



**FREE WEBINAR**

**September 28, 2022, 12:30 PM CST**

# **Improving Total Compensation for Church Staff**

**REGISTER NOW**

**ChurchSalary** | **+Remodel health**



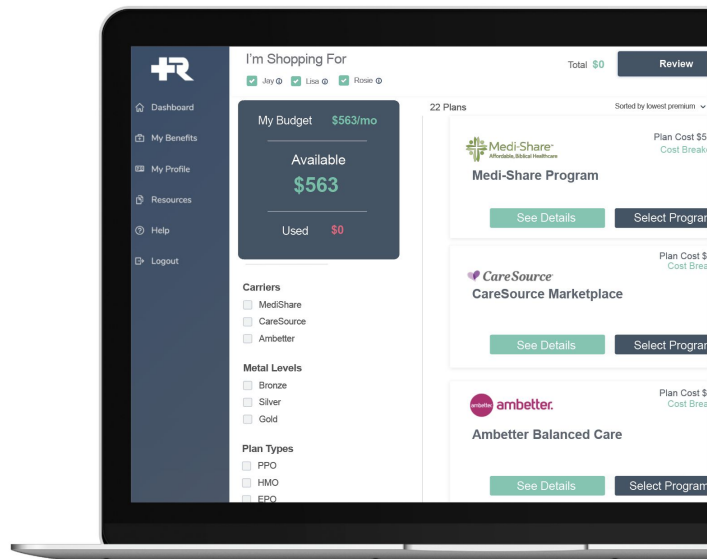
**John Staub**

Director of Outreach  
**Remodel Health**

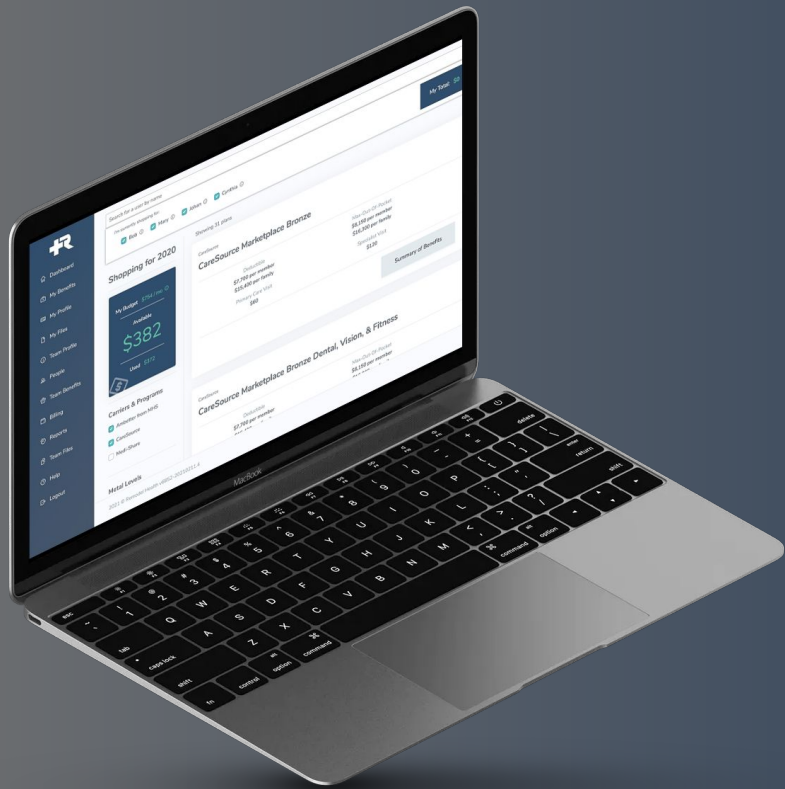
# Who is Remodel Health?



*Revolutionizing* the  
way health benefits are  
delivered to employees.



# Remodel Health is...



**Software**



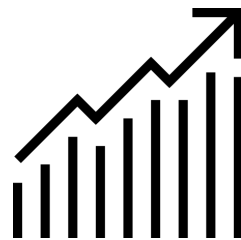
**Service**



*3 years in a row!*



**\$70M+** Saved



with **Better** Benefits

## Perfect World of Health Insurance

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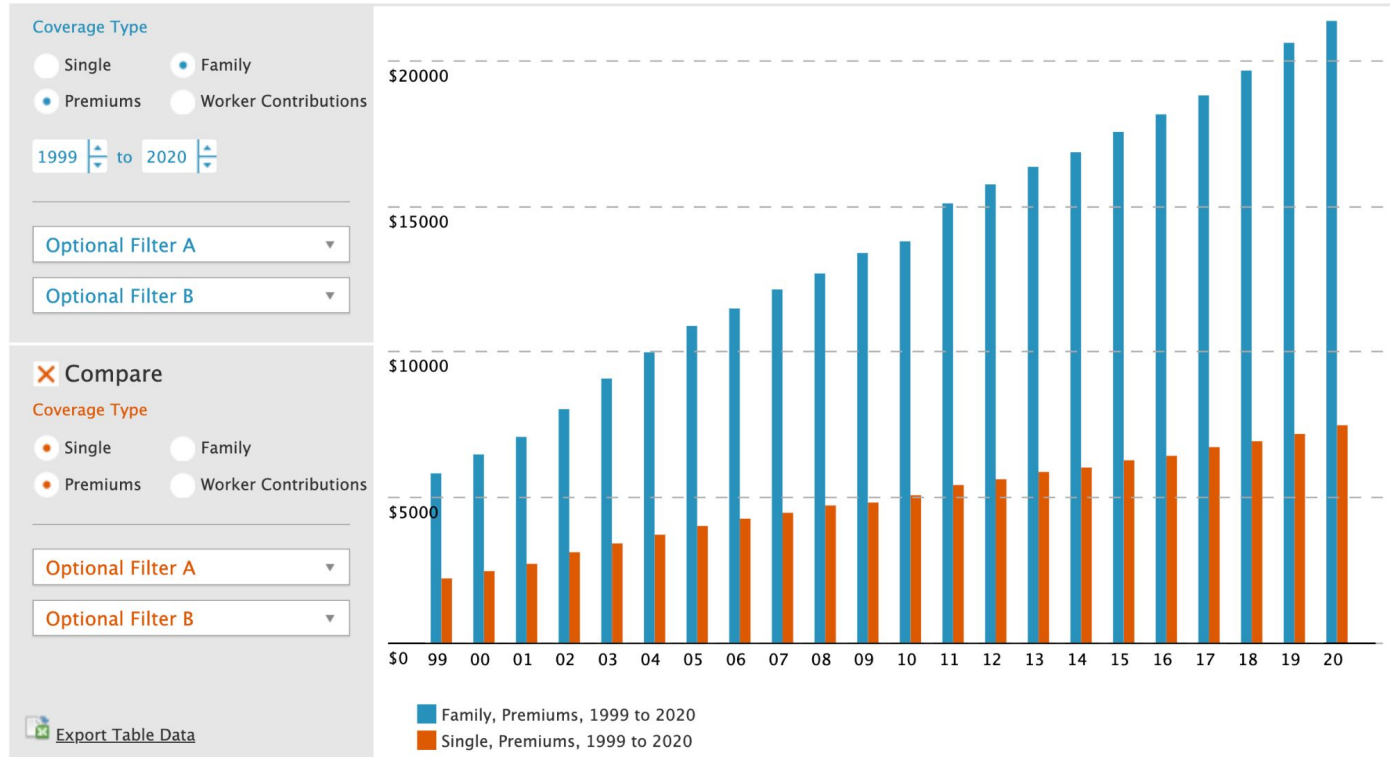
- 
1. You **keep the simplicity** of group plans.
  2. But costs **don't increase** every year.
  3. You can **improve coverage** for your team.

