

Innovative Solutions for Minimum Essential Coverage (MEC)



Driving results through individual health ownership



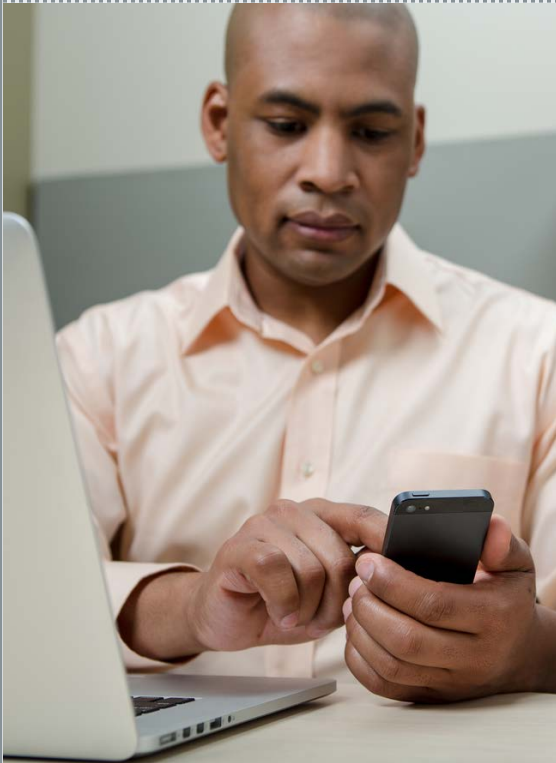
Today's session



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Our discussion today

UnitedHealthcare Preventive and a 60% Actuarial Value (AV) plan combined has advantages for both employers and their employees



The combination of UnitedHealthcare Preventive and a comprehensive 60% AV plan may fulfill requirements for an employer, while also increasing employee satisfaction by offering choice regarding benefit options.

UnitedHealthcare Preventive plans minimum essential coverage

Provides affordable plan choices that help employees meet the individual mandates¹

60% AV plan

Provides a comprehensive plan that satisfies individual and current 2015 employer reform mandates¹

Offering both UnitedHealthcare Preventive and a 60% AV plan may result in lower employer cost while providing employees choice to meet their affordability and lifestyle needs.

1. Customers should consult with their counsel with respect to any legal interpretations and to determine their legal obligations under PPACA.

Q :

If an employer offers both UnitedHealthcare Preventive and a 60% AV plan will they satisfy the employer mandates?

A :

A: YES

B: NO

Choice is the optimum solution for the lowest potential cost



Consider offering UnitedHealthcare Preventive and a 60% AV comprehensive plan either standalone or in combination for employee choice

UnitedHealthcare Preventive

Satisfies individual mandate

Two plan design options:

1. Preventive Care only
2. Preventive Care + 2 sick office visits
3. Rx discount card and/or Critical Illness and Accident coverage can be added

60% AV plan

Satisfies individual and employer mandates¹

- Comprehensive coverage
- 100% Preventive Care
- Employers have a range of health plan choices
- Enables a minimum value (60-75%) strategy

Portal supports all scenarios by

Offering specialty product choices all in one place

Providing online tools to assist employees with decision-making

Enrolling members and maintaining eligibility on an on-going basis

Producing payroll deduction and enrollment files for the employer

UnitedHealthcare Preventive Plan Options



In-network benefits only through the Options PPO network

Does not include coverage for non-preventive care ordered/recommended during preventive visits

100% coverage -- No deductibles, no copays

No annual or lifetime limits

Plan 1	Plan 2	Supplemental options
<p>All services defined by UnitedHealthcare as preventive, including all preventive services mandated by health reform:</p> <ul style="list-style-type: none"> • Annual physical/OB/GYN check up • Mammogram • Immunizations • Colorectal cancer screenings • Women's preventive contraceptives • Well-child care • And other preventive tests/screens included in the ACA 	<p>Preventive services as covered in Option 1</p> <p>PLUS</p> <p>Two sick office visits¹ per member per year</p>	<p>Option 1 or Option 2</p> <p>PLUS</p> <p>Critical Illness², and/or Accident insurance²</p> <p>Vision</p> <p>Dental</p> <p>Pharmacy Discount Program</p>
<p>Claims cost estimates³ \$29 single / \$61 family. \$35 average PEPM</p>	<p>Claims cost estimates³ \$56 single / \$116 family. \$67 average PEPM</p>	<p>Cost of CI/A coverage can be tailored to customer needs from as low as \$5 PEPM on up (in addition to base costs for Options 1 & 2)</p>

