrollment in the Plan

---



- Obtain preliminary quote by completing the Request For Quote Form (available to download from [www.mbcea-benefits.com](http://www.mbcea-benefits.com) )
- Members with 2, 3, or 4 employees must also submit the Health Statement with the RFQ form
- Preliminary rates will be returned in a comprehensive proposal
- All participating employees must complete Health Statement to receive FINAL rates (**Groups over 100 employees may submit claims experience**)
- To enroll, all eligible employees must complete enrollment or waiver form, and employer must complete Participation Agreement
- 75% of eligible employees without other coverage must participate – and employer must contribute at least 50% to the cost of EE coverage.

# Quotes/Enrollment Support Team

---



**TOLL FREE 866-641-8981 ♦ FAX 866-478-2828 ♦ [www.mbcea-benefits.com](http://www.mbcea-benefits.com)**

**Cliff McConville**

cmconville@abs-benefits.com

Benefit Consultant

Ext. 100

**Leslie Colucci**

lcolucci@abs-benefits.com

Benefit Consultant

Ext. 101

**Bob Jones**

bjones@abs-benefits.com

Benefit Consultant

Ext. 102

**Joan Schaefer**

jschaefer@abs-benefits.com

Benefit Consultant

Ext. 104

**Mary Ameling**

mary.ameling@clientfirst.com

Benefit Consultant

910-383-3930

# Questions and Answers

---



Any  
Questions?