What is the current state  
of those **old group plans.**

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# Group Plan Cost Averages

Traditional Group Health Benefits are Dying

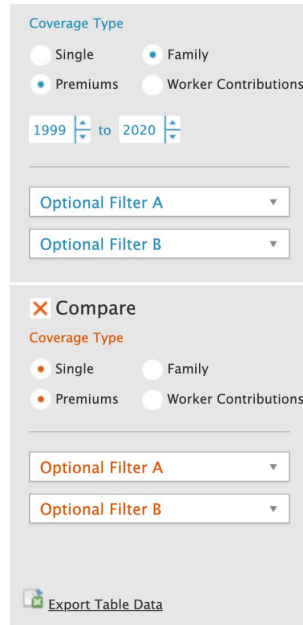
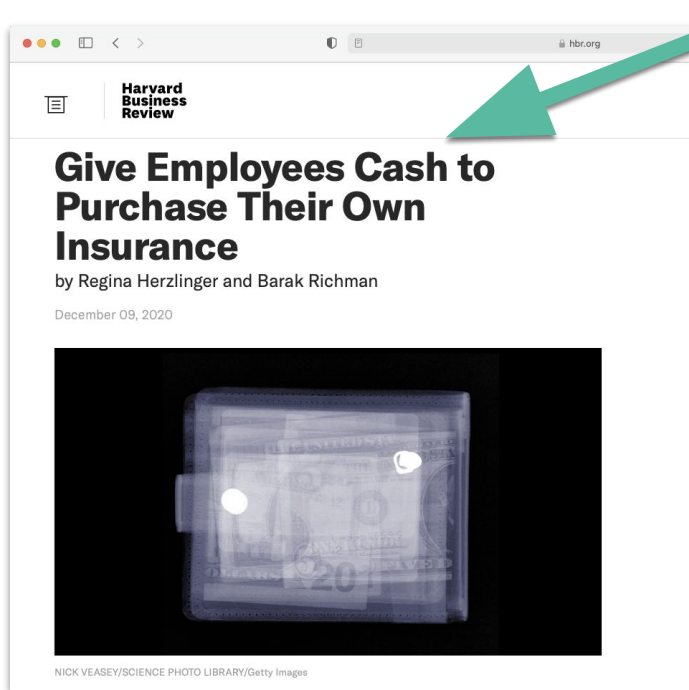


Source: <https://www.kff.org/interactive/premiums-and-worker-contributions-among-workers-covered-by-employer-sponsored-coverage-1999-2020>

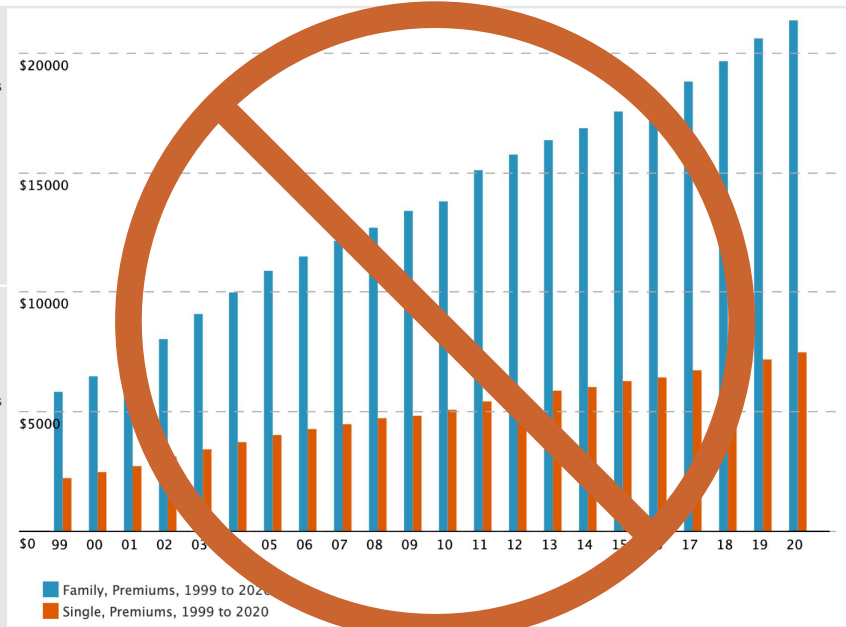


# Harvard Business Review

Traditional Group Health Benefits are Dying



## Group Plan Cost Averages



Source: <https://hbr.org/2020/12/give-employees-cash-to-purchase-their-own-insurance>.

Source: <https://www.kff.org/interactive/premiums-and-worker-contributions-among-workers-covered-by-employer-sponsored-coverage-1999-2020>

# Managed Individual Health Benefits

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# Important Concerns

We **know** what you're **worried** about!



**Yes,** teams of **5-500+** with group plans in most states\*

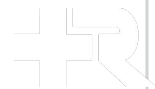
**No,** they don't **lose services** or **worse coverage**.