1. Related services such as X-rays, lab tests, etc. are not covered under the UnitedHealthcare Preventive plans. 2. Handled separately from health insurance. Lump sum benefit is paid directly to insured, not to provider. These plans may vary by state or may not be available in all states. 3. Claims cost estimates are based on an average census, average age and average single/family mix in an average cost area. Specific customer characteristics will affect the actual expected claims cost. Family assumes 1.3 size. 4. Does not include ASO fee, this will vary by client. 5. These costs estimates are for 2014. 2015 costs would need to be increased with a trend of 8% for plan 1 and 6.4% for plan 2.

Q :

Why is the individual mandate satisfied by a MEC plan like UnitedHealthcare Preventive?

A :

A: The individual mandate isn't satisfied by MEC Plans

B: MEC Plans are considered affordable coverage

C: UnitedHealthcare Preventive Plans include all required preventive care

Supplemental options

Critical illness and accident insurance



Critical Illness Protection Plan

CANCER

- Cancer
- Carcinoma in situ*

CARDIOVASCULAR

- Heart attack
- Heart failure
- Stroke
- Ruptured aneurysm
- Coronary artery bypass*

OTHER

- Coma
- Chronic renal failure
- Paralysis
- Major organ failure
- Severe burns
- Severe brain damage

Coverage options			
	A	B	C
Employee	\$5,000	\$10,000	\$20,000
Spouse	N/A	\$5,000	\$10,000
Child(ren)	N/A	\$2,500	\$5,000

Employee must be enrolled for coverage in order for Dependent(s) to be eligible. Employee may purchase Option B or C without purchasing Dependent coverage.

Accident Protection Plan**

BASE BENEFITS

Accidental death and dismemberment

- Life, Limb, Accidental Death Common Carrier

Initial Care

- Ambulance, emergency room, physician visits

Hospital Care

- Hospital and ICU admissions & confinement

ENHANCED BENEFITS

Follow-up care

- X-rays, physical therapy

Common injuries

- Fractures, concussions, burns, cuts

Coverage options
Range of pricing is available for critical illness and/or accident coverage based on coverage options selected (from \$5 PEPM on up)

Employee must be enrolled for coverage in order for Dependent(s) to be eligible. Dependent coverage must match Employee coverage.

Critical Illness and Accident Protection Plans may vary by state or may not be available in all states.

*Partial Benefit -- see Benefit Summary or Certificate of Coverage for specific provisions. ** See schedule of benefits or certificate of coverage for coverage levels

Prescription savings program add-on

Network of more than 62,000 pharmacies nationwide

Savings average over 36%, with potential savings up to 75% *(will vary depending on the medication, dosage and participating pharmacy used)*

Website available for members to see estimated pricing information and location of participating pharmacies

Unlimited use at participating pharmacies, can be used for everyone in the household, every medication is eligible for savings

Best Price Advantage
The Best Price Advantage means if a drug is ever “on sale,” or if the pharmacy price is less than the discounted price, the member will pay the lower of the two prices on retail prescription purchases



1

Member goes online and prints ID card

2

Member presents card at participating pharmacy

3

Discount is applied

4

Member pays discounted price at point of sale

Q :

If an employee enrolls in UnitedHealthcare Preventive, can they still obtain a subsidy on the Exchange?

A :

A: Yes

B: No

Core benefits

All essential medical and Rx benefits
(80% after deductible)

100% preventive coverage

Two sick visits covered at 100%

Range of deductible options
(\$2000-\$6000)

Employee's choice when selecting optional benefits

Plus dental

Coverage for comprehensive dental services like cleanings, fillings, oral surgery, crowns, etc.

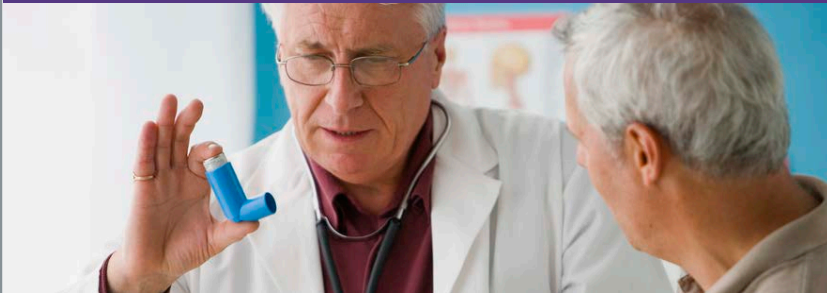
Plus vision

Coverage for one eye exam and one set of glasses or contacts a year

Plus pharmacy savings

Flat rate of \$10 for many of the most widely prescribed medications

Enrollment portal



Estimated actuarial values of various Wrks4me deductibles



Plans have been designed to provide a range of actuarial values that fit employer financial strategies