**No,** they won't get denied or pay more because of **preexisting conditions**.

**And no,** **Remodel Health** is **not an insurance company!**



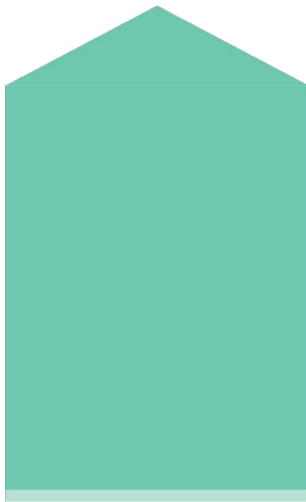
# Health Benefits Delivery Strategy



## Traditional



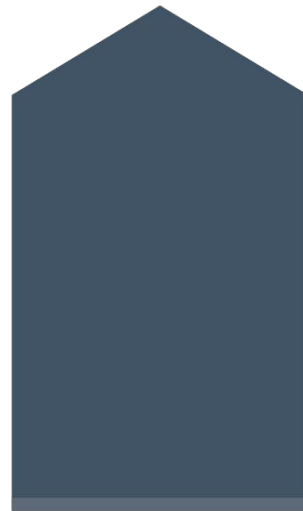
The traditional approach  
to healthcare plans



## Managed Individual



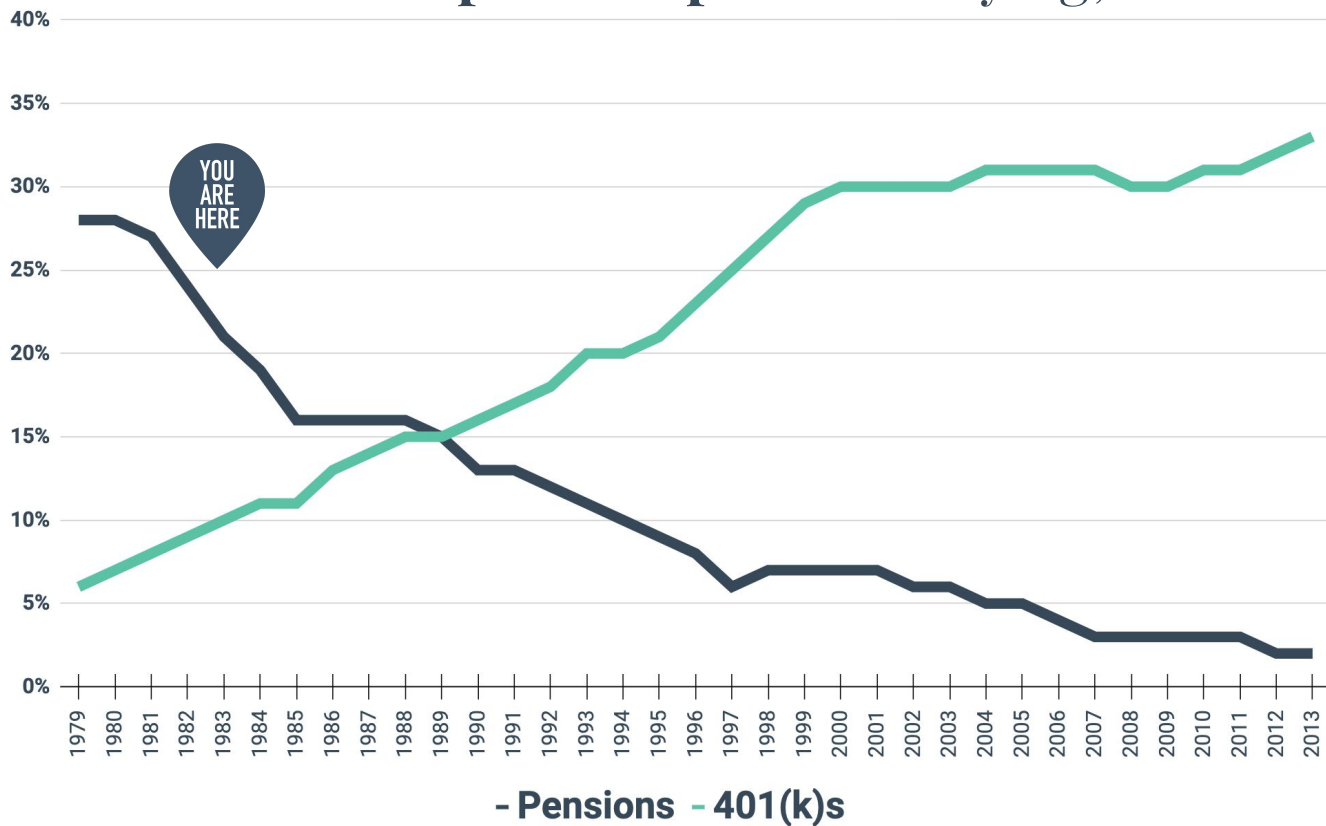
Giving employees funds  
to shop for their own plans





We've  
been  
here  
before.

**Group retirement plans already died.  
Group health plans are dying, too.**





# Understanding Managed Individual.

*Group vs. Individual*

**Pension**

**vs**

**401(k)**

**Single Product**

*provided by  
employer*



**Contribution**

*given to the  
employee*

Money stays  
with the  
**Company**



Money is  
owned by the  
**Employee**

**Organization**  
invests



**Employee**  
invests

**Organization**  
chooses



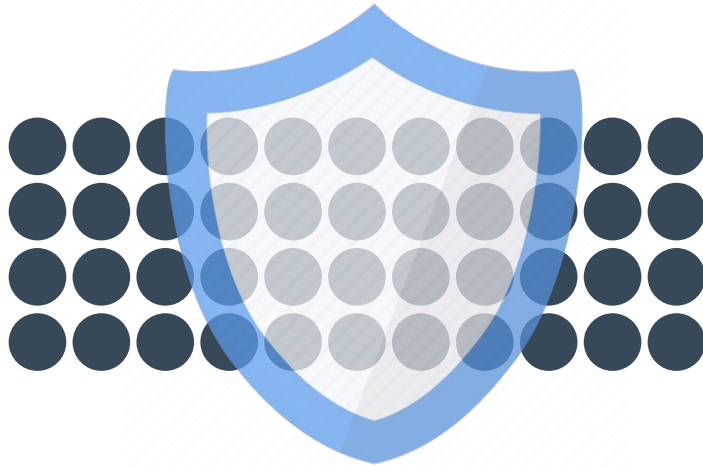
**Employee**  
chooses

# Group **vs.** Managed Individual

Simple breakdown of **how it works**



**1** Group Plan

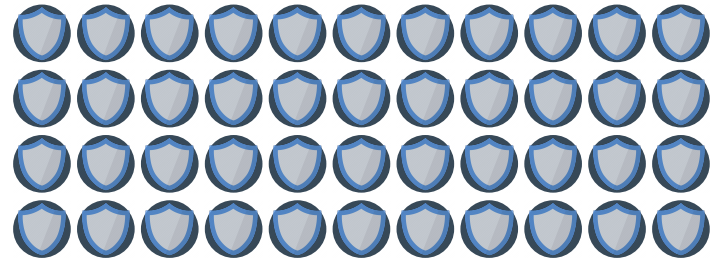
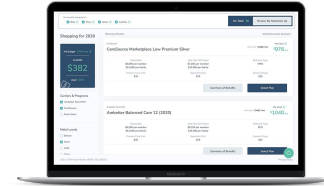


40 Employees, **1 Bill**

**vs.**



**40** Individual Plans



**40** Employees, **1 Bill**

# Individual Marketplace


Many **group carriers** offer individual plans





HealthCare.gov Log in | Español

[← Back to plans](#) Print Email Link [Sharing your information](#)

## Compare plans

  
[Like This Plan](#)

  
[Like This Plan](#)

  
[Like This Plan](#)

### Highlights

Estimated monthly premium	\$458.18 Including a \$119.97 tax credit Was \$578.15	\$315.82 Including a \$119.97 tax credit Was \$435.79	\$446.74 Including a \$119.97 tax credit Was \$566.71
Deductible	\$1,000 Individual total	\$2,500 Individual total	\$3,000 Individual total
Out-of-pocket maximum	\$7,000 Individual total	\$8,550 Individual total	\$8,550 Individual total
Estimated total yearly costs	<a href="#">Add yearly cost</a>	<a href="#">Add yearly cost</a>	<a href="#">Add yearly cost</a>
Plan metal level	Gold	Gold	Gold

Source: <https://healthcare.gov>



# Timeline of **Managed Individual** Health Benefits



**The ACA**

signed  
into law  
Mar. 2010



Health**Care**.gov

Start of the Individual  
Marketplace Oct. 2013

Remodel Health  
starts Oct. 2014



IRS allows employers  
to help employees  
with individual plans



QSEHRA becomes  
an available option



Tax Cuts and Jobs Act of  
2017 lowers individual  
mandate to \$0



Executive Order  
allowing 1-year  
Short Term plans



ICHRA as a new  
option: Jan. 2020



Covid-19  
Mar. 2020



ARPA signed  
Mar. 2021

**The IRA**  
signed  
Aug.  
2022



2010

2011

2012

2013

2014

2015

2016

2017

2018

2019

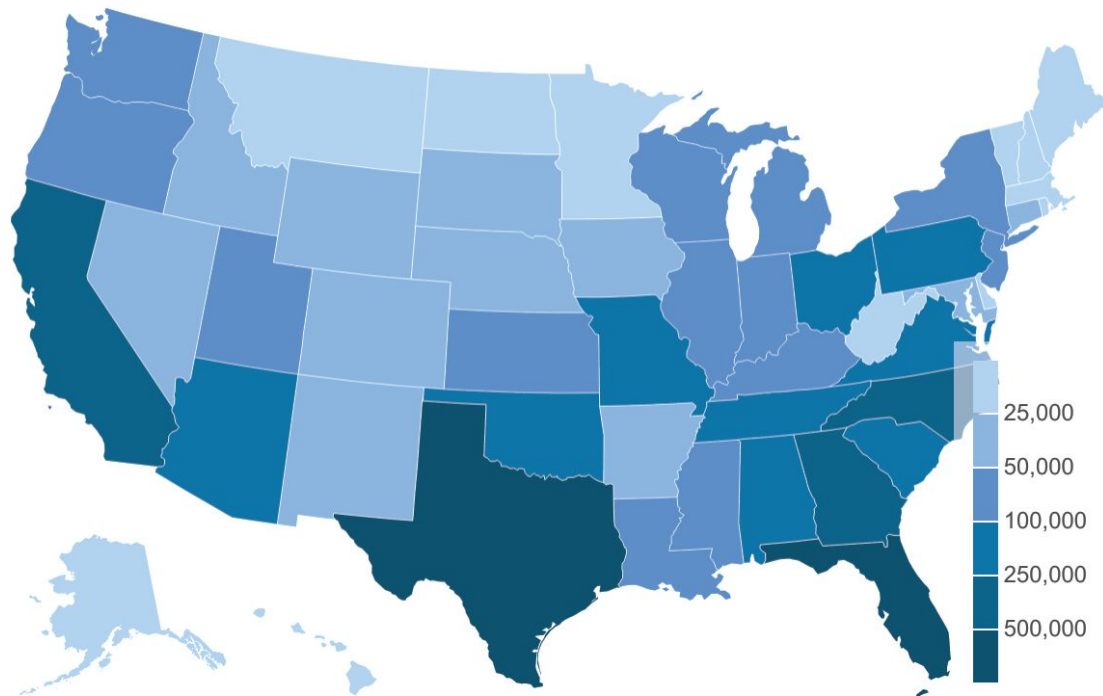
2020

2021

2022

# 2022 Marketplace

**Latest data** from enrollment on Individual Insurance



**14.5M** Total Insured  
(*Record High*)

## Guaranteed-Issue:

Guarantees coverage of *all*  
**Preexisting Conditions**  
at *no* extra cost

1. "A Closer Look at the Uninsured Marketplace Eligible Population Following the American Rescue Plan Act," KFF, May 27, 2021, <https://www.kff.org/private-insurance/issue-brief/a-closer-look-at-the-uninsured-marketplace-eligible-population-following-the-american-rescue-plan-act/>.
2. "Obamacare Enrollment Hits Record 14.5 Million, Including 5.8 Million Newly Insured," *Forbes*, January 27, 2022, <https://www.forbes.com/sites/brucejapsen/2022/01/27/obamacare-enrollment-hits-record-145-million-including-58-newly-insured/?sh=bb72ed53c105>.

# “Law of Large Numbers”

The ratio of increased individuals vs. increased medical events



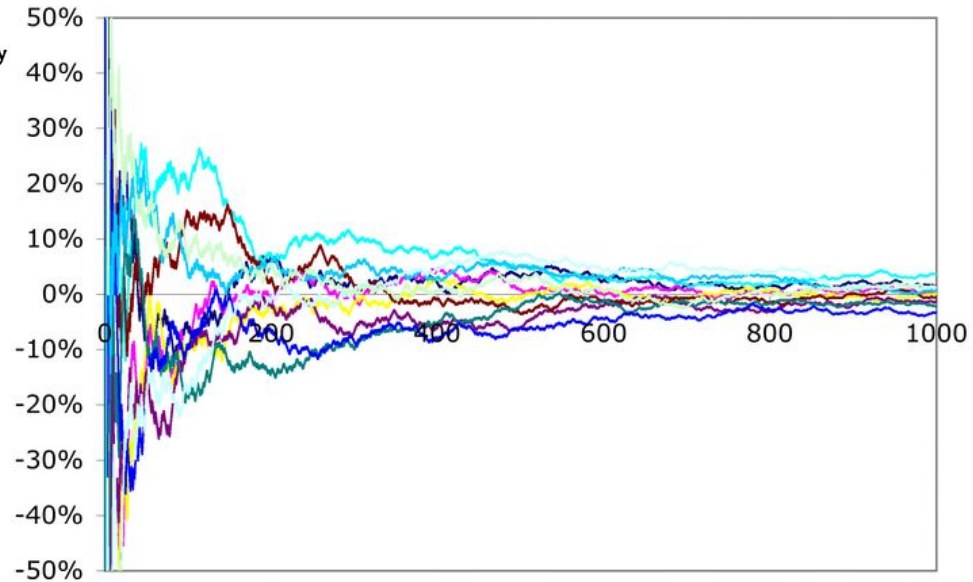
$$\lim_{m \rightarrow \infty} P \left[ \sup_{n \geq m} \left| n^{-1} \sum_{i=1}^n X_i \right| > \varepsilon \right] = 0.$$