Core medical plan	Option 1	Option 2	Option 3	Option 4	Option 5
Annual deductible	\$2,000 individual / \$4,000 family	\$3,000 individual / \$6,000 family	\$4,000 individual / \$8,000 family	\$5,000 individual / \$10,000 family	\$6,000 individual / \$12,000 family
Annual out-of-pocket maximum	\$4,000 individual / \$8,000 family	\$6,000 individual / \$12,000 family	\$6,000 individual / \$12,000 family	\$6,000 individual / \$12,000 family	\$6,000 individual / \$12,000 family
Annual or lifetime maximum benefit	None				
Essential benefits	All benefits mandated by PPACA are covered				
First two physician office visits (a)	Covered at 100%, no deductible, no copay				
Preventive care	Covered at 100%, no deductible, no copay				
Physician office visits, after first two					
Specialist office visits					
Urgent care					
MRI / CAT scan					
X-rays and lab	80% / 50% after deductible				
Emergency room					
Outpatient (ambulatory surg center)					
Hospital outpatient visits					
Hospital inpatient admission					
Mental health / substance abuse					
Retail or mail order prescriptions					
Tier 1	80% after deductible				
Tier 2	60% after deductible				
Tier 3	50% after deductible				
Actuarial value (AV)	73.2%	66.5%	63.7%	62.3%	61.4%

Web portal

Employees can make benefit decisions



...while the employer's administrative burden is also eased.

Maintain enrollment information, no third party expenses

Create an enrollment file in a format consistent with their other systems

Calculate the payroll deductions for each employee and pass the information to the employer's payroll system or a payroll vendor

Online resources for employees



Everything you need is online.
Get useful online tools and resources whenever and wherever you want.

TOOLS TO LEARN MORE

Cost-Comparison Calculator
Estimate your out-of-pocket expenses and compare costs between the Wrks4me options available.

Provider Search
Find doctors, hospitals, dentists, vision providers, pharmacies and other providers that are part of the network.

People Like Me
Learn what options other people like you may choose.

Healthy product discount program
Receive valuable discounts on healthy products you purchase in your daily life.

TOOLS TO HELP YOU USE IT

Online Enrollment and Plan Selection
Select the plan that fits your lifestyle and price point, and then enroll online.

Online Account Access
Track your claims and health information.

UnitedHealthcare Health4Me™ App
Simplify your health care with our Health4Me app: easy access to your ID card, find doctors, check your deductible accumulations or connect with customer service.

Smartphone App
Take advantage of our OptimizMe® app that allows you to track healthy activities and challenge others to join you.

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ENROLLMENT IS EASY

Log into **Wrks4me** portal

Decision tools help to select the plan features that fit their lifestyle and price point

Verify dependent coverage and follow the remaining steps to complete the enrollment process

Decision tools exclusively for Wrks4me

Cost calculator

Estimate out of pocket expenses and compare costs of plan options

People like me

Learn what options other people may have chosen

Plus the tools all UnitedHealthcare members have

Provider search

Find in-network doctors, hospitals, dentists, pharmacies

Online account access

Track claims and health information

Poll

Q:

UnitedHealthcare Wrks4Me satisfies both individual and employer mandates.

A:

A: True

B: False

Health reform mandates and UnitedHealthcare options



UnitedHealthcare Preventive counts as “minimum essential coverage” for purposes of the employer and individual mandates¹

Individual mandate

UnitedHealthcare Preventive will satisfy the individual mandate for employees but may effect their eligibility for premium subsidies on an exchange

Employer mandate

The 2015 employer mandate in addition to the individual mandate are satisfied when a UnitedHealthcare comprehensive plan (60% minimum value²) is available to at least 70% of the full-time employees, as long as the comprehensive plan is considered affordable

A dual-option approach with UnitedHealthcare Preventive and a 60% AV plan like Wrks4me may result in lower employer cost than a standalone comprehensive plan

1. Customers should consult with their counsel with respect to any legal interpretations and to determine their legal obligations under PPACA. 2. Minimum Value = percentage of "allowed costs" expected to be paid by the plan.

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