See, for example, Davidson (1994, Theorem 18.3, p. 283). Moreover, by Doob's inequality (see, e.g., Davidson, 1994, Result 15.15, p. 241),

$$E \max_{1 \leq m \leq n} \left( \sum_{i=1}^m X_i \right)^2 \leq 4E \left( \sum_{i=1}^n X_i \right)^2 = 4 \sum_{i=1}^n \sigma_i^2.$$

Therefore, for any  $\varepsilon > 0$ ,

$$\begin{aligned} P \left[ \sup_{n \geq m} \left| n^{-1} \sum_{i=1}^n X_i \right| > \varepsilon \right] &= P \left[ \sup_{k \geq \log m / \log 2} \sup_{2^k \leq n \leq 2^{k+1}} \left| n^{-1} \sum_{i=1}^n X_i \right| > \varepsilon \right] \\ &\leq P \left[ \sup_{k \geq \log m / \log 2} \sup_{2^k \leq n \leq 2^{k+1}} 2^{-k} \left| \sum_{i=1}^n X_i \right| > \varepsilon \right] \\ &\leq \sum_{k \geq \log m / \log 2} 2^{-2k} \varepsilon^{-2} E \sup_{2^k \leq n \leq 2^{k+1}} \left| \sum_{i=1}^n X_i \right|^2 \\ &\leq \sum_{k \geq \log m / \log 2} 2^{-2k} \varepsilon^{-2} 4 \sum_{i=1}^{2^{k+1}} \sigma_i^2 \\ &\leq C \sum_{k \geq \log m / \log 2} 2^{-k+\mu k} \varepsilon^{-2} \rightarrow 0 \end{aligned}$$

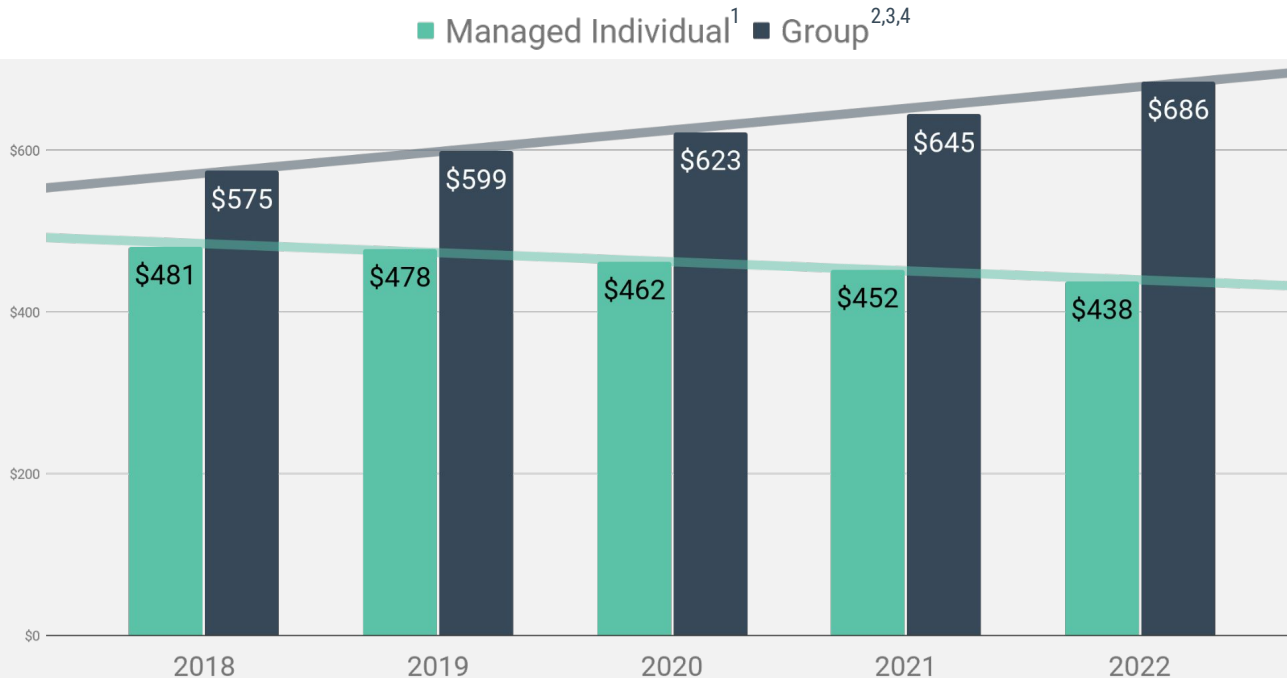


Source: <https://www.cambridge.org/core/journals/econometric-theory/article/abs/strong-law-of-large-numbers/0296723EB3635A31E8A7E53810F1C963>

Source: <https://alphaarchitect.com/2014/01/the-law-of-large-numbers-and-casino-earnings/>

# Average Monthly Costs

Employee-Only Coverage via **Managed Individual vs. Group**



1. "Marketplace Average Benchmark Premiums," KFF, February 15, 2022, <https://www.kff.org/health-reform/state-indicator/marketplace-average-benchmark-premiums>. **These are non-subsidized with no tax credits.**

2. "Premiums and Worker Contributions Among Workers Covered by Employer-Sponsored Coverage, 1999-2020," KFF, October 8, 2020, <https://www.kff.org/interactive/premiums-and-worker-contributions-among-workers-covered-by-employer-sponsored-coverage-1999-2020/>.

3. "2021 Summary of Findings," KFF, November 10, 2021, <https://www.kff.org/report-section/ehbs-2021-summary-of-findings/>.

4. "National Survey of Employer-Sponsored Health Plans," Mercer, December 13, 2021, <https://www.mercer.us/newsroom/employer-sponsored-health-insurance-cost-rose-sharply-in-2021-outlook-for-2022-is-uncertain.html>.



## Traditional Group



**30** Employees



**Employee Only** Coverage

**Cost: \$246,960**



## Managed Individual



**30** Employees

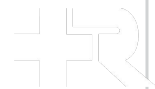


**Employee Only** Coverage

**Cost: \$157,680**



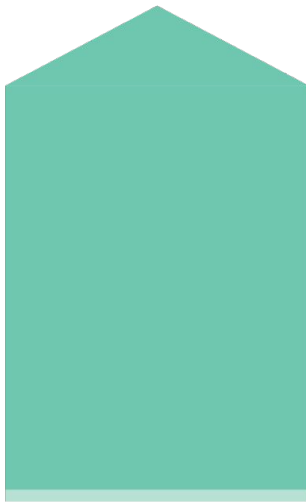
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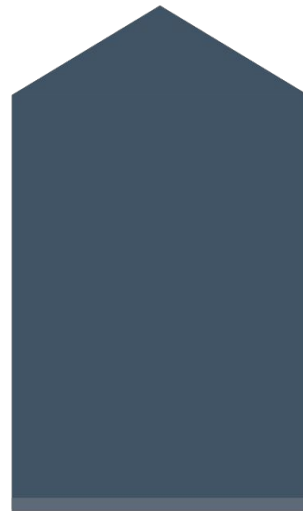
The traditional approach  
to healthcare plans



## Managed Individual



Giving employees funds  
to shop for their own plans



# 2022 National Health Benefits Analysis

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REMODEL  
HEALTH  
**RESEARCH**

4

YEARS OF DATA

445,367

UNIQUE DATA POINTS

## Overview

The following is a statistical analysis of proprietary data researched by Remodel Health to **better understand employee health benefits preferences and options.**

## Evaluation

- + **Employee choices** and key demographics
- + Vital elements of **Marketplace plans**
- + **Breakdowns** by state
- + Industry-specific **employee selections**



# Tax Credits are Tax Credits

Same form but a different function



Child Tax Credit = Tax Credits = Advanced Premium Tax Credit

# What is this “discount”?

Subsidies are Advanced Premium **Tax Credits** (APTCs)



Blue Cross Select Silver - PPO

SILVER + CSR

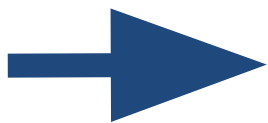
Premium	Deductible	Out-of-pocket max	\$6,500
<b>\$212/mo</b>	\$3,250/yr	Doctor visits	\$40
<del>was \$4,079</del>		Specialist visit	\$65
		Generic drugs	\$10

☐ Compare

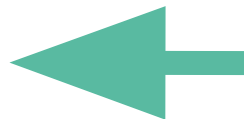
Available to individuals who are **not offered a traditional group plan** by their employer.<sup>1</sup>



**Individual** shops for discounted plans



**Carrier** uses IRS calculation to determine the subsidy



**IRS** sends tax credit to the Carrier to discount the cost

- <sup>1</sup> "Eligibility for Insurance Affordability Programs," U.S. Department of Health & Human Services, August 8, 2019, [https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/eligibility%20for%20insurance%20affordability%20programs\\_6.pdf](https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/eligibility%20for%20insurance%20affordability%20programs_6.pdf).
- <sup>2</sup> "HealthSherpa helps nearly 700,000 people access \$4.3 billion in subsidies in first two weeks of Open Enrollment," Health Sherpa, November 19, 2021, <https://blog.healthsherpa.com/healthsherpa-helps-nearly-700000-people-access-4-3-billion-in-subsidies-in-first-two-weeks-of-open-enrollment>.
- <sup>3</sup> "Public Law 111-148", Authenticated U.S. Government Information, GPO, March 23, 2021, <https://www.congress.gov/111/plaws/publ148/PLAW-111publ148.pdf>.



## DATA HIGHLIGHTS

The results of using Advanced  
Premium Tax Credits are *profound*.

**79.5%** OF ALL INDIVIDUALS ARE  
ELIGIBLE FOR TAX CREDITS

AVERAGE **DISCOUNT**  
PERCENTAGE

**59.4%**

AVERAGE MONTHLY  
AMOUNT OF **TAX CREDITS**

**\$632**

AVERAGE **MONTHLY COST** OF  
PLAN (AFTER TAX CREDIT)

**\$376**

**Apply** this to each employee  
and imagine the **impact** this  

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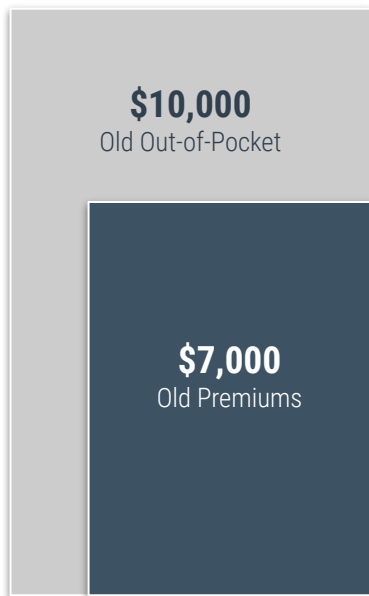
can make on **your organization**

# Help with Medical Bills

Going **above and beyond** to care better for your staff

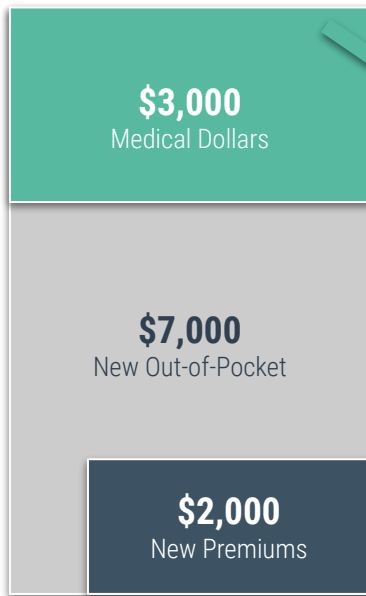


## Example of Annual Expenses:



**Group**

**vs.**



**Managed Individual**



**Note:** Organization still saves \$2,000!

## 40 Employees Traditional Group



Deductible: **\$3,000**



Primary Care Copay: **\$15**



Average per Employee: **\$1,041/month**

**Old Cost: \$500,000**

## 40 Employees Managed Individual



Deductible: **\$1,500**



Primary Care Copay: **\$5**



Average per Employee: **\$604/month**

**New Cost: \$290,000**

# Perfect World of Health Insurance

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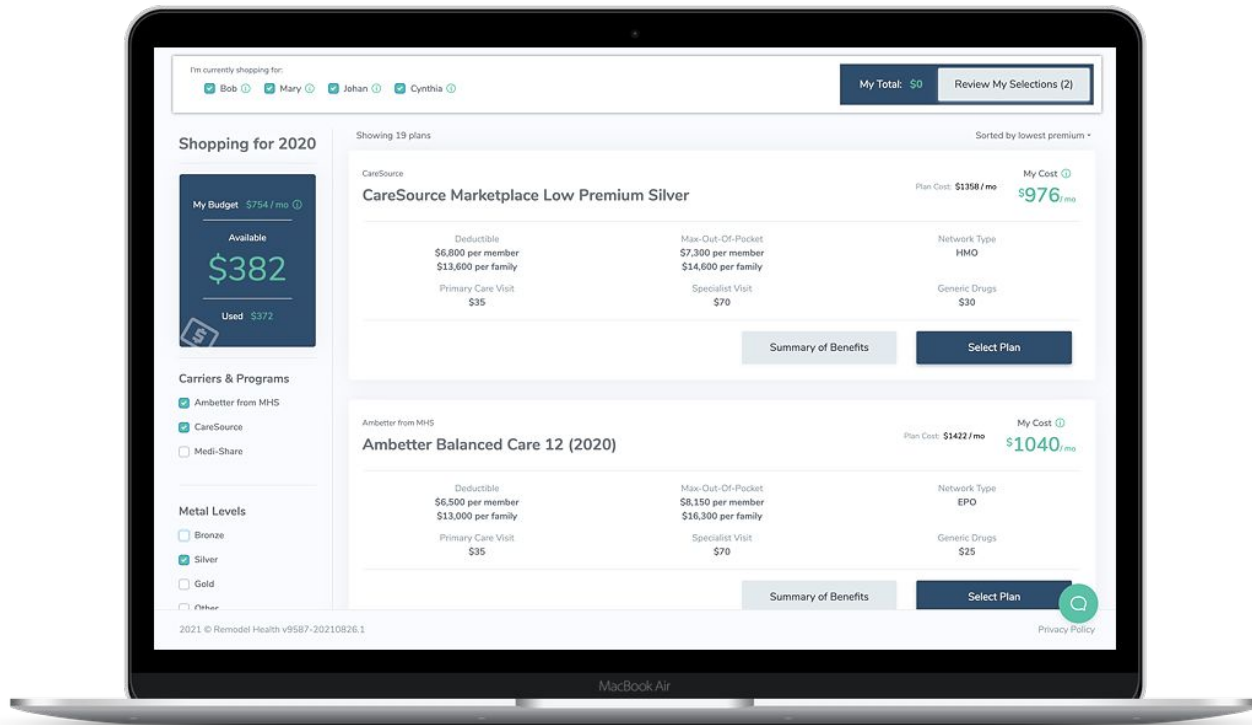
- 
1. You **keep the simplicity** of group plans.
  2. Costs **don't increase** every year.
  3. You **improve coverage** for your team.



\$70,000,000+

**Savings** back into ministry

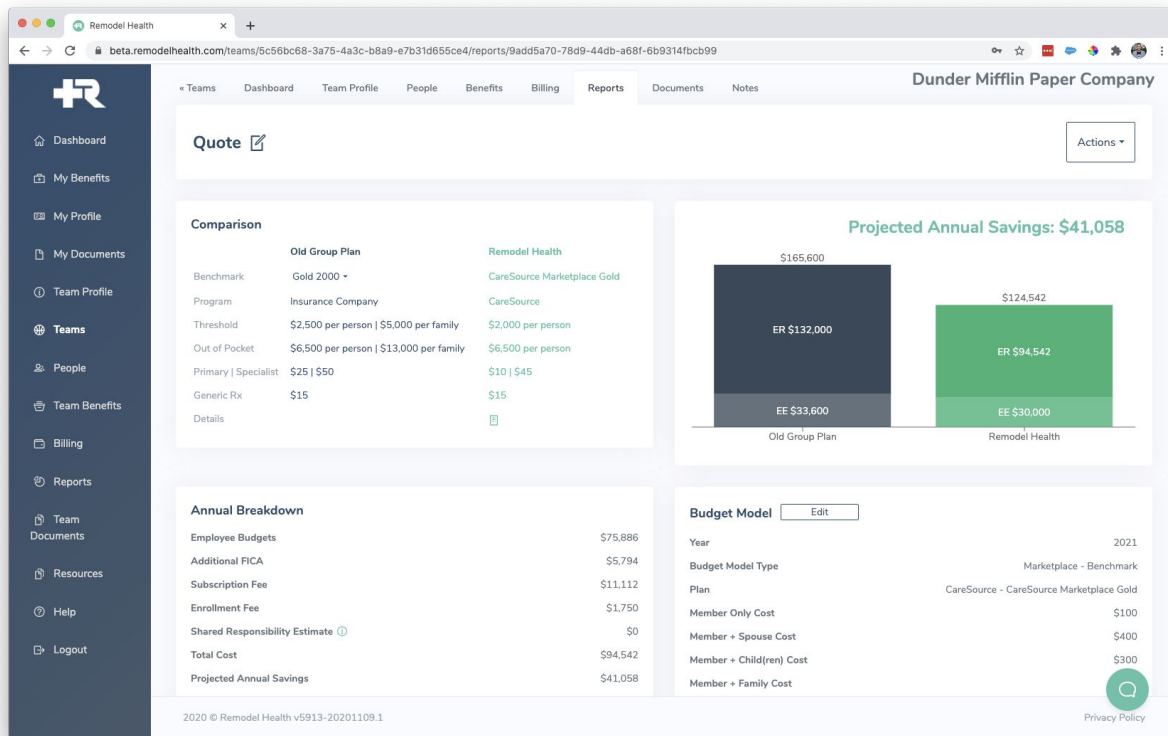




There is  
**Software**  
for that!

# 1. Design

Explore all of the **options**.



## A Pathway for Every Person!

- Classes & Budgets
- Tax & ALE Calculations
- Coverages & Deductibles
- Networks & Doctors

# 2. Select

Your team **picks** their plans.



Remodel Health

beta remodelhealth.com/shop#carrier=Ambetter%20from%20MHS&carrier=CareSource&metalLevel=Silver

I'm currently shopping for:

- ☒ Jim
- ☒ Pamela
- ☒ Cecilia
- ☒ Phillip

My Total: \$0 Review My Selections (0)

**My Budget** \$523 / mo

Available **\$523**

Used \$0

**Carriers & Programs**

- ☒ Ambetter from MHS
- ☒ CareSource
- ☐ Medi-Share

**Metal Levels**

- ☐ Bronze
- ☐ Gold
- ☒ Silver
- ☐ Other

**Network Types**

- ☐ EPO

**CareSource Marketplace Low Premium Silver**

Was: ~~\$1302 / mo~~ My Cost: **\$207 / mo**

Plan Cost: **\$730 / mo**

Deductible <b>\$13,600 per family</b>	Max-Out-Of-Pocket <b>\$14,600 per family</b>	Network Type <b>HMO</b>
Primary Care Visit <b>\$35</b>	Specialist Visit <b>\$70</b>	Generic Drugs <b>\$30</b>

Summary of Benefits Select Plan

**Ambetter Balanced Care 12 (2020)**

Was: ~~\$1364 / mo~~ My Cost: **\$269 / mo**

Plan Cost: **\$792 / mo**

Deductible <b>\$13,000 per family</b>	Max-Out-Of-Pocket <b>\$16,300 per family</b>	Network Type <b>EPO</b>
Primary Care Visit <b>\$35</b>	Specialist Visit <b>\$70</b>	Generic Drugs <b>\$25</b>

Summary of Benefits Select Plan

**CareSource Marketplace Standard Silver**

Was: ~~\$1375 / mo~~ My Cost: **\$276 / mo**

Plan Cost: **\$799 / mo**

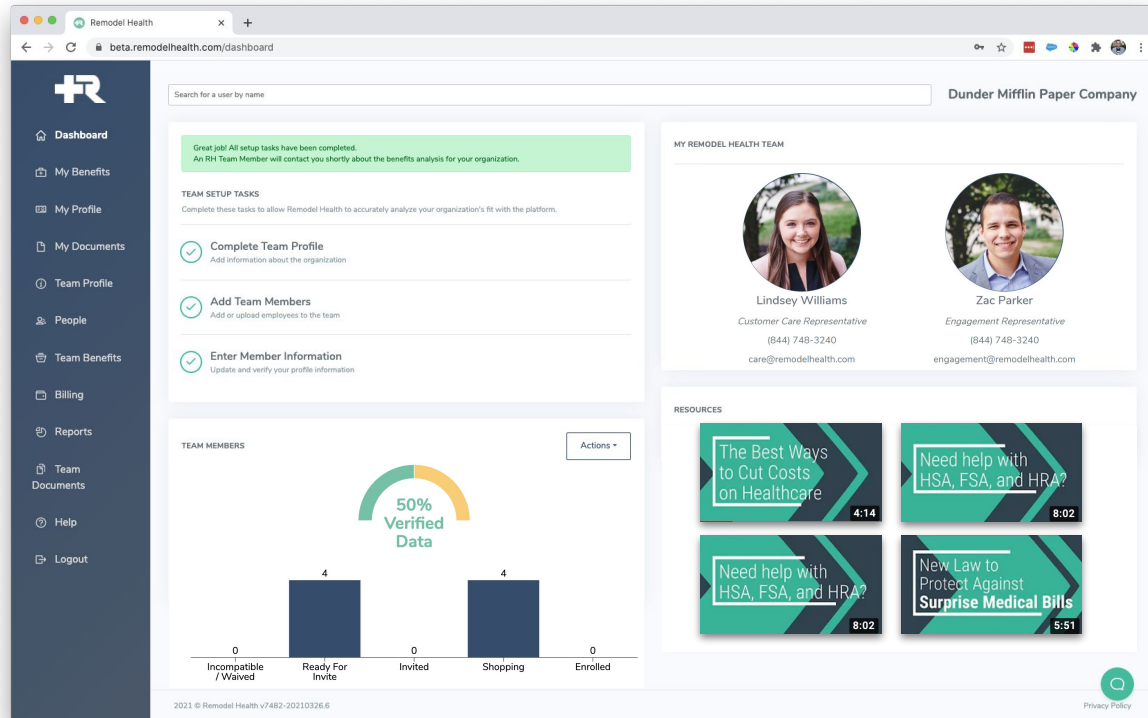
2020 © Remodel Health v5913-20201109.1 Privacy Policy

## Get Better Coverage!

- Shop all available plans
- Sort, compare and select
- Submit enrollment details
- Connect to advisements

# 3. Manage

Keep it **organized** all year.



## Personal Support All Year!

- Payroll deduct details
- Auto payments for plans
- Member online portal
- On-going education
- Direct support contact



# More of the best **benefits**



**Personal**  
Licensed  
Advisors



**\$0** Copay  
Telehealth



Library of  
**Ancillary**  
Plans



**Autopay +**  
**Payroll**  
Deduct



**On-Going Support:**  
Single Point of Contact



# NEXT STEPS

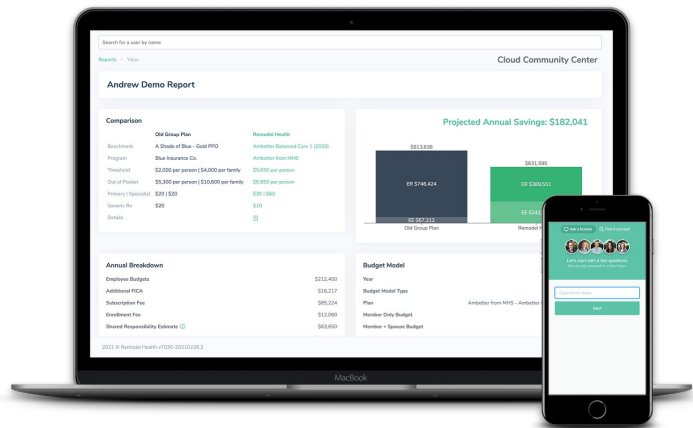
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Where do we go from here?



# Health Benefits Analysis

remodelhealth.com/connect



*Email me!*



[john.staub@remodelhealth.com](mailto:john.staub@remodelhealth.com)

	Standard	Premium
INDIVIDUAL PLAN COSTS	✓	✓
SIDE-BY-SIDE RISK COMPARISON	✓	✓
INSURANCE NETWORK & CARRIER CHECK	✓	✓
1-HOUR MEETING WITH A LICENSED CONSULTANT	✓	✓
256-BIT ENCRYPTED EMPLOYEE SURVEY SOFTWARE		✓
3-PLAN CUSTOM STRATEGY DESIGN		✓
100% VERIFIED EMPLOYEE REQUIREMENTS		✓
100% VERIFIED DOCTOR & PRESCRIPTION CHECK		✓
ONLINE ADMIN PORTAL & PRINTABLE PDF BOOKLET		✓

## COST PER EMPLOYEE\*

\*Please include any employee who is currently on your group plan or any new additions that you would like to have included.

\$25 **\$0**

\$50 **\$25**